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SECURITIES AND EXCHANGE BOARD OF INDIA

NOTIFICATION

Mumbai, the 12th June, 2013

**SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF
NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES)
REGULATIONS, 2013**

No. LAD-NRO/GN/2013-14/11/6063.-In exercise of the powers conferred by sub-section (1) of Section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities and Exchange Board of India hereby, makes the following regulations, namely, —

**CHAPTER I
PRELIMINARY**

Short title and commencement.

1. (1) These regulations may be called the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013.
- (2) They shall come into force on the date of their publication in the Official Gazette.

Definitions

2. (1) In these regulations unless the context otherwise requires, the terms defined herein shall bear the meanings assigned to them below, and their cognate expressions shall be construed accordingly,—

(a) "abridged prospectus" shall have the same meaning assigned to it in or under sub-section (1) of Section 2 of the Companies Act, 1956 and shall contain such additional disclosures as specified by Board from time to time;

(b) "Act" means the Securities and Exchange Board of India Act, 1992;

(c) "advertisement" includes notices, brochures, pamphlets, circulars, show cards, catalogues, hoardings, placards, posters, insertions in newspaper, pictures, films, cover pages of offer documents or any other print medium, radio, television programmes through any electronic medium;

(d) "bank" includes any bank included in the Second Schedule to the Reserve Bank of India Act, 1934;

(e) "Board" means the Securities and Exchange Board of India established under provisions of Section 3 of Act;

(f) "book building" means a process undertaken prior to filing of prospectus with the Registrar of Companies by means of circulation of a notice, circular, advertisement or other document by which the demand for the non-convertible redeemable preference shares proposed to be issued by an issuer is elicited and the price and quantity of such securities is assessed;

(g) "designated stock exchange" means a stock exchange in which securities

of the issuer are listed or proposed to be listed and which is chosen by the issuer for the purpose of a particular issue under these regulations;

(h) "innovative perpetual debt instrument" means an innovative perpetual debt instrument issued by a bank in accordance with the guidelines framed by the Reserve Bank of India;

(i) "issuer" means any public company in terms of section 3 of the Companies Act, 1956, public sector undertaking or statutory corporation which makes or proposes to make an issue of non-convertible redeemable preference shares in accordance with these regulations or which has its securities listed on a recognized stock exchange or which seeks to list its non-convertible redeemable preference shares on a recognized stock exchange;

(j) "Listing Agreement" means a listing agreement to be entered into between the issuer and the stock exchange where the non-convertible redeemable preference shares are proposed to be listed in the form as may be specified by the Board from time to time;

(k) "non-convertible redeemable preference share" means a preference share which is redeemable in accordance with the provisions of the Companies Act, 1956 and does not include a preference share which is convertible into or exchangeable with equity shares of the issuer at a later date, with or without the option of the holder;

(l) "perpetual non-cumulative preference share" means a perpetual non-cumulative preference share issued by a bank in accordance with the guidelines framed by the Reserve Bank of India;

(m) "private placement" means an offer or invitation to subscribe to the non-

convertible redeemable preference shares in terms of sub-section (3) of section 67 of the Companies Act, 1956;

- (n) "promoter" has the same meaning as in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (o) "public issue" means an offer or invitation by an issuer to public to subscribe to the non-convertible redeemable preference shares which is not in the nature of a private placement;
- (p) "offer document" means prospectus and includes any such document or advertisement whereby the subscription to non-convertible redeemable preference shares are invited by the issuer from public;
- (q) "recognized stock exchange" means any stock exchange which is recognized under section 4 of the Securities Contracts (Regulation) Act, 1956;
- (r) "schedule" means a schedule annexed to these regulations;
- (s) "specified" means as specified by the Board.

(2) All other words and expressions used but not defined in these regulations, shall have the same meanings respectively assigned to them in the Act or the Companies Act, 1956 or Securities Contracts (Regulation) Act, 1956 or the Depositories Act, 1996 or the Rules and the Regulations made thereunder or any statutory modification or re-enactment thereto, unless the context requires otherwise.

Applicability.

3. These regulations shall apply to,-

- (1) public issue of non-convertible redeemable preference shares;

- (2) listing of non-convertible redeemable preference shares on a recognized stock exchange which are issued by a public company through public issue or on private placement basis; and
- (3) issue and listing of Perpetual Non-Cumulative Preference Shares and Perpetual Debt Instrument, issued by banks on private placement basis in compliance with Guidelines issued by Reserve Bank of India.

