

Sec 2(34)

ACCEPTANCE OF DEPOSITS BY COMPANY -

SEC 73 - SEC 76A
+

Companies [Acceptance of Deposit] Rules, 2014

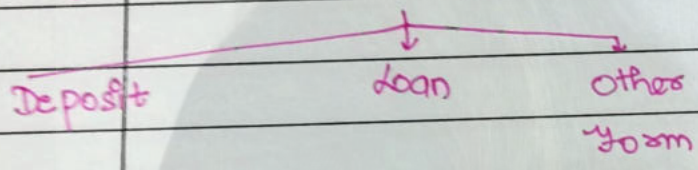
DEPOSIT → Sec 2(34)

Can be secured or unsecured

Includes

Any Receipt of Money

But Does not include



Such categories of amount as may be prescribed.

By Company

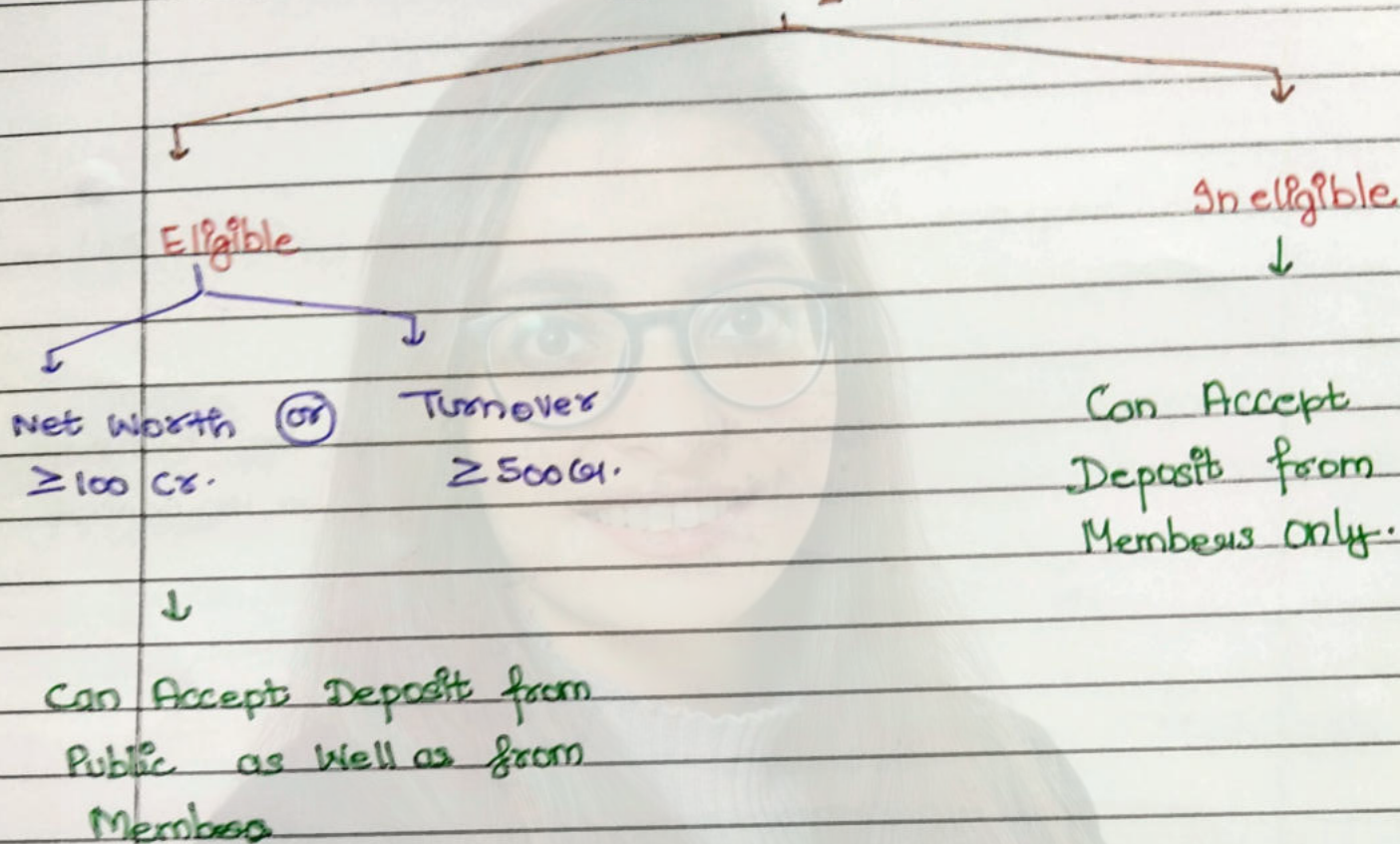
DEPOSITS

Private Company

Public Company

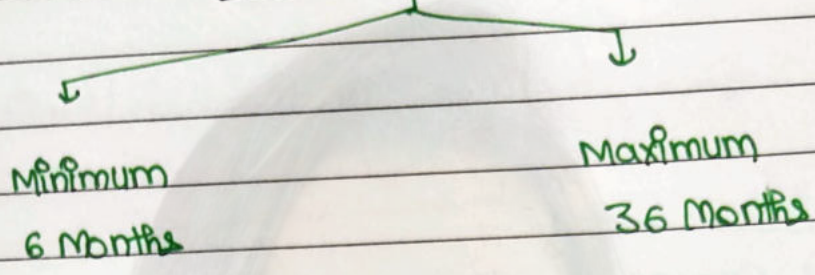
- Can not accept Deposit from Public:
- Can Accept Deposit from Members Only:

Can Accept Deposit from Public as well as from Members

Public CompanyList of Sections

- Sec 73 → Prohibition on Acceptance of Deposit from Public
- Sec 74 → Repayment of Deposit Accepted before this Act
- Sec 75 → Damages for Fraud
- Sec 76 → Acceptance of Deposit from Public
- Sec 76'A' → Punishment for Contravention

