

SEBI allows top 100 firms to delay AGMs, extends deadlines of key meetings

The deadline for meetings of the nomination and remuneration committee, stakeholders relationship committee and risk management committee has been extended till June 30.

Providing further relief to the corporate sector in view of the coronavirus crisis, market regulator SEBI on Thursday said that the top 100 companies by market capitalisation can delay their Annual General Meetings (AGM) by a month.

Generally, a company has to hold its AGM within a period of five months from the date of closing of the financial year. The AGMs for financial year 2019-20 were originally due by August 31, and after the decision, companies can now hold their AGMs by September 30.

Further, the security market regulator also extended the deadline for holding meetings of the nomination and remuneration committee, stakeholders relationship committee and the risk management committee by three months till June 30.

All these committees are required to meet once in a fiscal year and the original due date for the current fiscal was March 31.

The regulator also said that the Standard Operating Procedure (SoP) on imposition of fines and other enforcement actions for non-compliances with provisions of the LODR which had to come into effect for compliance period ending on or after March 31, would now come into effect from compliance periods ending on or after June 30, 2020.

The relaxations announced on Thursday are among of a series of relief measures recently announced by the Securities and Exchange Board of India (SEBI).

On Monday, it relaxed compliance regulations for listed entities which have listed their non-convertible debentures (NCD), commercial papers (CP), non-convertible redeemable preference shares (NCRPS) and municipal debt securities.

The issuance date for debt securities was extended by 60 days to May 31, and the timeline for filing of large corporate initial and annual disclosures till June 30.

Earlier, SEBI allowed listed companies to file their fourth quarter and annual financial results by June 30. In general, companies have to report their earnings within one month of a quarter-end and if results get delayed, the companies have to inform the exchanges. The regulator also extended the date of filing quarterly corporate governance reports by one month and for releasing quarterly shareholding pattern by three weeks.

SEBI, along with the Ministry of Corporate Affairs (MCA), have sprung into action in order to provide relief to companies and businesses amid the coronavirus crisis and the ongoing 21-day lockdown.

Last week, the MCA relaxed several norms including board meeting obligations and physical official meetings for financial reports and restructuring.

(Source: thenewsminute.com)