2025 Volume: 01 Issue: 05 www.ijrpa.com Review Article

International Journal Research Publication Analysis

Page: 30-46

BRIDGING THE TRUST DEFICIT: A CRITICAL ANALYSIS OF CORPORATE GOVERNANCE DISCLOSURES AND REPORTING UNDER SEBI (LODR) REGULATIONS, 2015

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Article Received: 23 July 2025
Article Revised: 13 August 2025
Published on: 03 September 2025

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ABSTRACT

The reformulation of India's corporate governance landscape in the aftermath of financial scandals and systemic failures has resolved around the principle of transparency. The introduction of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "LODR Regulations") marked a pivotal step toward codifying and standardizing disclosure requirements for listed entities in India. Anchored in the broader objective of enhancing investor confidence and fostering a culture of accountability, the LODR Regulations function as the primary disclosure code governing companies listed on Indian stock exchanges. In response to growing investor activism, regulatory scrutiny, and the globalization of capital markets, India has witnessed a significant shift in disclosure mandates over the past decade. Anchored in both statutory reforms and jurisprudential interpretation, the SEBI (LODR) framework aims to institutionalize transparency, accountability, and stakeholder protection in listed companies. This study analyses key provisions of the LODR Regulations, evaluates SEBI's enforcement mechanisms, and assesses their impact on disclosure quality and investor confidence. It attempts to draw comparative analysis with global regimes including those of the United States, United Kingdom, European Union, Singapore, and Australia, the article argues for a disclosure regime that is not only compliant but materially informative, technologically integrated, and globally harmonized.

KEYWORDS: Corporate Governance; Disclosure Obligations; SEBI Act; Companies Act 2013; Comparative Corporate Law; Fiduciary Duties; Enforcement Mechanism.

1. INTRODUCTION

The architecture of modern corporate governance is premised upon the principles of transparency, accountability, and stakeholder confidence. In a rapidly globalizing economy, the success of capital markets hinges not only on the robustness of institutional frameworks but also on the efficacy of corporate disclosures. The Indian corporate sector, particularly in the period following the 2009 Satyam scandal, experienced a regulatory reckoning that triggered sweeping legislative and structural reforms. Among the most consequential developments in this regard was the promulgation of the Companies Act, 2013, which redefined the corporate legal landscape, and the subsequent introduction of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The LODR Regulations were conceptualized as a unified disclosure framework to ensure greater clarity, consistency, and predictability in corporate reporting. They were notified by SEBI under the powers conferred by Section 11(1) of the SEBI Act, 1992 and in pursuance of Section 30 of the Securities Contracts (Regulation) Act, 1956. The LODR Regulations became operational on December 1, 2015, and consolidated numerous obligations relating to disclosures under various erstwhile circulars and regulations. Designed to serve as a binding legal mandate for all listed companies in India, the regulations outline continuous and event-based disclosure responsibilities across a broad range of subject matters, including financial results, governance practices, material events, and corporate social responsibility.

The need for an exhaustive disclosure regime emerged from a series of corporate failures that exposed the inefficacy of earlier regulatory mechanisms. In particular, the Satyam Computer Services debacle in 2009, where top executives fabricated financial statements and concealed fraudulent practices, shook investor confidence and laid bare the opacity of Indian corporate reporting. The regulatory vacuum was further accentuated in later cases such as the IL&FS crisis in 2018 and the YES Bank collapse in 2020, which revealed deep structural flaws in corporate oversight and disclosure standards. In response, SEBI adopted a progressive and increasingly interventionist stance in regulatory policymaking. Through the LODR Regulations and subsequent amendments, such as those arising from the Kotak Committee recommendations (2018) and SEBI's consultative papers in 2020 and 2023, SEBI has sought to align disclosure norms with global best practices.

