Central Depository Services (India) Limited

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COMMUNIQUÉ TO REGISTRAR & TRANSFER AGENTS

CDSL/OPS/RTA/POLCY/2025/51 **February 27, 2025**

SEBI CIR-INDUSTRY STANDARDS ON MINIMUM INFORMATION TO BE PROVIDED FOR REVIEW OF THE AUDIT COMMITTEE

Issuers / RTAs are advised to refer to the SEBI Circular no. **SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025,** regarding **Industry standards on "minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" [refer Annexure].**

Issuers / RTAs are advised to take note of the same.

Queries regarding this communiqué may be addressed to: CDSL – Helpdesk Emails may be sent to: dprtasupport@cdslindia.com and connect through our **IVR Number 022-62343333**.

For and on behalf of
Central Depository Services (India) Limited

sd/-

Nilesh Shah
Asst. Vice President

भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

CIRCULAR

SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 **February 14, 2025**

To,

All listed entities
All the recognized Stock Exchanges
The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
Federation of Indian Chambers of Commerce and Industry (FICCI)
Confederation of Indian Industry (CII)

Dear Sir/Madam,

Sub: Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction"

1. Regulation 23(2), (3) and (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") require related party transactions ("**RPTs**") to be approved by the audit committee and by the shareholders, if material. Part A and Part B of Section III-B of SEBI Master Circular dated November 11, 2024[1] ("**Master Circular**") specify the information to be placed before the audit committee and shareholders, respectively, for consideration of RPTs.

2. In order to facilitate uniform approach and assist listed entities in complying with the above mentioned requirements, the Industry Standards Forum ("**ISF**") comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, has formulated industry standards, in consultation with SEBI, for minimum information to be provided for review of the audit committee and shareholders for approval of RPTs. The industry associations which are part of ISF (ASSOCHAM, FICCI, and CII) and the stock exchanges shall publish the industry standards on their websites.

3. The listed entities shall follow the aforesaid industry standards to ensure compliance with Part A and Part B of Section III-B of the Master Circular read with Regulation 23(2), (3) and (4) of LODR Regulations.

[1] Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities

4. Section III-B of the Master Circular shall stand modified as given below:

4.1. Paragraph 4 under Part A of Section III-B shall stand substituted by the following paragraph:

"*The listed entity shall provide the audit committee with the information as specified in the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction", while placing any proposal for review and approval of an RPT.*"

4.2. Paragraph 6 under Part B of Section III-B shall stand substituted by the following paragraph:

"*The notice being sent to the shareholders seeking approval for any RPT shall, in addition to the requirements under the Companies Act, 2013, include the information as part of the explanatory statement as specified in the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction".*"

5. This circular shall come into effect from April 1, 2025.

6. The Stock Exchanges are advised to bring the contents of this circular to the notice of their listed entities and ensure its compliance.

7. This circular is issued in exercise of the powers conferred under Section 11(1) and 11A of the Securities and Exchange Board of India Act, 1992 read with regulation 101 of LODR Regulations.

8. This circular is available on SEBI website at www.sebi.gov.in under the category: 'Legal → Circulars'.

Yours faithfully,

Raj Kumar Das
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