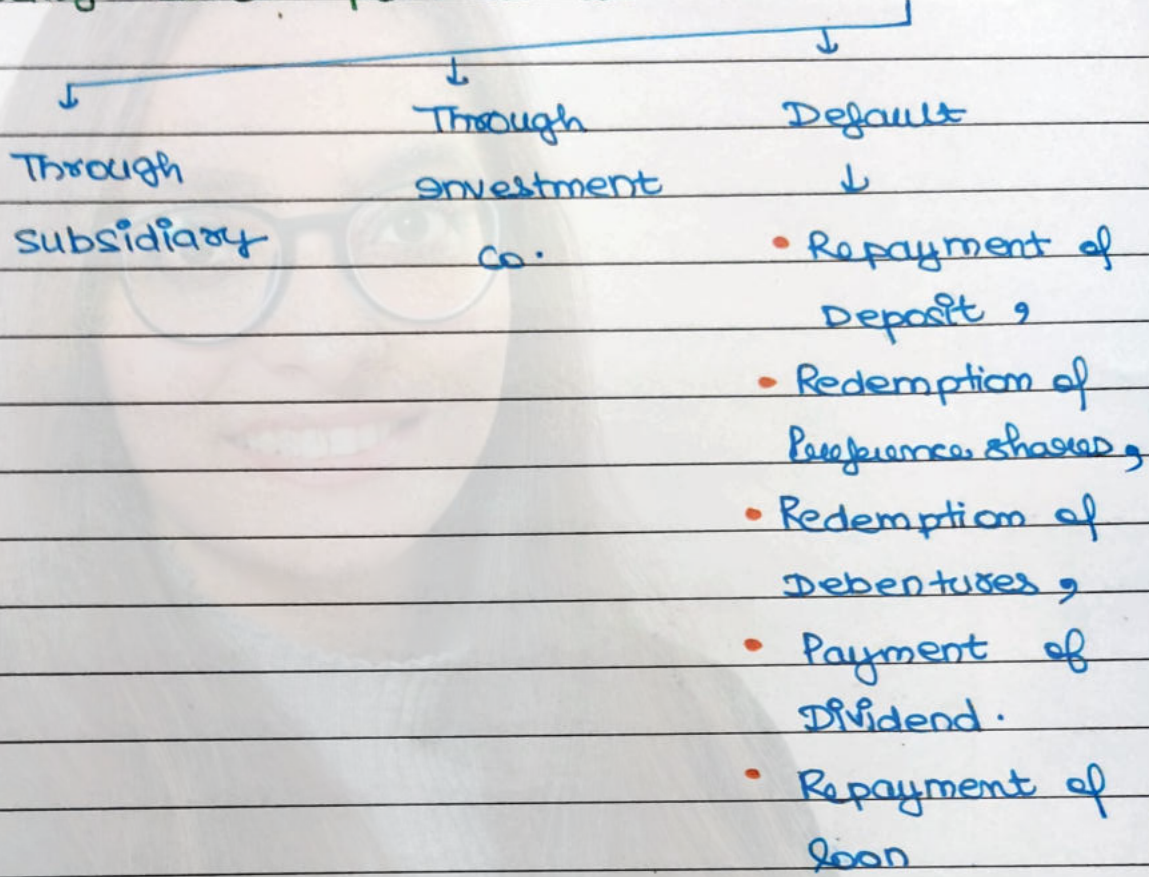


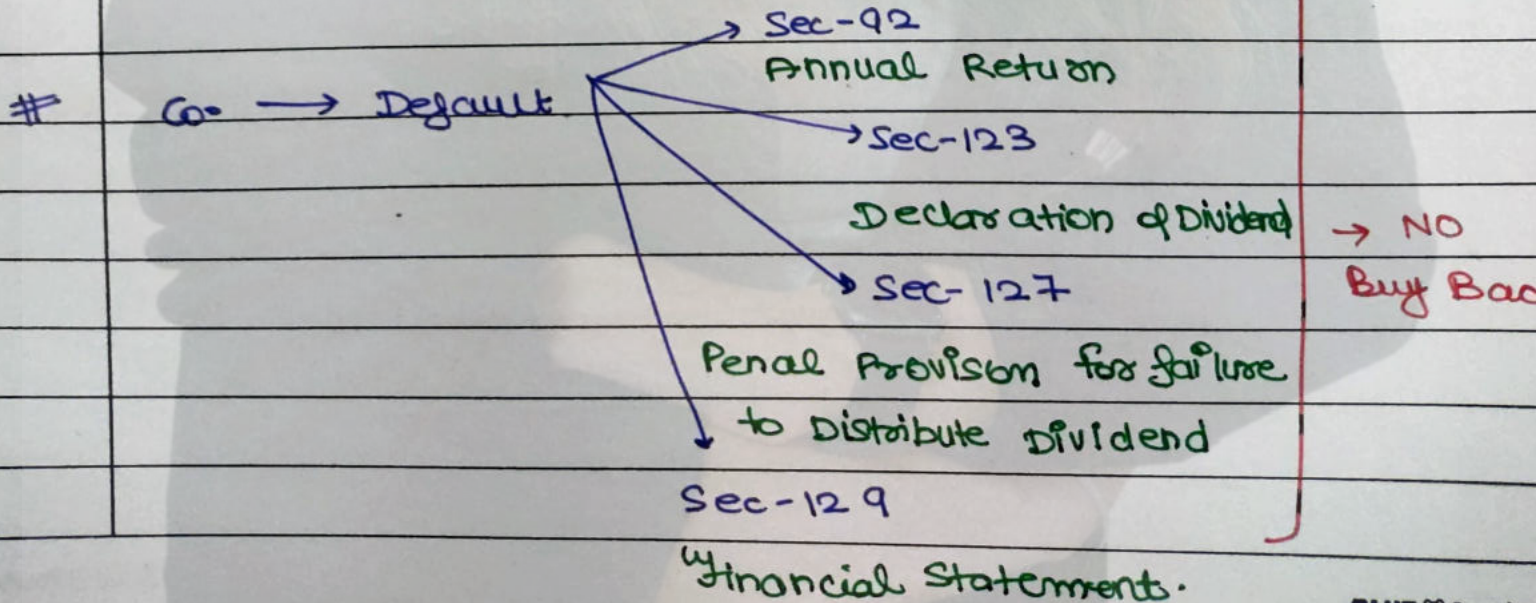
Section 70

Prohibition for Buy-Back in Certain Circumstances

No company shall purchase its own shares:-



Co. can buy back of period of 3 years has lapsed.



Debentures

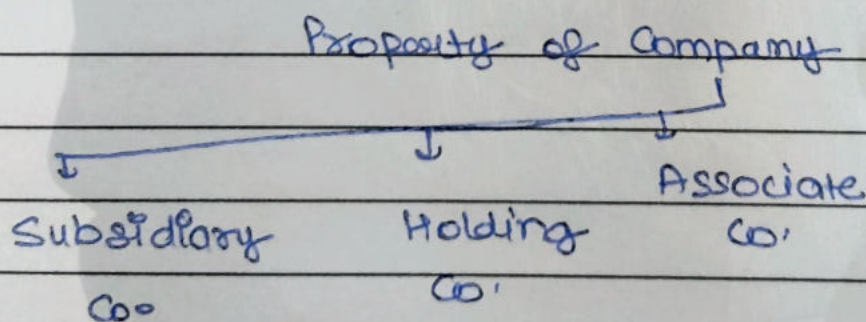
Section - 71 [13 Sub-Sections]

Read with Companies [Share Capital & Debenture]

Rules, 2014

- ✓ Represents liability on part of Govt.
- ✓ Debenture may be secured or unsecured.
- ✓ No Voting Power is available to Debenture.
- ✓ Debentures may be compulsory convertible, Partly - convertible, Non-convertible.

