

LISTING AGREEMENT

Listing of Securities:

Listing means admission of securities for dealings on specified stock exchanges. The securities may be of a public limited company, Central/State Government, quasi governmental and other financial institutions /corporations/municipalities, etc.

The Companies desirous of getting their securities listed are required to enter an agreement with the Exchange called the Listing Agreement and are required to make certain disclosures and perform certain acts.

Importance of Listing Agreement:

1. Through this agreement company undertakes to provide prompt facilities like transfer, consolidation, sub-division, consolidation of securities.
2. Provide proper notice for record dates and book closure.
3. Furnish accounts on quarterly basis.
4. Intimate Stock Exchanges the happenings which are likely to affect the financial performance of the company & its stock prices.
5. Comply with the corporate governance conditions.
6. Forward copies of its annual report and accounts to its shareholders.

Various Important Clauses of Listing Agreement:

Clause 16:

- Give notice to SE stating the date & purpose for register closure or of record date.
- SE to be intimated at least 7 days before such closure or record date.
 - for purposes of declaration of dividend or
 - the issue of right or bonus shares or
 - issue of shares for conversion of debentures or of shares arising out of rights attached to debentures
 - Close register of transfers once a year at time of AGM
- The company on whose stocks, derivatives are available or whose stocks form part of an index on which derivatives are available, shall give a notice period of 30 days to stock exchanges for corporate actions like mergers, de-mergers, splits and bonus shares.
- Company not to have a gap of less than 30 days between two book closures/record date.

Clause 19:

- Prior intimation to the Exchange about the Board Meeting at which proposal for Buyback of Securities, declaration/recommendation of Dividend or Rights or issue of convertible debentures or of debentures carrying a right to subscribe to equity shares or the passing over of dividend or the issue of right is due to be considered at least 2 working days in advance.
- Simultaneous notice in case of proposal of declaration of Bonus is communicated to the Board of Directors

Clause 20 & 22

- Under Clauses 20 and 22 of the Listing Agreement companies are required to intimate to the stock exchange, immediately after the meeting of Board of Directors, regarding the decisions taken in respect of declaration of dividend or rights or bonus etc. In order to avoid excessive volatility in stock prices due to announcement regarding dividend, rights etc., during the Market Hours, such announcement shall be made immediately on the date of the Board Meeting only after the close of the Market Hours.

Clause 35:

- Within 21 days from the end of every quarter, file the shareholding pattern of the company with the Stock Exchanges.

Clause 40A:

- The provision requires a company to maintain on a continuous basis, public shareholding of at least 25% of the total number of issued shares of a class or kind, for every such class or kind of its shares which are listed.

Clause 41

- The quarterly financial result of the company is required to include details of promoters and promoter group shareholding including the details of pledged shares, as specified in the annexure.
- To make announcement to SE regarding quarterly unaudited financial result within 15 minutes of closure of Board Meeting.
- To publish unaudited/audited financial results in one English daily newspaper circulating in whole of India.
- Companies shall be required to furnish segment wise Revenue, Results and Capital Employed along with and as a part of the quarterly financial results
- On a whole, this clause states that the listed companies have to disclose detailed results in a month from quarter-end. Clause 41 aims to rationalize formats for submission of financial results. The unaudited results limited review report also has to be submitted. The companies with subsidiaries have

an option to publish standalone or consolidated results. This option cannot be changed during the year.

Clause 47(a)

- Appointment of Company Secretary to act as Compliance Officer & will be responsible for monitoring share transfer process & report to company's Board of directors in each meeting.

Clause 47(c)

- To ensure that the RTA or the in-house share transfer facility produces a certificate from Practicing company secretary certifying that all share certificates have been issued within one month of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies and a copy of the same shall be made available to the Exchange within 24 hours of the receipt of the certificate by the Company
- Submit the Clause 47(c) RTA report from the end of each half of financial year within 24hrs of the receipt of the same from PCS to the SE.

Clause 51 EDIFAR FILING

- The company agrees that it shall file the following information, statements and reports on the Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by National Informatics Centre (NIC), on-line, in such manner and format and within such time as may be specified by SEBI:
 - Full version of annual report including the balance sheet, profit and loss account, director's report and auditor's report; cash flow statements; half yearly financial statements quarterly financial statements.
 - Corporate governance report.
 - Shareholding pattern statement.
 - Statement of action taken against the company by any regulatory agency.
 - Such other statement, information or report as may be specified by SEBI from time to time in this regard.
- Compliance officer who shall be responsible for filing the above information in the EDIFAR system.