CHAPTER II

ISSUE REQUIREMENTS FOR PUBLIC ISSUES

General Conditions.

4. (1) No issuer shall make any public issue of non-convertible redeemable preference shares if as on the date of filing of draft offer document and final offer document as provided in these regulations, the issuer or the promoter of the issuer, has been restrained or prohibited or debarred by the Board from accessing the securities market or dealing in securities and such direction or order is in force.
- (2) No issuer shall make a public issue of non-convertible redeemable preference shares unless the following conditions are satisfied, as on the date of filing of draft offer document and final offer document as provided in these regulations, -
- (a) it has made an application to one or more recognized stock exchanges for listing of such securities therein:
Provided that where the application is made to more than one recognized stock exchanges, the issuer shall choose one of them as the designated stock exchange:
Provided further that where any of such stock exchanges have nationwide trading terminals, the issuer shall choose one of them as the designated stock exchange;
Explanation: For any subsequent public issue, the issuer may choose a different stock exchange as a designated stock exchange subject to the requirements of this regulation;
 - (b) it has obtained in-principle approval for listing of its non-convertible

redeemable preference shares on the recognized stock exchanges where the application for listing has been made;

- (c) it has obtained a credit rating from at least one credit rating agency registered with the Board and is disclosed in the offer document:

Provided that where credit ratings are obtained from more than one credit rating agencies, all the ratings, including the unaccepted ratings, shall be disclosed in the offer document;

- (d) it has entered into an arrangement with a depository registered with the Board for dematerialization of the non-convertible redeemable preference shares that are proposed to be issued to the public, in accordance with the Depositories Act, 1996 and regulations made thereunder;
- (e) the minimum tenure of the non-convertible redeemable preference shares shall not be less than three years; and
- (f) the issue has been assigned a rating of not less than “AA-” or equivalent by a credit rating agency registered with the Board.

(3) The issuer shall create a capital redemption reserve in accordance with the provisions of the Companies Act, 1956;

(4) The issuer shall not issue non-convertible redeemable preference shares for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management, other than to subsidiaries of the issuer;

Explanation: For the purpose of this regulation, the terms "part of the same Group" and "under the same management" shall have the same meaning as provided in the explanation to regulation 23 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

(5) In case of public issue of non-convertible redeemable preference shares, the issuer shall appoint one or more merchant bankers registered with the Board at least one of whom shall be a lead merchant banker.

Disclosures in the offer document.

- 5. (1) The offer document shall contain all material disclosures which are

necessary for the subscribers of the non-convertible redeemable preference shares to take an informed investment decision.

(2) Without prejudice to the generality of sub-regulation (1), the issuer and the lead merchant banker shall ensure that the offer document contains the following:

- (a) the disclosures specified in Schedule II of the Companies Act, 1956;
- (b) disclosure specified in Schedule I of these regulations; and
- (c) additional disclosures as may be specified by the Board.

Explanation: For the purpose of this regulation, “material” means anything which is likely to impact an investor’s investment decision.

Filing of draft offer document.

6. (1) No issuer shall make a public issue of non-convertible redeemable preference shares unless a draft offer document has been filed with the designated stock exchange through the lead merchant banker.
- (2) The draft offer document filed with the designated stock exchange shall be made public by posting the same on the website of the designated stock exchange for seeking public comments for a period of seven working days from the date of filing the draft offer document with such exchange.
- (3) The draft offer document may also be displayed on the website of the issuer, merchant bankers and the stock exchanges where the non-convertible redeemable preference shares are proposed to be listed.
- (4) The lead merchant banker shall ensure that the draft offer document clearly specifies the names and contact particulars of the compliance officer of the lead merchant banker and the issuer including the postal and email address, telephone and fax numbers.
- (5) The lead merchant banker shall ensure that all comments received on the draft offer document are suitably addressed prior to the filing of the offer document with the Registrar of Companies.
- (6) A copy of draft and final offer document shall also be forwarded to the Board for its records, simultaneously with filing of these documents with designated stock exchange.

(7) The lead merchant banker shall, prior to filing of the offer document with the Registrar of Companies, furnish to the Board a due diligence certificate as per Schedule II of these regulations.