Term of Deposit

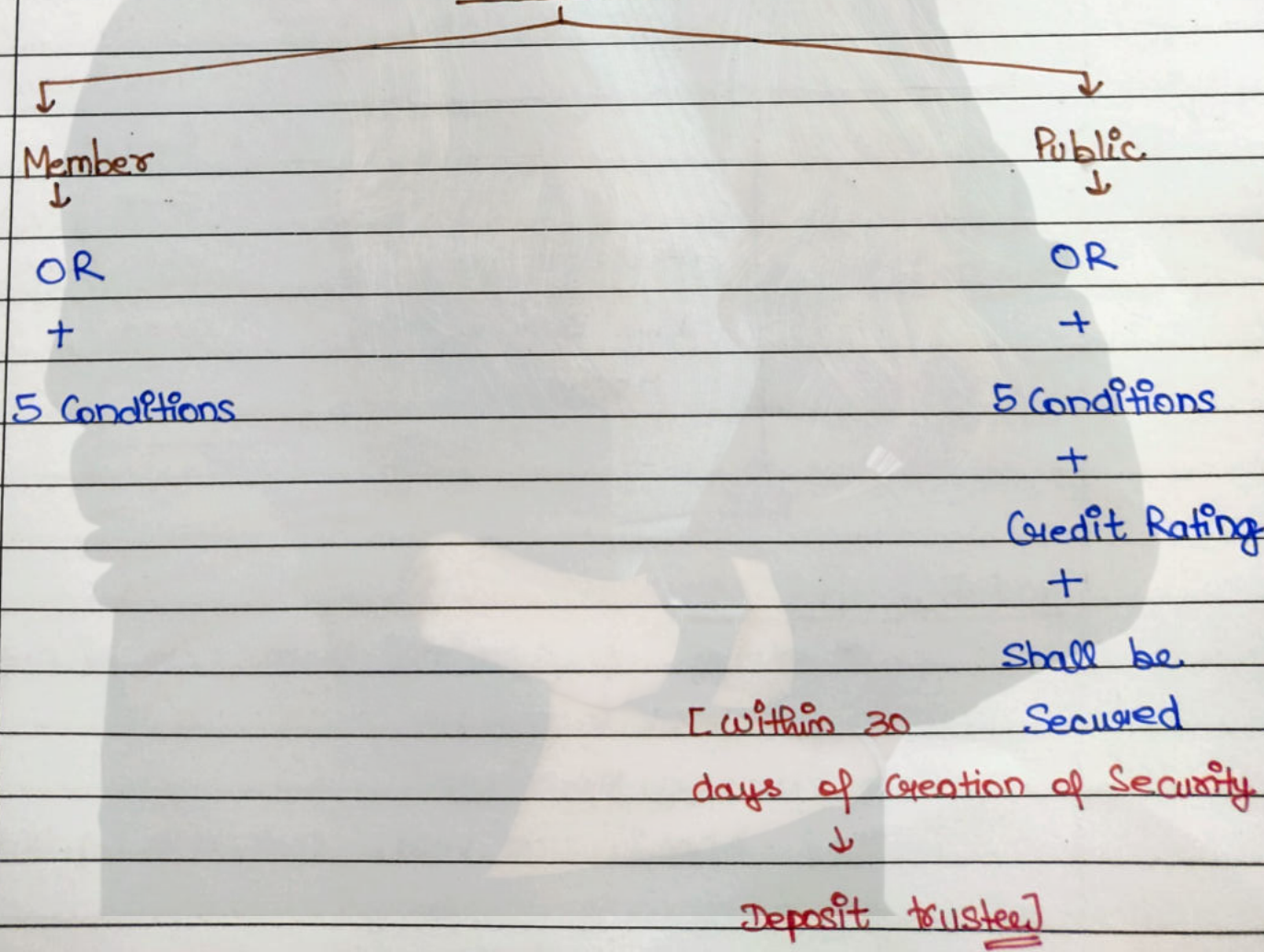


Exception

A Co. can accept Deposit for Repayment earlier than 6 Months but not earlier than 3 Months from Date of such Deposit.

Provided: Deposit \leq 10% [PSC + Free Reserve + SPR]

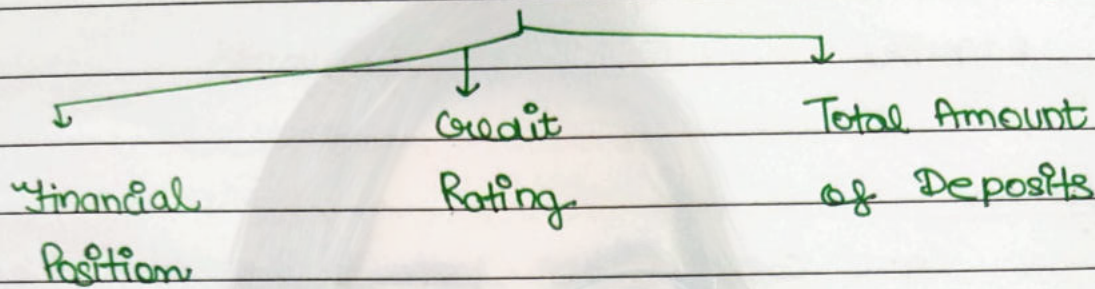