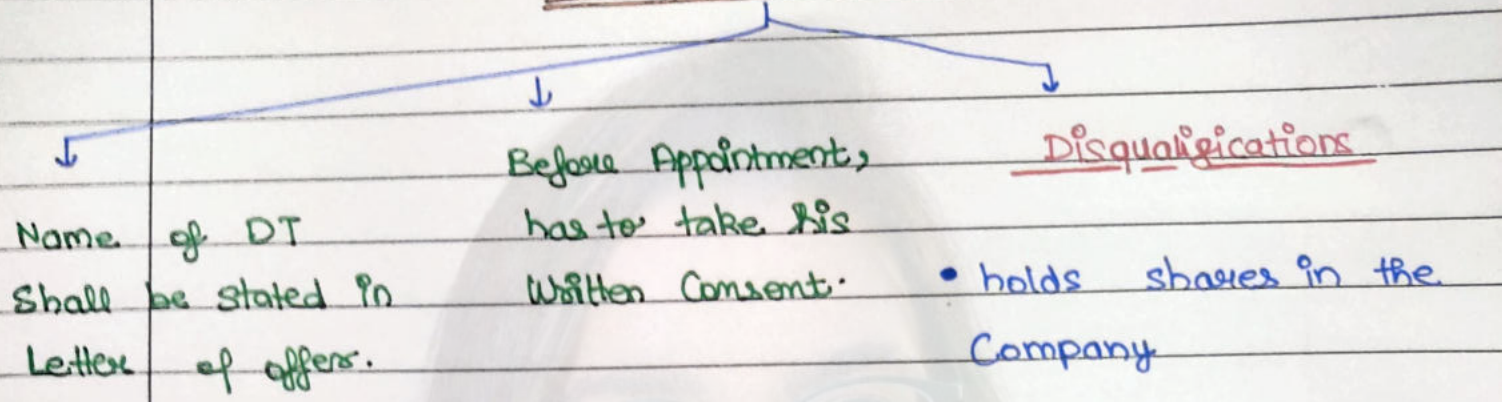
Creation of charge :-



→ having a value which is sufficient for Repayment of Debentures & interest thereon.

100% security cover

Debenture Trustee



Name of DT shall be stated in Letter of offers.

Before Appointment, has to take his Written Consent.

Disqualifications

- holds shares in the Company
- Is a Promoters, Directors, KMP or other officers or employee of CASH.
- Entitled to Money Paid by Company otherwise by Remuneration Payable to DT. [creditor]
- Indebted to CASH
- Guarantee of Principal Debt
- has Pecuniary relations with Company

Co. → Appoint DT

↓
Before issue of Prospectus or PPOCA

↓
But Not later than 60 days execute a trust Deed

↓
To protect interest of ~~Shareholders~~ Debenture

2% or more of gross Turnover 2% Total Income 50 lakh

↓
Lower

2. immediately Preceding FY.

Section 71

Debentures

↓
A Company may issue Debentures with an option to Convert it into Shares.

↓
Prior SR is Needed

↓
No company shall issue any Debentures Carrying Voting Rights.

↓
No Company shall issue Prospectus inviting Public exceeding 500 to subscribe its debenture unless, Company has appointed one or more Debenture Trustees