Mode of Disclosure of Offer Document.

7. (1) The draft and final offer document shall be displayed on the websites of stock exchanges and shall be available for download in PDF /HTML formats.
- (2) The offer document shall be filed with the designated stock exchange, simultaneously with filing thereof with the Registrar of Companies, for dissemination on its website prior to the opening of the issue.
- (3) Where any person makes a request for a physical copy of the offer document, the same shall be provided to him by the issuer or lead merchant banker.

Advertisements for Public issues.

8. (1) The issuer shall make an advertisement in one English national daily newspaper and one Hindi national daily newspaper with wide circulation at the place where the registered office of the issuer is situated, on or before the issue opening date and such advertisement shall, amongst other things, contain the disclosures as per Schedule I.
- (2) No issuer shall issue an advertisement which is misleading in material particulars or which contains any information in a distorted manner or which is manipulative or deceptive.
- (3) The advertisement shall be truthful, fair and clear and shall not contain a statement, promise or forecast which is untrue or misleading.
- (4) The credit rating shall be prominently displayed in the advertisement.
- (5) Any advertisement issued by the issuer shall not contain any matters which are extraneous to the contents of the offer document.
- (6) The advertisement shall urge the investors to invest only on the basis of information contained in the offer document.

(7) Any corporate or product advertisement issued by the issuer during the subscription period shall not make any reference to the issue of non-convertible redeemable preference shares or be used for solicitation.

Abridged Prospectus and application forms.

9. (1) The issuer and lead merchant banker shall ensure that:
- (a) every application form issued by the issuer is accompanied by a copy of the abridged prospectus;
 - (b) the abridged prospectus shall not contain matters which are extraneous to the contents of the prospectus;
 - (c) adequate space shall be provided in the application form to enable the investors to fill in various details like name, address, etc.
- (2) The issuer may provide the facility for subscription of application in electronic mode.

Electronic Issuances.

10. An issuer proposing to issue non-convertible redeemable preference shares to the public through the on-line system of the designated stock exchange shall comply with the relevant applicable requirements as may be specified by the Board.

Price Discovery through Book Building.

11. The issuer may determine the price of non-convertible redeemable preference shares in consultation with the lead merchant bankers and the issue may be at fixed price or the price may be determined through book building process in accordance with the procedure as may be specified by the Board.

Redemption.

12. The issuer shall redeem the non-convertible redeemable preference shares in terms of the offer document.

Minimum subscription.

13. (1) The issuer may decide the amount of minimum subscription which it

seeks to raise by public issue of non-convertible redeemable preference shares in accordance with the provisions of Companies Act, 1956 and disclose the same in the offer document.

(2) In the event of non-receipt of minimum subscription, all application moneys received in the public issue shall be refunded forthwith to the applicants. In the event the application monies are refunded beyond eight days from the last day of the offer, then such amounts shall be refunded together with interest at such rate as may be set out in the offer document which shall not be less than fifteen per cent per annum.

Underwriting.

14. A public issue of non-convertible redeemable preference shares may be underwritten by an underwriter registered with the Board and in such a case adequate disclosures regarding underwriting arrangements shall be made in the offer document.

Prohibitions of mis-statements in the offer document.

15. (1) The offer document shall not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading.

(2) The offer document or abridged prospectus or any advertisement issued by an issuer in connection with a public issue of non-convertible redeemable preference shares shall not contain any false or misleading statement.

CHAPTER III

LISTING OF NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES

Mandatory listing.

16. (1) An issuer desirous of making an offer of non-convertible redeemable preference shares to the public shall make an application for listing to one or more recognized stock exchanges in terms of sub-section (1) of section 73 of the Companies Act, 1956.

(2) The issuer shall comply with conditions of listing of such non-convertible redeemable preference shares as specified in the Listing Agreement with the stock exchange where such non-convertible redeemable preference shares are sought to be listed.

(3) Where the issuer has disclosed the intention to seek listing of non-convertible redeemable preference shares issued on private placement basis, the issuer shall forward the listing application along with the disclosures specified in Schedule I to the recognized stock exchange within fifteen days from the date of allotment of such non-convertible redeemable preference shares.

Conditions for listing of non-convertible redeemable preference shares issued on private placement basis.