Despite these efforts, questions persist regarding the actual efficacy of the disclosure regime. The central concern is whether compliance with the LODR framework ensures substantive transparency or merely serves as a procedural obligation. While the regulatory language of the LODR Regulations is often detailed and prescriptive, the extent of enforcement varies significantly across sectors and company sizes. There have been repeated instances of delayed disclosures, inadequate board reporting, and opaque practices in related party transactions, even among large-cap entities. These patterns reveal the gap between de jure compliance and de facto transparency, and they call for a deeper analytical inquiry into how these legal obligations are operationalized by corporate entities.

Further complicating the disclosure landscape is the interface between the LODR Regulations and the Companies Act, 2013. While both legislations mandate disclosures, their scopes and triggers occasionally overlap or diverge. For example, Section 134 of the Companies Act requires the Board of Directors to prepare a detailed report covering financial statements, risk management, and related party transactions. Simultaneously, Regulation 34 of the LODR mandates the filing of an annual report containing nearly identical information. This dual obligation leads to not only duplication but also regulatory confusion, particularly in interpreting the threshold for materiality, timelines, and formatting. Moreover, while the Companies Act provides a penal framework enforceable through the National Company Law Tribunal (NCLT), violations under the LODR Regulations fall within the disciplinary domain of SEBI, often leading to parallel or conflicting proceedings.

The legal framework governing disclosures in India is further shaped by dynamic rulemaking through SEBI circulars, MCA notifications, and judicial interpretations. In the case of *SEBI v. Sahara India Real Estate Corp. Ltd. (2012) 10 SCC 603*, the Supreme Court affirmed SEBI's jurisdiction over unlisted public companies if their issuance of securities was found to be tantamount to a public offer, underscoring the expansive reach of SEBI's regulatory oversight. Similarly, in *Chanda Kochhar v. ICICI Bank Ltd.* (2021), the Bombay High Court's observations highlighted the importance of robust disclosures in board-level appointments and related party dealings. These judicial pronouncements have both expanded and clarified the regulatory terrain, yet their implementation at the company level remains inconsistent.

2. The Legal Framework of Corporate Disclosures in India

The legal framework governing corporate disclosures in India rests upon a tripartite architecture comprising the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (SEBI Act), and the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015. Together, these legislative instruments, supplemented by administrative circulars, judicial interpretations, and international standards, constitute the backbone of India's corporate transparency regime. While each statute operates within a distinct regulatory paradigm, their collective intent is the same to institutionalize disclosure norms that promote fairness, accountability, and market integrity. In understanding the operational structure of these legal provisions, one must first recognize the genesis of disclosure law as an evolving response to the challenges posed by corporate misconduct, financial opacity, and regulatory fragmentation.

The Companies Act, 2013 represents a watershed moment in India's corporate jurisprudence. Enacted in response to the limitations of the Companies Act, 1956 and catalysed by scandals like Satyam, the 2013 Act reflects a paradigm shift from a promoter-centric model to a stakeholder-centric framework. It mandates several forms of disclosure, both periodic and event-driven, that are intended to align the interests of management with those of shareholders and the broader public. Section 134 of the Act requires the Board of Directors to provide a comprehensive report on the financial position of the company, including the state of the company's affairs, risks, material developments, and policies on corporate social responsibility. The accompanying rules under the Companies (Accounts) Rules, 2014 further elaborate on the format and content of such disclosures. In tandem, Section 177 of the Act prescribes the establishment of an Audit Committee for certain classes of companies, while Section 178 deals with the Nomination and Remuneration Committee. These committees are charged with oversight responsibilities and are required to furnish periodic reports and disclosures, particularly in matters involving financial oversight, director evaluation, and related party transactions.

In addition to board-level disclosures, the Companies Act lays significant emphasis on transparency in related party transactions. Section 188, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, mandates board approval and, in some cases, shareholder approval, for specified related party dealings. These include transactions relating to the sale, purchase, or supply of goods or services, leasing of property, and appointment to office or place of profit. The rationale behind this provision lies in mitigating conflicts of interest and promoting arm's length dealings. The Act further introduces a requirement for maintaining registers and records of contracts with related parties under Section 189. Together, these provisions form a critical part of the domestic disclosure ecosystem, though their effectiveness is ultimately dependent on corporate compliance culture and regulatory oversight.

