

SYNOPSIS

- Compliance AS PER SEBI NCS Regulation
- Issuer without track record
- Specific obligation with respect to treatment of applicant
- Disclosure in offer document
- Advt. for public issue
- Incentives
- Deposit - sec. 71, Rule 2(1)(e)

PART - D

Compliance As per SEBI NCS Regulations

1]

→ The Issuer shall:

- obtain in-principle approval from SE
- comply conditions relating to the issue of ISIN
- Agreement with depository (dematerialization)
- Appoint debenture trustee and enter in to a deb. trust deed.
- obtain credit rating from at least one credit rating agency.
- create DRR, CRR (As per Co. Act)
- * create a Recovery exp. Fund (0.1% or 25L (max))
- * All payments on working days
- * Maintain security for secured NCS
- * Follow Actual / Actual day count convention.
[For cal. of int. / div]
- * comply with security & covenant monitoring.
- * comply with EBP mechanism [IF PP + IS > 500]

2] Issuer without track record.

- Issuer who have been in existence for less than 3yrs have been facilitated to tab bond market

↓ conditions.

- Issuance - Pvt. Pl. Basis.
- Issue is made on EBP Pt. Form
- Issue is open for subscription only to QIBs

4] Disclosures in offer Doc.

→ off. doc. contains.

- All mat., true, fair, adequate disclosure
- Shall not omit / incl. any m. info which may make the statement misleading or untrue.

→ PM + Audited FS - Not more than 6 months old.

→ Name of compliance officer + detail

3] Specific obligation with respect to treatment of applicants.

• Issuer shall -

- Treat all applicant in fair & equitable manner.
- APPLY for SEBI SCORES authentic
- Not employ any scheme, device scheme or artifice to defraud

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Issue of NCS

- Pub. issue [MB] → compliance - Appⁿ - comp. compulsory
- Private Placement [Comp - compliance officer.]

5] Advt. for public issue.

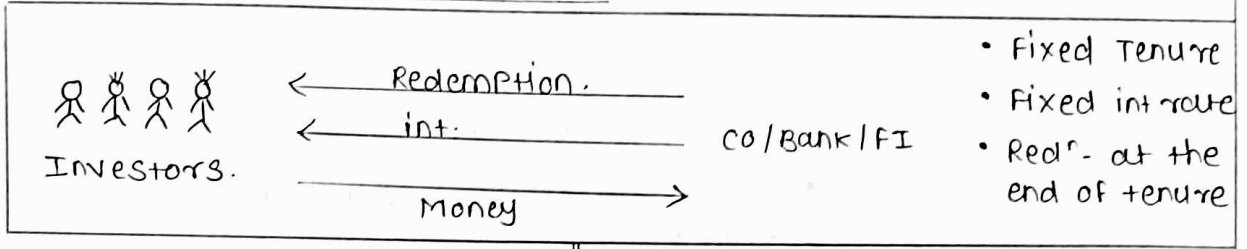
Advt → Truthful, Fair, clear.

↓
 shall not contain a st.,
 promise or forecast
 which is untrue or mis-
 leading.

6] Incentives.

→ No person connected with the issue offers any incentive whether direct or indirect to any person for making an application in the issue.

Deposit.



- Fixed Tenure
- Fixed int rate
- Redⁿ - at the end of tenure

Provision of Deposits under co. Act

[Sec. 73 - 76]

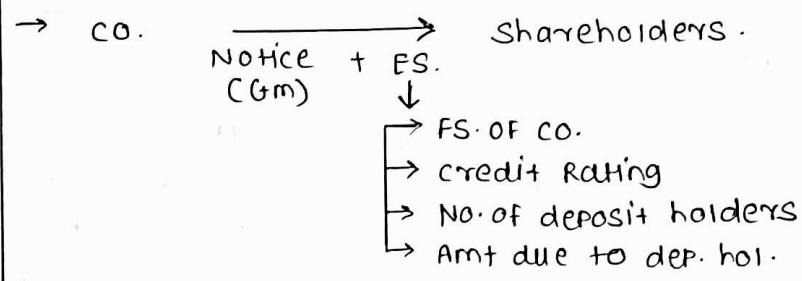
CO. (Acceptance of Dep.) Rule 2024

Section - 73.

↓
N.A. to.
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- Banking co.
- NBFC as per RBI Act 1934
- Any other co notified by CG in consuⁿ with RBI.

Conditions for Acceptance of Deposit.



- PASS OR
- Filing with ROC.
- DEPOSIT REPAYMENT RESERVE.
- Not defaulted in payment of deposit./int.
- [if defaulted, 5 years have elapsed since paid]
- security is created (in case of secured deposit)
- Tenure : Not less than 6m, not more than 36 m.

Rule 2(i)ce)

which co. can accept Dep. from public.