17. (1) An issuer may list its non-convertible redeemable preference shares issued on private placement basis on a recognized stock exchange subject to the following conditions:

(a) the issuer has issued such non-convertible redeemable preference shares in compliance with the provisions of the Companies Act, 1956, rules prescribed thereunder and other applicable laws;

(b) credit rating has been obtained in respect of such non-convertible redeemable preference shares from at least one credit rating agency registered with the Board:

Provided that where credit ratings are obtained from more than one credit rating agencies, all the ratings shall be disclosed in the offer document;

(c) the non-convertible redeemable preference shares proposed to be listed are in dematerialized form;

(d) the disclosures as provided in regulation 18 have been made;

(e) the minimum application size for each investor is not less than ten lakh rupees; and

(f) the issue is in compliance with sub-regulation (3) and (4) of regulation 4.

(2) The issuer shall comply with conditions of listing of such non-convertible

redeemable preference shares as specified in the Listing Agreement with the stock exchange where such non-convertible redeemable preference shares are sought to be listed.

Disclosures in respect of private placements of non-convertible redeemable preference shares.

- 18.** (1) The issuer making a private placement of non-convertible redeemable preference shares and seeking listing thereof on a recognized stock exchange shall make disclosures as specified in Schedule I of these regulations accompanied by the latest Annual Report of the issuer.
- (2) The disclosures as provided in sub-regulation (1) shall be made on the web sites of stock exchanges where such securities are proposed to be listed and shall be available for download in PDF / HTML formats.

Relaxation of strict enforcement of rule 19 of Securities Contracts (Regulation) Rules, 1957.

- 19.** In exercise of the powers conferred by sub-rule (7) of rule 19 of the Securities Contracts (Regulations) Rules, 1957, the Board hereby relaxes the strict enforcement of sub-rules (1) and (3) of rule 19 of the said rules in relation to listing of non-convertible redeemable preference shares issued by way of a public issue or a private placement.

CHAPTER IV

**CONDITIONS FOR CONTINUOUS LISTING AND TRADING OF NON-
CONVERTIBLE REDEEMABLE PREFERENCE SHARES**

Continuous Listing Conditions.

- 20.** (1) All the issuers making public issues of non-convertible redeemable preference shares or seeking listing of non-convertible redeemable preference shares issued on private placement basis shall comply with the conditions of listing specified in the respective listing agreement for non-convertible redeemable preference shares.

(2) Each rating obtained by an issuer shall be reviewed by the registered credit rating agency atleast once a year and any revision in the rating shall be promptly disclosed by the issuer to the stock exchange(s) where the non-convertible redeemable preference shares are listed.

(3) Any change in rating shall be promptly disseminated to investors and prospective investors in such manner as the stock exchange where such securities are listed may determine from time to time.

(4) The issuer and stock exchanges shall disseminate all information and reports on non-convertible redeemable preference shares including compliance reports filed by the issuers regarding the non-convertible redeemable preference shares to the investors and the general public by placing them on their websites.

Trading of non-convertible redeemable preference shares.

21. (1) The non-convertible redeemable preference shares issued to the public or on a private placement basis, which are listed in recognized stock exchanges, shall be traded and such trades shall be cleared and settled in recognized stock exchanges subject to conditions specified by the Board.

(2) In case of trades of non-convertible redeemable preference shares which have been made over the counter, such trades shall be reported on a recognized stock exchange having a nation-wide trading terminal or such other platform as may be specified by the Board.

(3) The Board may specify conditions for reporting of trades on the recognized stock exchange or other platform referred to in sub-regulation (2).

CHAPTER V

OBLIGATIONS OF INTERMEDIARIES AND ISSUERS

Obligations of the Issuer, Lead Merchant Banker, etc.

22. (1) The issuer shall disclose all the material facts in the offer documents issued or distributed to the public and shall ensure that all the disclosures made in the offer document are true, fair and adequate and there is no mis-leading or untrue statements or mis-statement in the offer document.

(2) The Merchant Banker shall verify and confirm that the disclosures made in the offer documents are true, fair and adequate and ensure that the issuer is in compliance with these regulations as well as all transaction specific disclosures required in Schedule I of these regulations and Schedule II of the Companies Act, 1956.

(3) The issuer shall treat the applicants in a public issue of non-convertible redeemable preference shares in a fair and equitable manner as per the procedures as may be specified by the Board.

(4) The intermediaries shall be responsible for the due diligence in respect of assignments undertaken by them in respect of issue, offer and distribution of securities to the public.