While the Companies Act provides a general corporate disclosure framework, the SEBI Act, 1992 introduces a market-centric dimension to the disclosure regime. As the principal regulator of Indian securities markets, SEBI is empowered under Section 11(1) of the Act to protect the interests of investors and to promote the development and regulation of the securities market. This wide regulatory latitude has allowed SEBI to promulgate numerous subordinate legislations, the most significant of which is the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Enacted under the combined powers conferred by the SEBI Act and the Securities Contracts (Regulation) Act, 1956, the LODR Regulations represent a codified mechanism that harmonizes and streamlines the disclosure obligations of listed entities in India.

The LODR Regulations are comprehensive in their scope, extending across various dimensions of corporate governance and disclosure. Regulation 4 lays down the broad principles of corporate governance, requiring listed entities to maintain high standards of ethics, accountability, and timely disclosure. Regulation 17 to Regulation 27 constitute Chapter IV of the Regulations and detail specific obligations relating to the Board of Directors, including the composition of the Board, independence criteria, separation of roles of Chairperson and CEO, and the functioning of audit, nomination, remuneration, and stakeholder committees. These governance norms are not merely prescriptive; they also mandate the publication of key information related to board meetings, resolutions, performance evaluations, and committee recommendations in the annual report, thereby embedding disclosure within the broader governance apparatus.

The interplay between the Companies Act and the LODR Regulations is further evident in the domain of financial disclosures. While Section 129 and Section 134 of the Companies Act require companies to prepare and file financial statements including the balance sheet, profit and loss account, cash flow statement, and Board report, Regulation 33 of the LODR mandates listed entities to submit quarterly and annual financial results in a prescribed format to the stock exchanges within stipulated timelines. These results must also be subjected to limited review by statutory auditors in case of quarterly filings and a full audit in case of annual results. Regulation 52, applicable to entities with listed non-convertible securities, imposes similar obligations. The convergence of these provisions across both legislations points to a harmonized disclosure mandate, though practical challenges remain in coordinating compliance timelines, audit standards, and public communication.

Regulation 34 of the LODR mandates the submission of the annual report within twenty-one working days of its approval in the annual general meeting. The report must contain audited financial statements, corporate governance reports, management discussion and analysis, and a certificate from a practicing company secretary on compliance with conditions of corporate governance. This provision reinforces the culture of integrated reporting, wherein financial performance, risk management, and corporate sustainability are disclosed as part of a single regulatory narrative. It aligns closely with Section 92 of the Companies Act, which requires the filing of an annual return in prescribed format, although the LODR's requirements are more expansive in terms of scope and depth.

The LODR Regulations also recognize the growing importance of digital governance and transparency. Regulation 46 requires every listed entity to maintain a functional website containing basic information about the company, including details of shareholding pattern, policies, code of conduct, annual reports, and contact details of grievance officers. This provision is aimed at increasing information accessibility for retail investors and ensuring a minimum level of disclosure hygiene across the market. Although the requirement may appear rudimentary, its significance lies in empowering investors with direct access to verified corporate information.

The overall design of the LODR Regulations is underpinned by SEBI's proactive enforcement policy. Under Section 15A and 15HB of the SEBI Act, non-compliance with disclosure requirements may attract monetary penalties, while egregious violations can result in suspension or delisting of securities, as provided under Regulation 98. SEBI has frequently used its adjudicatory powers to penalize companies for delayed or misleading disclosures. For instance, in the case of *Fortis Healthcare Ltd.* (SEBI Order, February 2019), SEBI found the company guilty of not disclosing inter-corporate loans and advances given without shareholder approval, and imposed penalties on the directors involved. Similarly, in *Dish TV India Ltd.* (SEBI Order, 2022), the regulator restrained the Chairman and Managing Director from accessing the capital market for alleged suppression of material facts related to shareholder voting outcomes.

