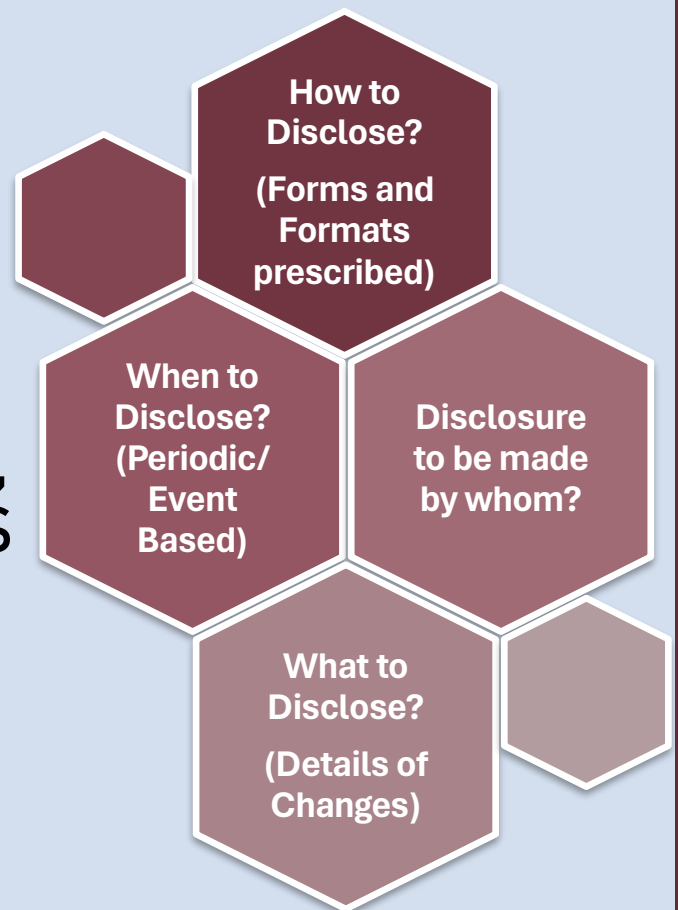


# DISCLOSURES BY DIRECTORS UNDER THE COMPANIES ACT, 2013 AND SECURITIES LAWS



*Prepared by:*

*Aakash R under the guidance of CS R Sridharan*

**SCOPE COVERED:**

- The Companies Act, 2013;
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- SEBI (Prohibition of Insider Trading) Regulations, 2015;
- SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2015.

**DISCLOSURES TO BE MADE BY:**

- Directors (Managing Director/Executive Director/Non – Executive Director/Independent Director/ Independent Director (Woman))
- Senior Management Personnel
- Key Managerial Personnel.

**Disclosures required under the Companies Act, 2013**

	How to Disclose?	Disclosure required by whom?	When the Disclosure is to be made?	What to disclose?
1.	<p><b>Form DIR- 2</b></p> <p>(Section 152 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014)</p> <p><a href="https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMzMzQ=&amp;docCategory=Forms&amp;type=open">https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMzMzQ=&amp;docCategory=Forms&amp;type=open</a></p>	Every Director (Applicable to all Companies)	On or before the appointment as Director in the Company	Consent to act as Director
2.	<p><b>Form MBP-1</b></p> <p>(Section 184 of the Companies Act, 2013 read with Rule 9(1) of the Companies (Meetings of the Board and its Powers) Rules, 2014)</p> <p><a href="https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMzNDI=&amp;docCategory=Forms&amp;type=open">https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMzNDI=&amp;docCategory=Forms&amp;type=open</a></p>	Every Director (Applicable to all Companies)	<ul style="list-style-type: none"> <li>• First Meeting of Board in which he/she participates as Director (<i>Initial</i>)</li> <li>• First Meeting of Board in every Financial year (<i>Periodical - Annual</i>)</li> <li>• Whenever there is any change in Disclosures already made (<i>Event based</i>)</li> </ul>	Disclose concern or interest in any company or bodies corporate, firms, or other association of individuals with shareholding.
3.	<p><b>Form DIR-8</b></p> <p>(Section 164(2) and rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014)</p> <p><a href="https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMzNDI=&amp;docCategory=Forms&amp;type=open">https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMzNDI=&amp;docCategory=Forms&amp;type=open</a></p>	Every Director (Applicable to all Companies)	<ul style="list-style-type: none"> <li>• Before his/her appointment as Director</li> <li>• Before his/her Re-appointment as Director (<i>Initial</i>)</li> <li>• First Meeting of Board in every Financial year (<i>Periodical - Annual</i>)</li> </ul>	Disqualification incurred under Section 164(1), (2) of the Companies Act, if any.
4.	<p><b>Criteria of Independence of Director</b></p> <p>Section 149(7) of the Companies Act, 2013 and</p>	All Independent Directors	<ul style="list-style-type: none"> <li>• First Meeting of Board in which he/she participates as</li> </ul>	<ul style="list-style-type: none"> <li>• Declaration that he meets the criteria of independence as provided in 149(6)</li> </ul>