(5) No person shall employ any device, scheme or artifice to defraud in connection with issue or subscription or distribution of non-convertible redeemable preference shares which are listed or proposed to be listed on a recognized stock exchange.

CHAPTER VI
ISSUANCE AND LISTING OF NON-EQUITY REGULATORY CAPITAL
INSTRUMENTS BY BANKS

Applicability to other instruments.

- 23.** (1) These provisions of these regulations shall, so far as they may, apply to the issuance and listing of Perpetual Non-Cumulative Preference Shares and Innovative Perpetual Debt Instruments by banks.
- (2) No issuer other than a bank shall issue the instruments mentioned in sub-regulation (1).
- (3) A bank may issue such instruments subject to the prior approval and in compliance with the Guidelines issued by Reserve Bank of India.
- (4) If a bank is incorporated as a company under Companies Act, 1956, it shall, in addition, comply with the provisions of Companies Act, 1956 and/or other applicable statutes.
- (5) The bank shall comply with the terms and conditions as may be specified

by the Board from time to time and shall make adequate disclosures in the offer document regarding the features of these instruments and relevant risk factors and if such instruments are listed, shall comply with the listing requirements.

CHAPTER VII MISCELLANEOUS

Inspection by the Board.

24. (1) Without prejudice to the provisions of sections 11 and 11C of the Act and section 209A of the Companies Act, the Board may *suo motu* or upon information received by it, appoint one or more persons to undertake the inspection of the books of account, records and documents of the issuer or merchant banker or any other intermediary associated with the public issue, disclosure or listing of non-convertible redeemable preference shares, as governed under these regulations, for any of the purposes specified in sub-regulation (2).

(2) The purposes referred to in sub-regulation (1) may be as follows, namely:-

- (a) to verify whether the provisions of the Act, Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, the rules and regulations made thereunder in respect of issue of securities have been complied with;
- (b) to verify whether the requirement in respect of issue of securities as specified in these regulations has been complied with;
- (c) to verify whether the requirement of listing conditions and continuous disclosure requirement have been complied with;
- (d) to inquire into the complaints received from investors, other market participants or any other persons on any matter of issue and transfer of securities governed under these regulations;
- (e) to inquire into affairs of the issuer in the interest of investor protection or the integrity of the market governed under these regulations;
- (f) to inquire whether any direction issued by the Board has been complied with.

(3) While undertaking an inspection under these regulations, the inspecting authority or the Board, as the case may be, shall follow the procedure specified by the Board for inspection of the intermediaries.

Power to issue directions.

25. (1) Without prejudice to its powers under Chapter VIA and section 24 of the Act, the Board may, in the interest of investors in securities market, issue such directions as it deems fit under section 11 or section 11A or section 11B or section 11D of the Act including:

- (a) directing the issuer to refund of the application monies to the applicants in a public issue;
- (b) directing the persons concerned not to further deal in securities in any particular manner;
- (c) directing the persons concerned not to access the securities market for a particular period;
- (d) restraining the issuer or its promoters or directors from making further issues of securities;
- (e) directing the person concerned to sell or divest the securities;
- (f) directing the issuer or the depository not to give effect transfer or directing further freeze of transfer of securities;
- (g) any other direction which Board may deem fit and proper in the circumstances of the case:

Provided that the Board shall, either before or after issuing such directions, give an opportunity of being heard to the persons against whom the directions are issued or proposed to be issued:

Provided further that, if, any ex-parte direction is required to be issued, the Board may give post decisional hearing to affected person.

Power of the Board to issue general order or circular.

26. (1) The Board may by a general or special order or circular specify any conditions or requirement in respect of issue of non-convertible redeemable preference shares.

(2) In particular, and without prejudice to the generality of the foregoing power and provisions of these regulations, such orders or circulars may provide for all or any of the following matters, namely:

- (a) Electronic issuances and other issue procedures including the procedure for price discovery;
 - (b) Conditions governing trading, reporting, clearing and settlement of trade in non-convertible redeemable preference shares; or
 - (c) Listing conditions.
- (3) If any special order is proposed to be issued to any particular issuer or intermediary on a specific issue, no such order shall be issued unless an opportunity to represent is given to the person affected by such order.

Power to remove difficulty.