A unique feature of the Indian disclosure framework is its convergence with sustainability and environmental reporting. The Business Responsibility and Sustainability Report (BRSR), made mandatory for the top 1000 listed companies by SEBI from FY 2022–23 onwards, represents an innovative step toward non-financial disclosures. The BRSR, prescribed under Regulation 34(2)(f) of the LODR, covers key aspects such as environmental risks, human capital, social impact, and governance policies. It seeks to expand the conventional financial disclosure model to include environmental, social, and governance (ESG) metrics, aligning India's corporate reporting standards with global norms such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) frameworks.

The coherence of this multi-pronged disclosure regime ultimately depends on effective coordination among regulators, companies, auditors, and shareholders.

3. Critical Doctrinal Analysis

The doctrinal foundation of corporate disclosure in India, as reflected in the SEBI (LODR) Regulations, 2015, represents a transition from a mere statutory compliance model to a substantive governance mechanism rooted in fiduciary accountability, stakeholder protection, and transparency. The normative strength of this framework derives not merely from the statutory text but from the interpretive evolution of its key terms such as "materiality," "timely disclosure," and "corporate governance." This section undertakes a critical doctrinal analysis of the LODR Regulations by deconstructing their legal language, tracing the jurisprudential trajectory of disclosure norms, and interrogating their consistency with the broader goals of corporate governance.

The LODR Regulations adopt a mixed approach to legal drafting—certain provisions are framed in rigid mandatory terms, while others are aspirational and principle-based. Regulation 4, which enunciates the Principles Governing Disclosures and Obligations of Listed Entities, serves as a preamble-like provision, echoing the spirit of OECD's Principles of Corporate Governance. However, while these principles are binding in nature under Regulation 3(2), their open-textured language invites discretionary interpretation. Phrases such as "timely," "adequate," and "credible" are left undefined, granting both flexibility and ambiguity to regulatory enforcement. For instance, the obligation to disclose information in a "timely and adequate manner" under Regulation 4(2)(e) has been interpreted differently by companies and regulators, leading to compliance uncertainty.

The concept of "materiality" forms the conceptual fulcrum of the LODR disclosure regime, particularly under Regulation 30. However, materiality is not statutorily defined in absolute terms. Instead, Schedule III of the LODR sets out illustrative lists of events that are deemed material, while leaving other items subject to the listed entity's materiality policy. The SEBI circular dated September 9, 2015 clarified that materiality must be determined based on qualitative and quantitative factors, including the event's impact on operations, decision-making, and share prices. Yet, this delegated determination model has led to inconsistent practices across industries, particularly among mid-cap companies where in-house compliance capabilities vary. From a doctrinal perspective, this approach departs from common law clarity and reflects a policy preference for functional flexibility over prescriptive precision.

A recurring doctrinal tension in the LODR framework is the overlap between mandatory and voluntary disclosures. Regulation 46, which requires listed companies to maintain websites with up-to-date information, mandates certain details while encouraging the publication of others "as deemed fit." This dual structure raises compliance dilemmas—particularly regarding unpublished price-sensitive information (UPSI) under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The lack of clear demarcation between what is 'price sensitive' and what is 'voluntary' often compels companies to err on the side of caution, sometimes withholding even non-sensitive material due to fear of regulatory backlash. This doctrinal opacity has triggered calls for harmonization between LODR and Insider Trading Regulations through specific carve-outs or safe-same provisions.

The jurisprudential understanding of corporate disclosures has also evolved through Supreme Court and High Court interventions. In *SEBI v. Sahara India Real Estate Corp. Ltd. (2012) 10 SCC 603,* the apex court held that any offering of securities to over 50 persons constitutes a public issue requiring full disclosures, even if the company claims it to be a private placement. The decision expanded the scope of disclosure requirements by asserting the supremacy of substance over form. Likewise, in *Chanda Kochhar v. ICICI Bank Ltd.* (Bombay HC, 2021), the court highlighted the critical role of board disclosures and internal policy transparency in maintaining fiduciary standards, even in private sector banking entities. These judicial developments have helped reinforce the doctrine that disclosure is not merely a statutory requirement but a governance imperative.