			Director ( <i>Initial</i> ) <ul style="list-style-type: none"> <li>• First Meeting of Board in every Financial year (<i>Periodical - Annual</i>)</li> <li>• Whenever any change in circumstances that affects his/her position as Independent Director (<i>Event based</i>)</li> </ul>	of the Companies Act, 2013.
5.	<b><u>Consent to participate meetings of Board Through Video Conferencing</u></b>  Rule 3 (3) (e) of the Companies (Meetings of Board and its Powers) Rules, 2014	Every Director (Applicable to all Companies)	<ul style="list-style-type: none"> <li>• At the beginning of calendar year (<i>Periodical - January</i>)</li> <li>• At the time of appointment</li> </ul> <p><i>Note: Declaration shall be valid for one year</i></p>	Consent to participate meetings of Board Through Video Conferencing.

**Disclosures under SEBI (LODR) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011:**

1.	<b><u>Criteria of Independence of Director</u></b>  (Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)	All Independent Directors of Listed Entities.	<ul style="list-style-type: none"> <li>• First Meeting of Board in which he/she participates as Director (<i>Initial</i>)</li> <li>• First Meeting of Board in every Financial year (<i>Periodical - Annual</i>)</li> <li>• Whenever any change in circumstances that affects his/her position as Independent Director (<i>Event based</i>)</li> </ul>	<ul style="list-style-type: none"> <li>• Declaration that he/she meets the criteria of independence as provided under Regulation 16(1)(b) of SEBI (LODR) Regulations and</li> <li>• that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.</li> </ul>
2.	<b><u>Details of Committee positions</u></b>  (Regulation 26(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)	Every Director of the Listed entity	<ul style="list-style-type: none"> <li>• At the time of appointment (<i>Initial</i>)</li> <li>• Whenever any change in Disclosure</li> </ul>	Committee positions he or she occupies in other listed entities as Chairman and as Member.

			already made (Event based)	(Note: For the purpose of determining limit of Committees under LODR Regulations only Audit Committee and Stakeholders Relationship Committee is considered)
3.	<b>Compliance of Code of Conduct</b>  (Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)	Directors and Senior Management Personnel of Listed Entity	<ul style="list-style-type: none"> <li>On an annual basis (at the beginning of financial year)</li> </ul>	Affirm compliance with the Code of conduct of board of directors and senior management of the listed Entity.
4.	<b>Disclosure of Interests</b>  (Regulation 26(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)	Senior Management Personnel of Listed Entity	<ul style="list-style-type: none"> <li>At the time of appointment (Initial)</li> <li>Whenever any change in Disclosure already made (Event based)</li> </ul>	All material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.
5.	<b>Details of Holdings of Securities of the Company- Form A</b>  (Regulation 7(1)(b) of SEBI (Prohibition of Insider Trading) Regulations, 2015)  <a href="https://www.sebi.gov.in/legal/circulars/feb-2021/revised-disclosure-formats-under-regulation-7-of-sebi-prohibition-of-insider-trading-regulations-2015_49068.html">https://www.sebi.gov.in/legal/circulars/feb-2021/revised-disclosure-formats-under-regulation-7-of-sebi-prohibition-of-insider-trading-regulations-2015_49068.html</a>	Director / KMP / Promoter/ Member of Promoter Group	<p>Within seven days of Appointment as Director/ KMP or becoming Promoter/Promoter group.</p> <p><i>*Please note that Continual Disclosures are required by the said persons on changes in holdings above limits as prescribed in Regulation 7(2) of BI (PIT) Regulations 2015)</i></p>	Disclose his/her holding of securities of the company as on the date of appointment or becoming a promoter.
6.	<b>Disclosure by Designated Persons</b>  (Schedule B Clause 14 of SEBI (Prohibition of Insider Trading) Regulations, 2015 read with Code of Conduct of Company to Regulate, Monitor and Report Trading by Designated persons)	Directors/ KMP/ Senior Management Personnel of Listed Entities (Designated Persons)	<ul style="list-style-type: none"> <li>On an annual basis and</li> <li>As and when the information provided changes.</li> </ul>	<ul style="list-style-type: none"> <li>Name and PAN of Immediate Relatives</li> <li>Persons with whom such designated person shares a material financial relationship</li> <li>Phone, mobile and cell numbers which are used by them</li> <li>Names of educational institutions from which designated persons have graduated and</li> </ul>

				names of their past employers shall also be disclosed on a one time basis.
7.	<b>Disclosure of Encumbered Shares</b> Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011	Directors who are <b>Promoters</b> of the Listed Company.	<ul style="list-style-type: none"> <li>• Within seven working days from the end of each financial Year</li> </ul>	<ul style="list-style-type: none"> <li>• The promoter of every target company shall declare on a yearly basis that he, along with persons acting in concert, has not made any encumbrance, directly or indirectly, other than those already disclosed during the financial year</li> </ul>

**BY**

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**LOCATION**



**WEBSITE**



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