- 27.** (1) In order to remove any difficulties in the application or interpretation of these regulations, the Board may issue clarifications or grant relaxations from application requirement or conditions of these regulations, after recording reasons therefor.
- (2) The Board may, on an application made by any issuer, relax any of the procedural requirements or conditions or strict enforcement of these regulations, if the Board is satisfied that:
- a. requirement is procedural or technical in nature; or
 - b. requirement causes undue hardship to a particular class of industry or issuers from accessing the securities market; or
 - c. relaxation is in the interest of substantial number of investors; or
 - d. such relaxation will be in the interest of securities market.

SCHEDULE I

[See Regulation 5 (2) (b) and Regulation 18 (1)]

DISCLOSURES

I. The issuer seeking listing of its non-convertible redeemable preference shares on a recognized stock exchange shall file the following disclosures along with the listing application to the stock exchange:

- (a). Memorandum and Articles of Association and necessary resolution(s) for the allotment of the non-convertible redeemable preference shares;
- (b). Copies of last three years audited Annual Reports;
- (c). Statement containing particulars of dates of, and parties to all material contracts and agreements;
- (d). Copy of the Board / Committee Resolution authorizing the borrowing and its list of authorised signatories;

Provided that a recognized stock exchange may call for such further particulars or documents as it deems proper.

II. The following disclosures shall be made in the Offer document/ Disclosure Document, where relevant:

A. A prominent disclosure in bold writing on the cover page of offer document stating the following:

"Instruments offered through the offer document are non-convertible redeemable preference shares and not debentures/bonds. They are riskier than debentures/bonds and may not carry any guaranteed coupon and can be redeemed only out of the distributable profits of the company or out of the proceeds of a fresh issue of shares made, if any, by the company for the purposes of the redemption"

B. Issuer Information

i. Details of the following:-

1) Name and address of the following:-

- a) Registered office of the Issuer
- b) Corporate office of the Issuer

2) Names and addresses of the following:-

- a) Compliance officer of the Issuer
- b) CFO of the Issuer
- c) Arrangers, if any, of the instrument
- d) Registrar of the issue
- e) Credit Rating Agency (-ies) of the issue and
- f) Auditors of the Issuer

ii. A brief summary of the business/ activities of the Issuer and its line of business containing particularly atleast following:-.

- 1. Overview
- 2. Corporate Structure
- 3. Key Operational and Financial Parameters * for the last 3 Audited years
- 4. Project cost and means of financing, in case of funding of new projects

* At least covering the following - Consolidated basis (wherever available) else on standalone basis

Parameters	Upto latest Half Year	FY.....	FY.....	FY.....
For Non-Financial Entities				
Net worth				
Total Debt				
of which – Non Current Maturities of Long Term				

Borrowing				
- Short Term Borrowing				
- Current Maturities of Long Term Borrowing				
Net Fixed Assets				
Non Current Assets				
Cash and Cash Equivalents				
Current Investments				
Current Assets				
Current Liabilities				
Net sales				
EBITDA				
EBIT				
Interest				
PAT				
Dividend amounts				
Current ratio (X)				
Interest cover (X)				
Gross debt/equity ratio (X)				

Debt Service Coverage Ratios (X)				
For Financial Entities				
Networth				
Total Debt				
of which – Non Current Maturities of Long Term Borrowing				
- Short Term Borrowing				
- Current Maturities of Long Term Borrowing				
Net Fixed Assets				
Non Current Assets				
Cash and Cash Equivalents				
Current Investments				
Current Assets				
Current Liabilities				
Asset Under Management				
Off Book Assets				
Interest Income				

Interest Expense				
Provisioning & Write-offs				
PAT				
Gross NPA (%)				
Net NPA (%)				
Tier I Capital Adequacy Ratio (%)				
Tier II Capital Adequacy Ratio (%)				

Gross Debt: Equity Ratio (X) of the Company :

Before the issue of non-convertible redeemable preference shares	
After the issue of non-convertible redeemable preference shares	

iii. And a brief history of the Issuer since its incorporation giving details of its following activities:-

1. Details of Share Capital as on last quarter end

Share Capital	Rs
Authorized Share Capital	
Issued, Subscribed and Paid-up Share Capital	