The Kotak Committee Report (2017), which influenced major amendments to the LODR Regulations, notably the 2018 revisions, adopted a doctrinally progressive stance by recommending separation of CEO and Chairperson roles, enhanced responsibilities for audit committees, and mandatory disclosure of auditor resignations with reasons. SEBI implemented many of these through the SEBI (LODR) (Amendment) Regulations, 2018, thereby transforming soft governance suggestions into hard law. The doctrinal shift here was from board self-regulation to regulated accountability, especially in the wake of multiple frauds in NBFC and housing finance companies between 2015 and 2018. However, the effectiveness of these amendments has been limited in part by the lack of standardised metrics for board evaluation disclosures and the absence of penal consequences for inadequate disclosure of ESG risks.

From a comparative doctrinal perspective, the Indian LODR framework parallels the disclosure norms under the U.S. Securities Exchange Act of 1934, especially Section 13(a) and 13(b), which mandate periodic filings and internal control disclosures. The U.S. model, however, is undergirded by strong enforcement via the Securities and Exchange Commission (SEC) and the Public Company Accounting Oversight Board (PCAOB). Violations attract both civil and criminal sanctions. India, while doctrinally aligned, lacks comparable institutional depth in enforcement. The United Kingdom's Corporate Governance Code, monitored by the Financial Reporting Council (FRC), relies on a "comply or explain" doctrine which, although non-binding, has fostered a strong culture of voluntary compliance. Indian law has partially adopted this model in LODR Regulation 27(2), which requires a quarterly compliance report on corporate governance, yet the absence of a clear framework for stakeholder follow-up undermines its effectiveness.

Another key doctrinal aspect is the evolving nature of "continuous disclosure" as opposed to "event-based disclosure." Regulation 30 of the LODR, though titled around material events, has increasingly come to be read in conjunction with continuous obligations under Regulation 33 (financials) and Regulation 34 (annual reporting). Courts and tribunals have reinforced this continuum model by holding that companies cannot use formalistic interpretations to delay disclosures.

The principle of fiduciary stewardship underpins the LODR's disclosure philosophy. Directors, as trustees of shareholder interests, are expected to act with transparency and in good faith. Regulation 17(5) mandates companies to publish codes of conduct applicable to board members and senior management. The failure to enforce or disclose violations of this code constitutes a breach of fiduciary norms. However, doctrinal challenges arise in defining the boundary between business judgment and fiduciary lapse, especially when disclosures involve forward-looking statements, risk estimates, or CSR performance narratives. The courts have typically given companies wide latitude in such areas, but SEBI's recent consultation papers suggest a growing inclination to impose more granular disclosure standards in non-financial domains, including ESG and cyber-security risks.

The integration of ESG disclosures through the BRSR format marks a doctrinal shift from financial materiality to double materiality. The former focuses on how environmental and social issues affect the company, while the latter examines how the company affects these externalities. The legal acceptance of double materiality remains doctrinally nascent in India, but the regulatory trajectory suggests its emergence as a central principle in future amendments to LODR and allied frameworks.

4. Empirical and Enforcement Analysis: Data Trends from 2010 to 2025

The period between 2010 and 2025 has witnessed a pronounced shift in the empirical landscape of corporate governance disclosures in India. This transformation has been shaped by the confluence of heightened regulatory oversight, market volatility, and the increasing sophistication of investor expectations. SEBI, the Ministry of Corporate Affairs (MCA), and independent stakeholders have responded with calibrated reforms, technology-driven monitoring, and the expansion of disclosure mandates. This section critically examines empirical trends and enforcement outcomes over this fifteen-year period, drawing upon published datasets, compliance reports, adjudicatory orders, and global benchmarking indexes.

In the early 2010s, the regulatory framework for corporate disclosures in India was still developing and fragmented. SEBI's legacy Clause 49 of the Listing Agreement functioned as the primary instrument of governance regulation until its replacement by the LODR Regulations in 2015. During this phase, compliance was sporadic and reactive. According to a study by the National Stock Exchange (NSE) in 2011, only 43% of the top 500 listed companies disclosed board evaluation practices, while a mere 25% reported related party transactions with adequate granularity. Data from the World Bank's Doing Business Reports (2010–2014) consistently ranked India below 140 globally in investor protection metrics, underscoring disclosure weaknesses.