COMPANY



5 Conditions

1) Issuance of Circular to Member / Public

[DPT-1]



2) DPT-1 + Statutory Auditor

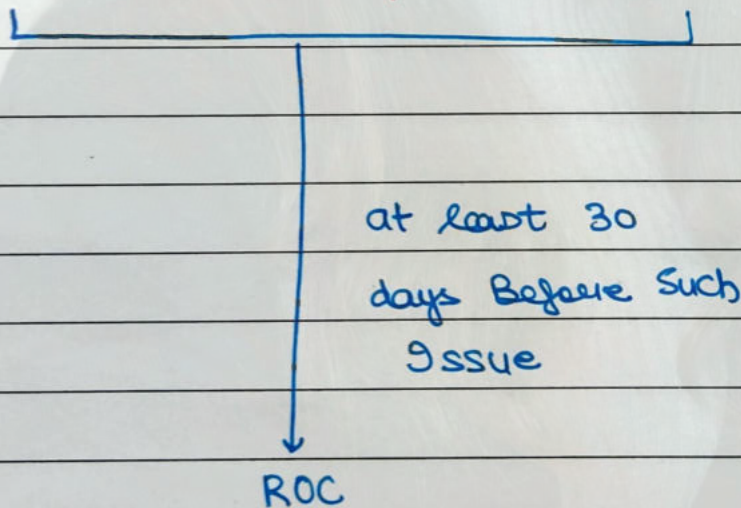
↓ Certificate

Signed by
Majority of
Directors

Co has Not committed
Defaulted in Repayment of
Deposit or Interest.