Time Period

[Secured Debentures ke case Mein hai Bani appoint ho

A Company may issue Secured Debentures for a period

↓
Not exceeding 10 years

↓
Not exceeding

30 years

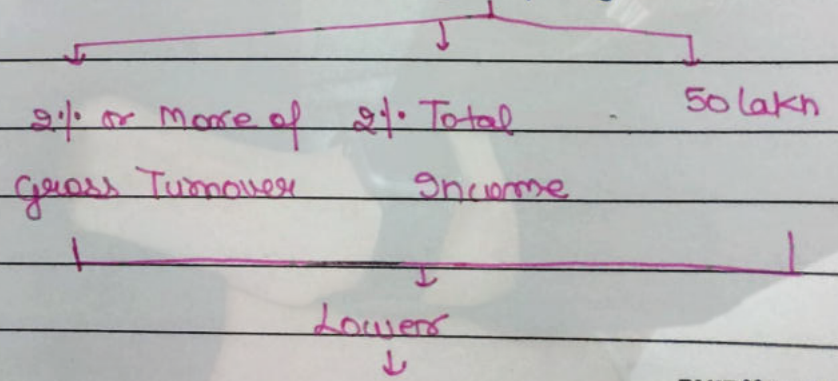
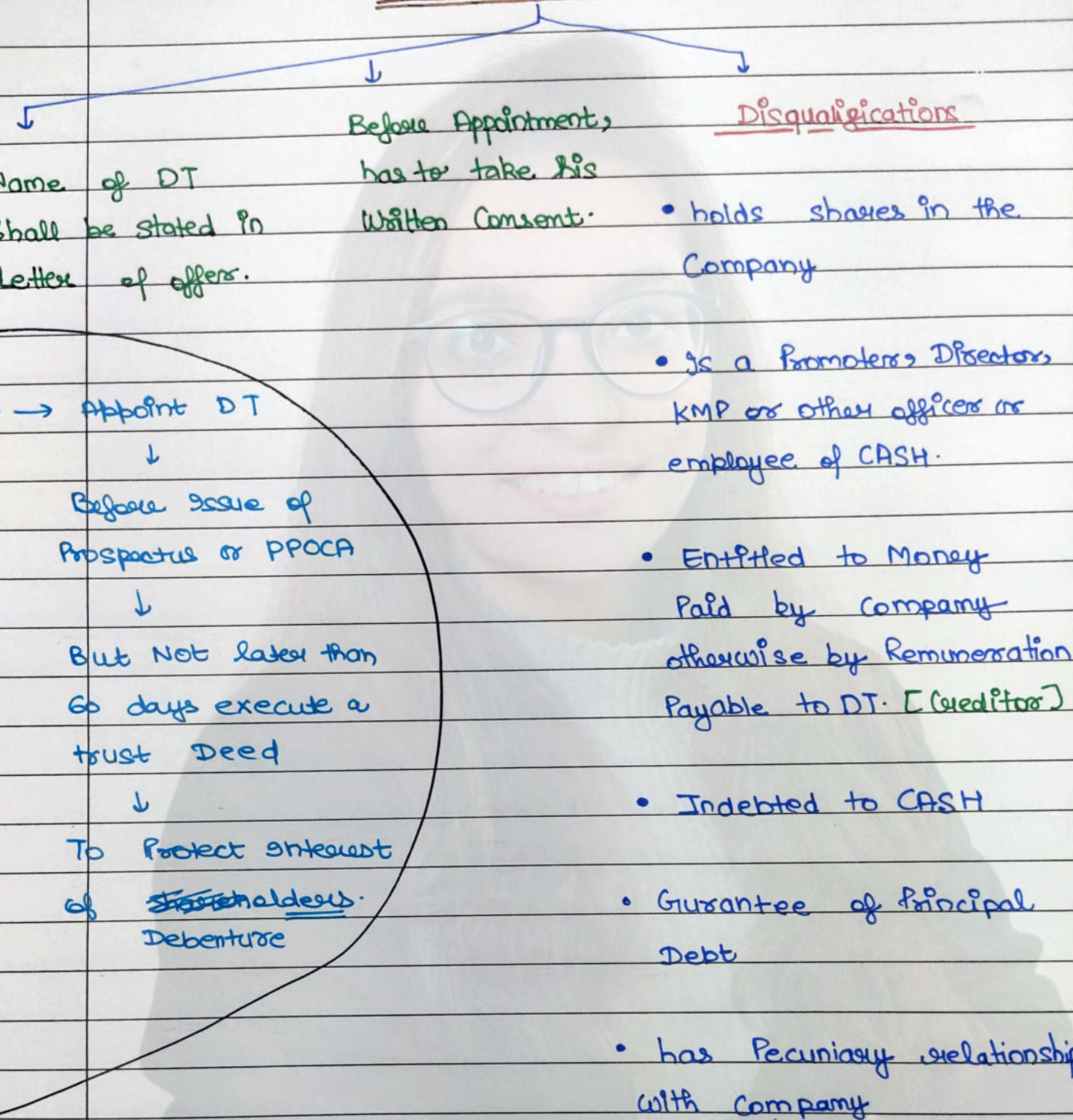
↓
Infra. Debt Fund Non-Banking Financial companies