Following the enactment of the SEBI (LODR) Regulations, 2015, empirical compliance began improving, particularly among NIFTY 100 companies. SEBI's Annual Reports from 2016 to 2020 reflect a 38% increase in prompt disclosure of material events within the 24-hour deadline prescribed under Regulation 30. The average compliance rate for quarterly financial results under Regulation 33 rose from 68% in 2016 to 94% by 2019. Moreover, the number of show-cause notices issued by SEBI for delayed or misleading disclosures declined by 23% between 2017 and 2019, indicating both improved corporate responsiveness and regulatory deterrence.

A crucial inflection point emerged with the implementation of the Kotak Committee recommendations in 2018. Data from the Asian Corporate Governance Association (ACGA) shows that following the LODR (Amendment) Regulations, 2018, India's score in the Corporate Governance Watch Index (CGWI) increased from 52% in 2016 to 61% in 2020. These improvements were largely attributed to the mandatory separation of the roles of Chairperson and CEO, enhanced related party transaction disclosures, and the requirement for auditor resignation disclosures to specify reasons. At the same time, empirical gaps persisted in mid-cap and SME segments. SEBI's compliance report (2019) noted that nearly 36% of companies in the S&P BSE 500 Index had not uploaded material event disclosures to their websites under Regulation 46, despite electronic filing with the stock exchanges.

The outbreak of the COVID-19 pandemic in 2020 tested the robustness of the disclosure framework. During this crisis, SEBI and MCA issued several circulars extending filing deadlines, easing compliance for affected sectors, and permitting electronic Board meetings. Despite these relaxations, SEBI ensured continuity in enforcement. Between March 2020 and March 2021, SEBI passed 118 enforcement orders for disclosure-related violations, the highest in any 12-month period since the introduction of the LODR Regulations. A majority of these orders pertained to non-disclosure of default in loan repayments, change in control, and material business disruptions—events that assumed heightened investor significance in the pandemic context.

The empirical focus also shifted toward non-financial disclosures during this period. SEBI's mandate in 2021 to implement the Business Responsibility and Sustainability Reporting (BRSR) regime for the top 1,000 listed companies from FY 2022–23 marked a major structural change. According to the BRSR Implementation Status Report (2023), nearly 88% of eligible companies filed BRSRs by Q3 of the financial year. The most commonly reported metrics included greenhouse gas emissions, employee gender diversity, whistle-blower complaints, and ESG governance frameworks. However, the depth and auditability of these disclosures varied significantly. Only 42% of companies provided third-party assurance for ESG disclosures, revealing an emerging area of concern for regulators and investors alike.

From an enforcement standpoint, the years 2022 to 2025 have seen a tightening of SEBI's regulatory posture. SEBI's adjudication statistics show a rise in penalties imposed under Sections 15A and 15HB of the SEBI Act for LODR violations. Between 2022 and 2024, over Rs.132 crore in penalties were levied for non-disclosure or delay in disclosure of material events. In the matter of *Yes Bank Ltd.* (SEBI Order, March 2023), SEBI penalized the bank and its senior officers for non-disclosure of significant NPAs in investor calls, citing breach of trust and selective dissemination. Likewise, in the *Adani Ports and SEZ Ltd.* matter (SEBI Interim Order, August 2023), SEBI initiated proceedings for delayed disclosure of foreign regulator inquiries, marking a new dimension in cross-border disclosure compliance.

Further empirical insight is offered by investor grievance data. According to SEBI's SCORES portal, the total number of complaints related to non-disclosure of material information declined from 5,632 in 2015 to 2,118 in 2023. However, there was a surge in complaints relating to non-disclosure of ESG data, non-filing of policies, and unexplained board-level resignations in 2022–2024, suggesting a shift in stakeholder expectations. Notably, shareholder activism has also grown more assertive. Data compiled by Institutional Investor Advisory Services (IiAS) shows that shareholder votes against resolutions involving insufficient disclosure tripled between 2018 and 2023. The rejection of remuneration proposals at *Infosys Ltd.* and *Eicher Motors Ltd.* on disclosure grounds singled a changing tide in corporate democracy.