अथवा अथवा Default

⊕ Kya tha
To 5 years
has been lapsed
from Date on which
Such Default
Has been Made
Good.



Validity of DPT-1

- * expiry of 6 Months from Date of close of FY in which it is issued or
- * Date of AGM or
- * If AGM is Not held, last date of AGM

⇓
earlier

Date.....

MINIMUM LIMIT

MEMBER	ELIGIBLE	PUBLIC CO.	PRIVATE CO.	START UP	PRIVATE Co.
	Govt Co. ↓ 35% [PSC + FR + SPR]	35% [PSC + FR + SPR]	10% [PSC + FR + SPR]	UNLIMITED	3-conditions UNLIMITED
	Non-Govt Company ↓ 10% [PSC + FR + SPR]	-	-	-	-
	25% [PSC + FR + SPR]	-	-	-	-

MEMBER

OUTSIDER

3 conditions

- i) Not associate or subsidiary
- ii) Not defaulted in Payment of Deposit
- iii) loan ≤ 2[PSC] or 50 crore → whichever is less.

DEPOSIT

Following categories of Amount are not considered as Deposits :-

- Amount Received from Central Government or State Government.
- other source whose Repayment is guaranteed by CG or SG.
- Amount Received from Local authority.
- Amount received from Statutory authority constituted under an Act of Parliament.
- Amount received from Foreign Govt., International Banks, Multilateral financial Institution.
- Any amount Received from PFI or Bank or Regional financial Institution.
- Amt Received by Co. from any other Company.
- Amt Received against Issue of Commercial paper or any other instrument issued by RBI.
- Any Non-Interest bearing Amount received and held in trust.

Any Amount received by Nidhi Company, Amount Received by chit fund.

Receipt of Share Application Money:

[within 60 days allotment, 15 days refund otherwise treated as Deposit]

Any Amount Received from person who at time of Receipt of Amount was Director of Company or Relative of Director of Private Company.

Any Amount raised through Secured debentures or Bonds.

Any Amount Raised by issue of Non-convertible debentures, not constituting a charge and listed on Stock exchange.

Amount Received from employee not exceeding his annual salary under a contract of employment.

Any Amount Received in ordinary course of Business :-

✓ As Advance for supply of goods & services provided, advance is appropriated within 365 days.

✓ as Advance for sale of immovable property.

✓ As Advance for Security Deposit for performance of supply of goods & services.

✓ As Advance for providing future services. Period for providing such services shall not exceed

Does not exceed or 5 years
period prevalent as per
Common Business Practice

Less

✓ As an Advance for Subscription towards Publication, whether in print or in e-form.

✓ As an Advance received and as allowed by Sectoral Regulators

✓ As an Advance received under long-term projects for supply of capital goods.

• Any Receipt of Money from Promoter as unsecured loan:-

✓ Loan brought in pursuance of the condition imposed by lending institution.

✓ Loan is provided by promoters or by their relatives.

• Amount Received by Collective Investment Scheme Regulated by SEBI.

• Amt. Received by Start up Company → 25 lakh or more

• Amount Received by Co. from

↓	↓	↓	↓
Alternate investment funds	Venture Capital funds	Mutual funds	Infrastructure Investment Trust

✓ As Advance for Security Deposit for performance of supply of goods & services.

✓ As Advance for providing future services. Period for providing such services shall not exceed

↓
Does not exceed of 5 years
period prevalent as per
Common Business Practice.