↓
companies engaged in to Infrastructure Projects

↓
Infrastructure Finance Companies

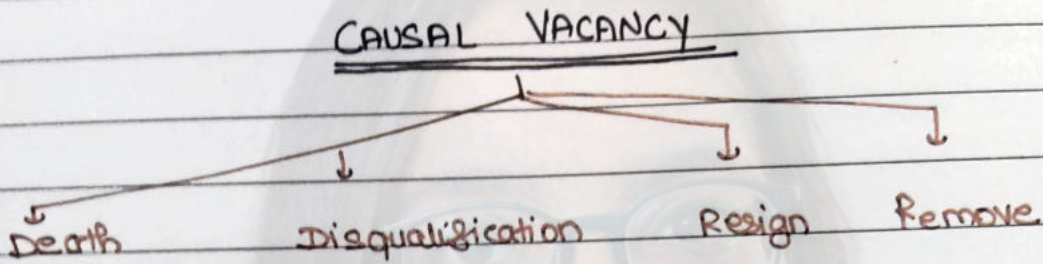
↓
companies permitted by Ministry.

Debenture Trustee



BLUE Panda
2 immediately Preceding FY.

• Relative of Promoter/
Director/KMP.



Board may fill Causal Vacancy, while such vacancy continue. Remaining Trustee may Act.

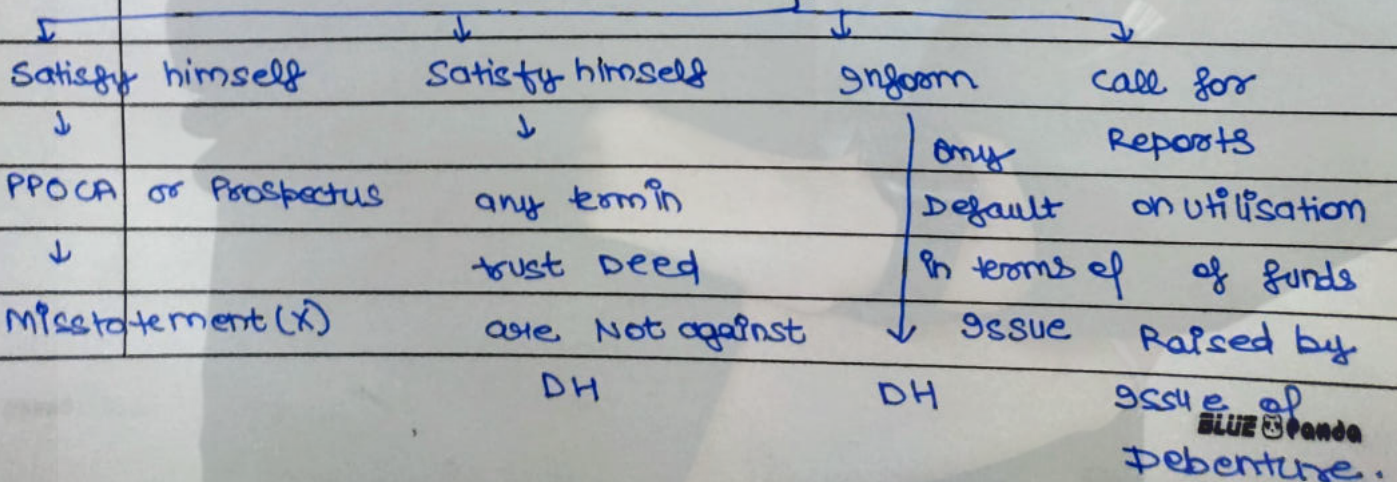
If vacancy arises → Due to Resignation

↓
Vacancy shall only be filled with written consent of Majority of Debenture holders.

Removal

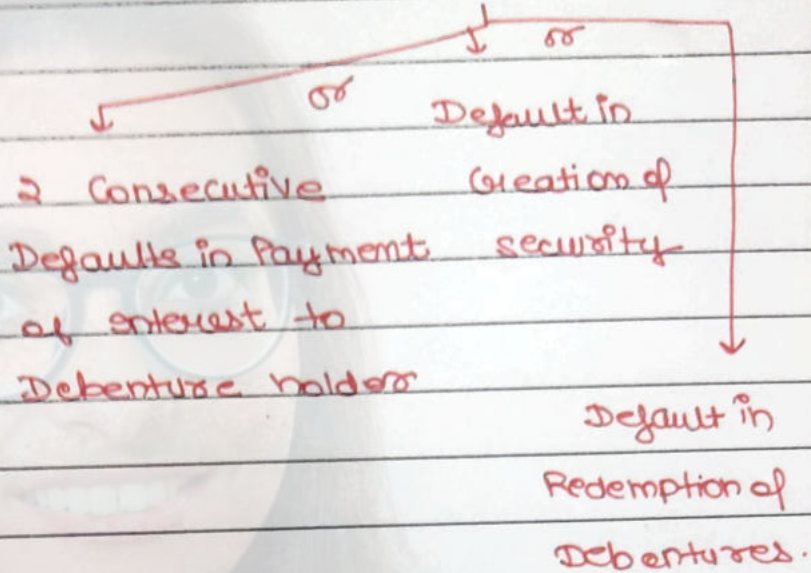
If approved by holder of at least 3/4th in Value of Debentures.