2. Changes in its capital structure as on last quarter end, (authorized) for the last five years

Date of Change (AGM/EGM)	Rs	Particulars

3. Equity Share Capital History of the Company as on last quarter end for the last five years

Date of Allotment	No of Equity Shares	Face Value (Rs)	Issue Price (Rs)	Consideration (Cash, other than cash, etc)	Nature of Allotment	Cumulative			Remarks
						No of equity shares	Equity Share Capital (Rs)	Equity Share Premium (in Rs)	

Notes: (If any)

4. Details of any Acquisition or Amalgamation in the last 1 year

5. Details of any Reorganization or Reconstruction, in the last 1 year as under

Type of Event	Date of Announcement	Date of Completion	Details

iv. Details of the shareholding of the Company as on the latest quarter end:-

1. Shareholding pattern of the Company as on last quarter end

Sr. No	Particulars	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares

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Notes: - Share pledged or encumbered by the promoters (if any)

2. List of top 10 holders of equity shares of the Company as on the latest quarter end

Sr. No	Name of the Shareholders	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares

v. Following details regarding the directors of the Company:-

Details of the current directors of the Company*

Name, Designation and DIN	Age	Address	Director of the Company since	Details of other directorship

* Company to disclose name of the current directors who are appearing in name of RBI defaulter list and/or ECGC default list.

Details of change in directors since last three years

Name, Designation and DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks

vi. Following details regarding the auditors of the Company:-

Details of the auditor of the Company

Name	Address	Auditor since

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Details of change in auditor since last three years

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks

vii. Details of borrowings of the Company, segregating the Rupee Denominated Borrowings and Borrowings made in Foreign Currency, as on as on the latest quarter end:-

1. Details of Secured Loan Facilities :-

Lender's Name	Type of Facility	Amt Sanctioned	Principal Amt O/S	Repayment Date / Schedule	Security

2. Details of Unsecured Loan Facilities:-

Lender's Name	Type of Facility	Amt Sanctioned	Principal Amt O/S	Repayment Date / Schedule

3. Details of NCDs:-

Debenture Series	Tenor / Period of	Rate of dividend	Amount	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security

	Maturity							

List of Top 10 Debenture Holders (as on)

Sr. No.	Name of Debenture Holders	Amount

Note: Top 10 holders' (in value terms, on cumulative basis for all outstanding debentures issues) details should be provided.

4. The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued.

5. Details of Commercial Paper:-

The total Face Value of Commercial Papers Outstanding as on the latest quarter end to be provided and its breakup in following table:-

Maturity Date	Amt Outstanding

6. Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on:-

Party Name (in case of Facility	Type of Facility / Instrument	Amt Sanctioned / Issued	Principal Amt O/S	Repayment Date / Schedule	Credit Rating	Secured / Unsecured	Security

) / Instrum ent Name							

7. Details of all default/s or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee given by the Company in the past 5 years .

8. Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option;

viii. Details of Promoter of the Company:-

1. Details of Promoter Holding in the Company as on the latest quarter end :-

Sr . No	Name of the Shareholders	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares	No of Shares Pledged	% of Shares pledged with respect to shares owned.

ix. Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement , Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications , if any. *

x. Abridged version of Latest Audited / Limited reviewed Half Yearly Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement , and Balance Sheet) and auditors qualifications ,if any. *

xi. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible redeemable preference shares.

xii. The detailed rating rationale (s) adopted (not older than one year on the date of opening of the issue)/ credit rating letter (not older than one month on the date of opening of the issue) issued by the rating agencies shall be disclosed.

xiii. Names of all the recognized stock exchanges where non-convertible redeemable preference shares are proposed to be listed clearly indicating the designated stock exchange

xiv. Other details

1. Capital Redemption Reserve (CRR) creation - relevant regulations and applicability
2. Nature of the instrument: whether cumulative or non-cumulative and complete details thereof;
3. Terms of Redemption: Out of distributable profits or out of fresh issue of shares for the purpose of redemption or both.

4. Issue/instrument specific regulations - relevant details (Companies Act, RBI guidelines, etc)

5. Application process

* Issuer will provide latest Audited or Limited Review Financials in line with timelines mentioned in Simplified Listing Agreement, notified by SEBI vide circular No.SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 and amended from time to time , for furnishing / publishing its half yearly/ annual result.