↓
Less

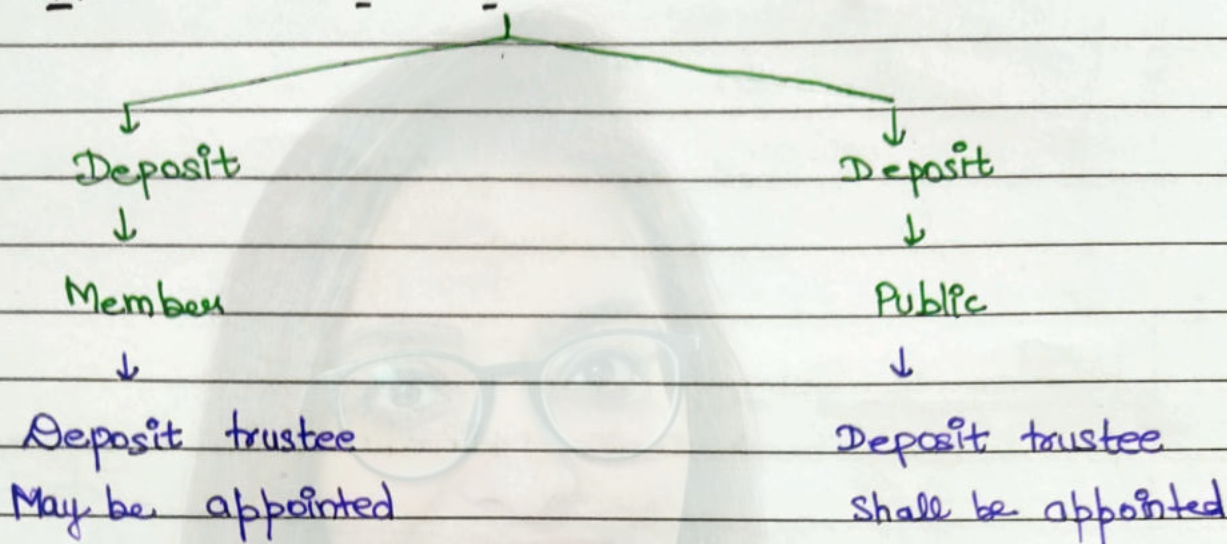
✓ As an Advance for Subscription to books & publications, whether in print or in e-form.

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• Any Receipt of Money from Promoter as unsecured loan:-

Appointment of Deposit trustee



Eligibility of Deposit trustee

Not eligible if;

- ✓ Director | KMP | ~~Director~~ employee of CASH.
officer
- ✓ Depositor in the company.
- ✓ Indebted to CASH.
- ✓ has any Material Pecuniary relationship with the Company.
- ✓ has entered into any guarantee in respect of principal debts secured by the Deposit.
- ✓ Is Related to any Person; Director | KMP | employee of CASH.

Deposit
Trustee
Deed

→ DPT-2

↓

Shall execute DPT-2 at least 7 days before issuing DPT-1.

Registers of Deposit

Co. → shall maintain at its Registered office

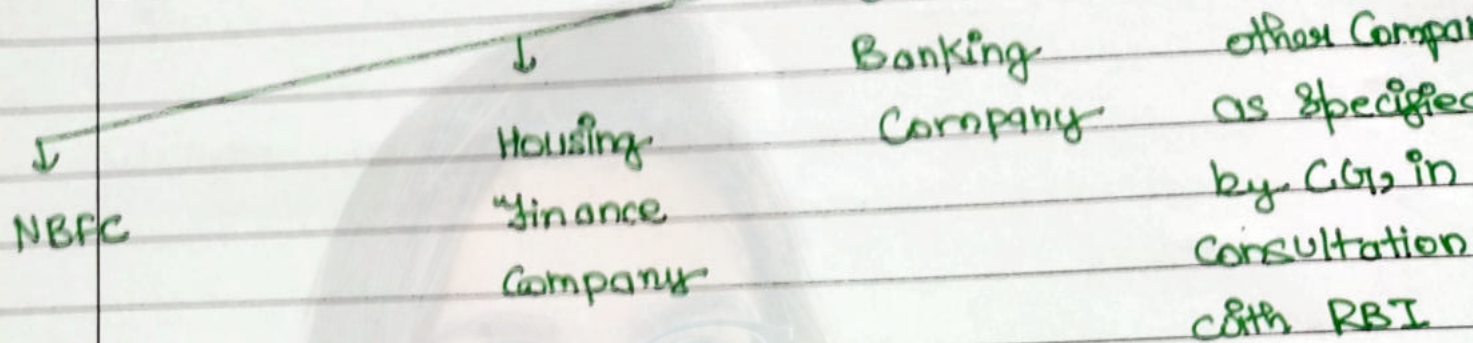
Name, address, PAN of Depositors	Deposit Receipt Number	Particulars of Security	Amount of each Deposit	Date & Due Date for payment of Interest

entries in Register shall be made within 7 days from issuance of Receipt.