Junctions of Debenture Trustee



call for
Performance
Report from
Company

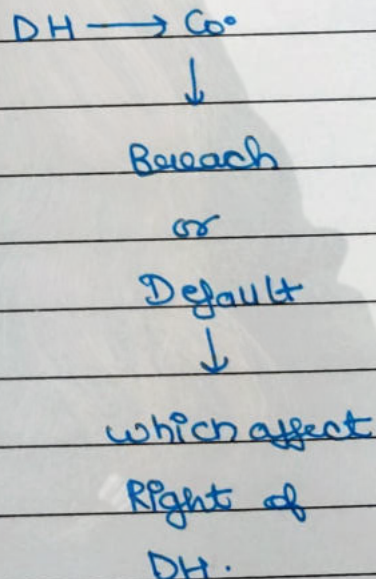
Appoint a Nominee
Director on Board



#

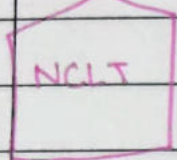
DT must take Steps to Convene Meeting of DH as & when Required;

Requisition in writing
Signed by DH -
holding $\geq 1/10^{th}$ of
Value.





DT → Assets of Co. are insufficient to discharge the Principle Amount



→ ROBH to Company

Impose Such Restriction on incurring any further liability

Debenture Trust Deed



within 60 days of Allotment

← SH-12 [Executed by Co. Issuing



Debenture in favour of DT]

open for inspection



Member

or person

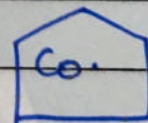
Request



Trust Deed Inspection

+

Fee



7 days

Trust Deed

forward

to any Mem

Issue Debenture Certificate



✓ within 6 months from allotment

Debenture Redemption Reserve



where Debentures are issued by Co's
it shall create DRR out of Profit
available for Payment of Dividend and



Amount Credited to such A/c shall not
be utilized by Co. Except Redemption of
Debenture.