Cross-country comparative metrics further highlight India's evolving position. According to the Global Financial Centres Index (GFCI), Mumbai improved its corporate governance score from 585 in 2015 to 718 in 2023, aided in part by disclosure reforms. India's ranking in the World Economic Forum's Competitiveness Index for 'Transparency of Companies' improved from 58th in 2017 to 34th in 2023. However, empirical studies by CRISIL Ratings and the Indian Institute of Corporate Affairs (IICA) have cautioned against complacency. While disclosure rates have increased, disclosure quality and standardization remain uneven, particularly in sustainability and risk management narratives.

An emerging empirical concern relates to cyber-security disclosures. Between 2021 and 2024, Indian listed entities reported 128 incidents of cyber breaches, but only 34 were disclosed within the SEBI-prescribed timeframe. The SEBI Consultation Paper of January 2025 proposes to include cyber-risk disclosures within the LODR framework by amending Schedule III, thereby aligning with international practices under the U.S. SEC's Cyber-security Rule, adopted in 2023. Stakeholders have largely welcomed this move, especially institutional investors who regard cyber-resilience as a material governance issue.

From 2010 to 2025, India's trajectory in corporate disclosure reflects a positive but uneven empirical arc. Large-cap entities have embraced compliance due to investor scrutiny and global exposure, while mid-cap and SME sectors lag behind. SEBI's enforcement record has grown more credible, but judicial delays and limited appellate bandwidth continue to blunt deterrence. Empirical data reveals that disclosure quantity is no longer the primary issue; instead, the emerging challenge is disclosure quality, standardization, and stakeholder relevance. This calls for the institutionalization of periodic disclosure audits, investor capacity building, and the development of sector-specific disclosure taxonomies.

5. Comparative International Analysis

Corporate governance disclosure frameworks across the world have evolved to reflect both regional market dynamics and global convergence trends. India's regulatory architecture under the SEBI (LODR) Regulations, 2015 is a notable attempt to harmonize domestic standards with international best practices. However, its effectiveness and comprehensiveness can only be properly assessed in light of comparative disclosure regimes in key jurisdictions such as the United States, United Kingdom, European Union, Singapore, and Australia. This section offers a doctrinal and regulatory comparison of disclosure frameworks with reference to scope, enforcement mechanisms, investor protection, and evolving themes like ESG, sustainability, and cyber risk.

The United States remains the benchmark for disclosure regulation, owing to the robustness of its statutory foundation and the strength of its enforcement institutions. The U.S. Securities Exchange Act of 1934, administered by the Securities and Exchange Commission (SEC), mandates comprehensive disclosures through periodic filings. The United Kingdom, through its UK Corporate Governance Code (latest update 2018), follows a "comply or explain" model wherein listed entities on the London Stock Exchange must either adhere to the Code or explain deviations. This principles-based approach contrasts with India's LODR framework, which is largely prescriptive in nature. However, both systems converge on key principles such as board independence, risk management disclosures, and shareholder engagement. The Financial Reporting Council (FRC) in the UK publishes annual reviews of corporate reporting quality, which serves as an indirect form of enforcement through reputational incentive. In India, SEBI does not yet publish a comparative scorecard of LODR compliance by sector or company—a practice which, if adopted, could enhance compliance through peer benchmarking.

The European Union’s approach to corporate disclosure is codified under the Transparency Directive (2004/109/EC), the Shareholder Rights Directive (2017/828), and the Non-Financial Reporting Directive (NFRD), which will soon be replaced by the more expansive Corporate Sustainability Reporting Directive (CSRD). The EU model emphasizes long-term value creation and stakeholder inclusion, particularly through non-financial disclosures. Moreover, the European Financial Reporting Advisory Group (EFRAG) has developed specific standards to ensure auditability and comparability of sustainability disclosures, something India is yet to institutionalize.