Return of Deposite to be filed with Registers

Before 30 th June every year	ROC
	↓
	DPT-3

Non-Applicability of this Capex to following Companies



PRE-Mature Repayment of Deposite

After expiry of 6 Months, but before the actual date of Maturity;

ROI Payable shall be 1% less than Rate which could be payable for period for which Deposit was actually run.

Nomination:-

Every Depositor may Nominate any person at any time.

Deposits in Joint Name

In case of depositors of desire, deposits may be accepted in Joint Name not exceeding three.

Sec-75

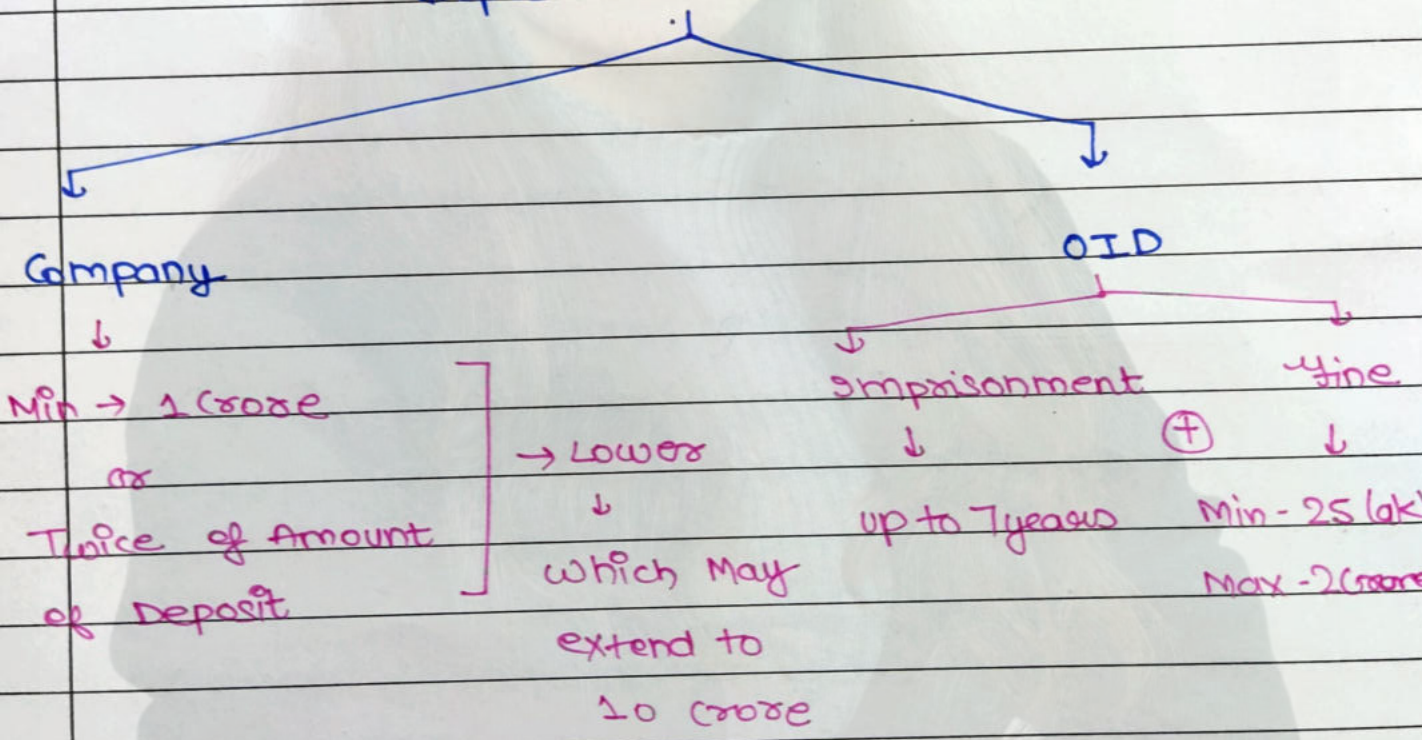
Damages for Fraud

Ager Company Sec-74 ko contravene karti Hai To Section 447 lgega.

Sec-76A

Punishment for Contravention of Section 73 or Section 76

In Addition to Payment of Amount of Deposit + interest



Sec-74

If Co. Iss Act se Phle Deposit Accept Kia Hai;