Provision as per Companies (SH & Deb) Rules, 2014

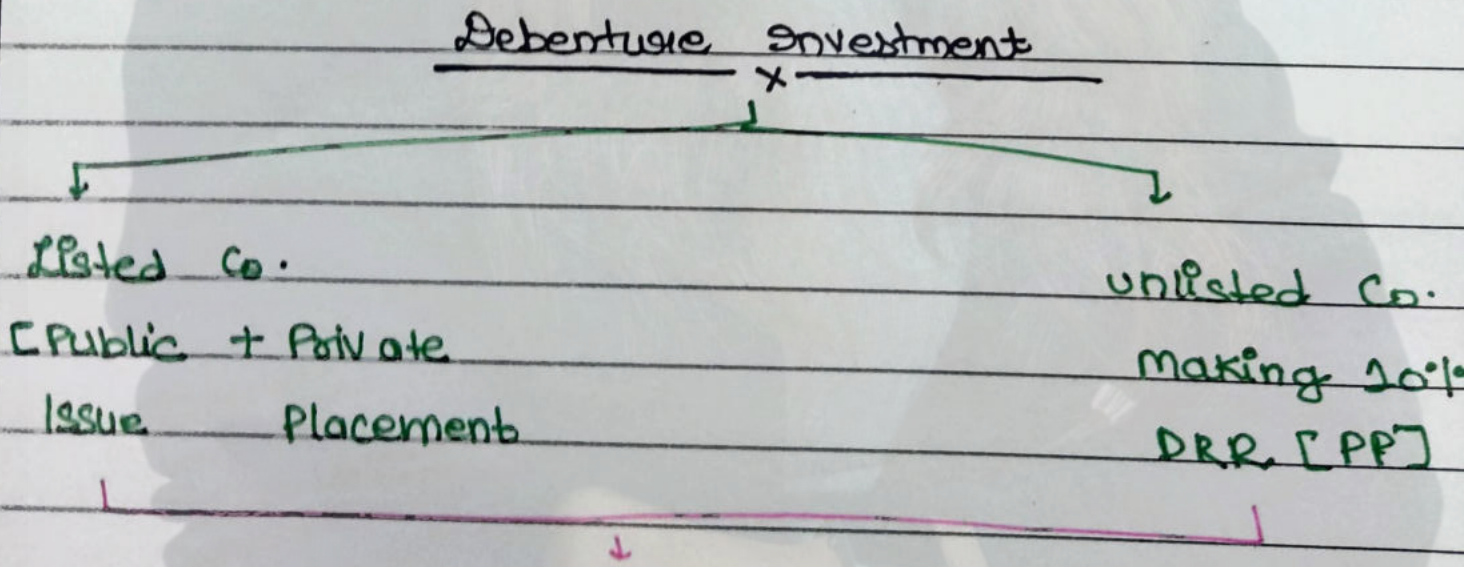
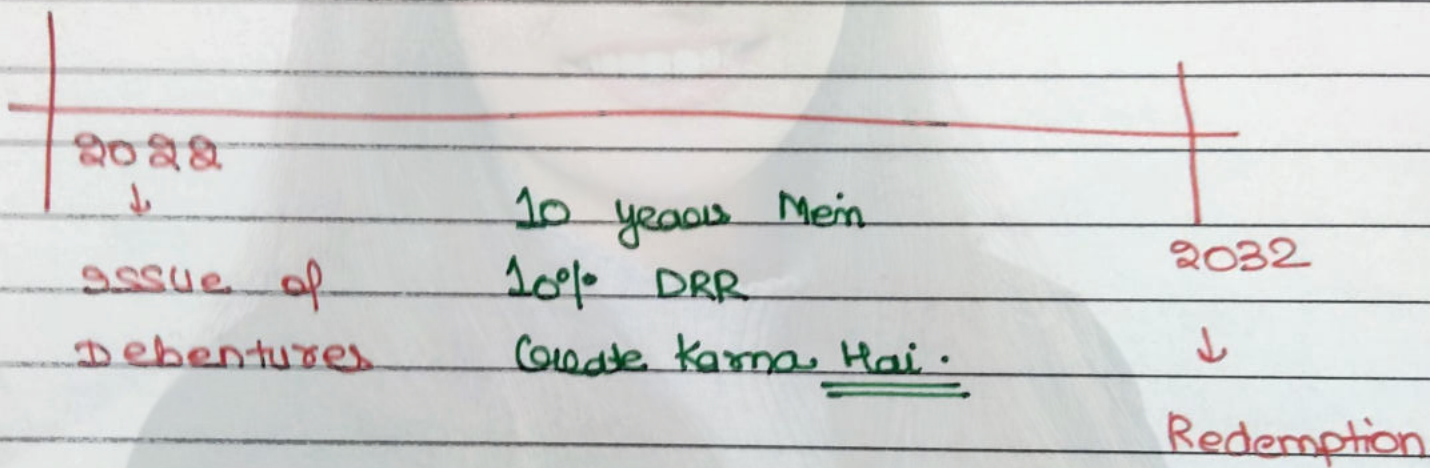
| | Private Placement | Public Offering |
|---|----------------------|--------------------|
| All India Financial Institution Regulated by RBI [NABARD, SIDBI or Banking Companies] | NIL | NIL |
| Other Financial Institution or NBFC | NIL | NIL |
| Listed Companies / NBFC Housing Co. | NIL | NIL |

unlisted co.
[Other than NBFC
& HFC]

10% of
Value of
outstanding
Debenture

10% of
Value of
outstanding
Debenture

The co. shall comply with the Requirements with regard to DRR and investment of sum in respect of Debentures maturing during the year ending 31st March of Next year.



15% of Debenture Value Ji's year Debenture Mature Ho Raha hai
[1 April - 30 April]

Investment