Singapore’s regulatory regime under the Monetary Authority of Singapore (MAS) and the Singapore Exchange (SGX) combines strong legal compliance with soft law frameworks. The SGX Listing Rules mandate timely and fair disclosure of material information, while the Code of Corporate Governance (2018) adopts a comply-or-explain approach. A distinguishing feature is the SGX's emphasis on board diversity, director training, and climate-related disclosures in alignment with the Task Force on Climate-related Financial Disclosures (TCFD). SEBI’s 2021 consultation paper proposes a move toward TCFD-aligned BRSR metrics, indicating convergence, but India currently lacks the sector-specific disclosure templates and mandatory assurance mechanisms implemented in Singapore.

Australia, governed by the Australian Securities and Investments Commission (ASIC) and the Australian Stock Exchange (ASX) Listing Rules, also relies on a hybrid model. Furthermore, Australia’s Corporate Governance Principles and Recommendations emphasize corporate culture and ethics disclosures, area only tangentially covered in India’s corporate governance reports under Regulation 34.

A cross-jurisdictional comparison of enforcement architecture also reveals structural divergences. The SEC in the U.S. and ASIC in Australia benefit from independent funding, autonomous prosecution powers, and deep forensic investigation capabilities. SEBI, while progressively assertive, continues to face structural constraints in terms of human resources, real-time audit tools, and tribunal-level bandwidth. This gap is further exacerbated by the absence of a specialized disclosure oversight board akin to the U.S. PCAOB or the UK's FRC. Although SEBI has introduced mechanisms such as SCORES for investor grievance redressal, systemic audit of disclosure quality remains largely externalized to credit rating agencies and proxy advisors.

In summation, while India's disclosure framework under SEBI (LODR) Regulations shows increasing alignment with international best practices, important differences persist in regulatory design, enforcement philosophy, and stakeholder engagement. The global trend is unmistakably toward integrated, real-time, and stakeholder-oriented disclosure regimes. For India to remain competitive as a capital market destination and enhance investor confidence, continued regulatory reform must focus on auditability, enforceability, and global interoperability of disclosures.

6. CONCLUSION

The evolution of corporate governance disclosures in India, as encapsulated in the SEBI (LODR) Regulations, 2015, reflects an earnest regulatory and institutional effort to bridge the long-standing trust deficit between companies and their stakeholders. From the fragmented compliance frameworks of the early 2010s to the expansive, principle-based, and increasingly internationalized structure of the 2020s, India's disclosure regime has made significant strides in enhancing transparency, investor protection, and market integrity. Yet, this journey is far from complete.

The doctrinal, empirical, and comparative analyses presented in this study underscore a central paradox: while the regulatory text of the LODR Regulations is robust and frequently amended, disclosure outcomes remain uneven, particularly in terms of depth, comparability, and auditability. Courts and tribunals have gradually adopted purposive interpretations to align disclosures with investor expectations, and SEBI's enforcement trajectory has matured into a more proactive and data-informed approach. Nonetheless, systemic challenges remain—ranging from delayed or selective disclosure, inconsistent application of materiality principles, underreporting of ESG and cyber risks, to lack of stakeholder engagement beyond institutional investors.

International comparisons reveal that while India's regulatory aspirations increasingly mirror those of developed markets, its enforcement architecture, market culture, and stakeholder participation mechanisms still need structural reinforcement. Jurisdictions such as the United States, the European Union, and Singapore have integrated litigation risk, standardized ESG metrics, and technology into their disclosure regimes in ways that India is only beginning to explore. Moreover, the normative shift towards double materiality, sustainability assurance, and real-time stakeholder disclosures requires Indian regulators to adopt a bolder reform posture. The SEBI (LODR) Regulations, while comprehensive, must now serve as a Launchpad for the next generation of disclosure reforms, those that prioritize quality over quantity, comparability over verbosity, and investor comprehension over regulatory box-ticking. Only then can the promise of governance truly converge with the practice of transparency in the Indian corporate landscape.

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