III. Issue details

i. Summary term sheet shall be provided which shall include at least following information (where relevant) pertaining to the non-convertible redeemable preference shares (or a series thereof):

Security Name	Name of the non-convertible redeemable preference shares which includes (Issuer Name, Dividend Rate and maturity year) e.g. 8.70% XXX 2015.
Issuer	
Type of Instrument	
Nature of Instrument	
Seniority	
Mode of Issue	Public issue/Private placement
Eligible Investors	
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	
Rating of the Instrument	_____ by _____ Ltd.
Issue Size	
Option to retain oversubscription (Amount)	
Objects of the Issue	
Details of the utilization of the Proceeds	
Dividend	
Dividend Payment Frequency	
Dividend payment dates	Dates on which dividend will be paid.

Cumulative or non-cumulative	
Interest on Application Money	
Default Interest Rate	
Tenor	— Months from the Deemed Date of Allotment
Redemption Date	Dates on which Principal will be repaid.
Redemption Amount	
Redemption Premium /Discount	
Mode of redemption (Out of profit or out of fresh issue of capital or both)	
Issue Price	The price at which non-convertible redeemable preference share is issued
Discount at which non-convertible redeemable preference share is issued and the effective yield as a result of such discount.	
Put option Date	
Put option Price	
Call Option Date	
Call Option Price	
Put Notification Time	Timelines by which the investor need to intimate Issuer before exercising the put option.
Call Notification Time	Timelines by which the Issuer need to intimate investor before exercising the call option.

Face Value	
Minimum Application and in multiples of ___ Non-convertible redeemable preference shares thereafter	
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Insert details of payment procedure
Depository	
Business Day Convention ¹	
Record Date	15 days prior to each Dividend Payment / Put Option Date / Call Option Date / Redemption date.
Transaction Documents ²	
Conditions Precedent to Disbursement	
Condition Subsequent to Disbursement	
Events of Default	
Provisions related to Cross Default Clause	N/A (Not Applicable) in case clause is not there else full description of the clause to be provided
Governing Law and Jurisdiction	

¹ The procedure used to decide the dates on which the payment can be made and adjusting payment dates in response to days when payment can't be made due to any reason like sudden bank holiday or day being Sunday , etc. should be laid down.

² The list of documents which have been executed or will be executed in connection with the issue and subscription of non-convertible redeemable preference shares shall be annexed.

ii. Additional Covenants

Default in Payment:

In case of default in payment of Dividend and/or principal redemption on the due dates, with additional Dividend of atleast @ 2% p.a. over the dividend rate will be payable by the Company for the defaulting period

Delay in Listing :

In case of delay in listing of the non-convertible redeemable preference shares beyond 20 days from the deemed date of allotment, the Company will pay penal amount of atleast 1 % p.a. over the dividend rate from the expiry of 30 days from the deemed date of allotment till the listing of such non-convertible redeemable preference shares to the investor.

The rates mentioned in above cases are the minimum rates payable by the Company and are independent of each other.

Delay in Dispatch of Allotment Letters or Refund Orders:

Issuer agrees that allotment of non-convertible redeemable preference shares offered to the public shall be made not later than fifteen days of the closure. The issuer further agrees that, in such cases, it shall pay interest at the rate of fifteen per cent. per annum, if the allotment letters or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within fifteen days from the date of the closure of the issue.

SCHEDULE II

FORMAT FOR DUE DILIGENCE CERTIFICATE AT THE TIME OF FILING THE OFFER DOCUMENT WITH REGISTRAR OF COMPANIES AND PRIOR TO OPENING OF THE ISSUE

To,

SECURITIES AND EXCHANGE BOARD OF INDIA

Dear Sir / Madam,

SUB.: ISSUE OF _____ BY _____ LTD.

1. We confirm that neither the issuer nor its promoters or directors have been prohibited from accessing the capital market under any order or direction passed by the Board. We also confirm that none of the intermediaries named in the offer document have been debarred from functioning by any regulatory authority.
2. We confirm that all the material disclosures in respect of the issuer have been made in the offer document and certify that any material development in the issue or relating to the issue up to the commencement of listing and trading of the shares offered through this issue shall be informed through public notices/ advertisements in all those newspapers in which pre-issue advertisement had been given prior or before opening of the issue.
3. We confirm that the offer document contains all disclosures as specified in the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013.
4. We also confirm that all relevant provisions of the Companies Act, 1956, Securities Contracts, (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 and the Rules, Regulations, Guidelines, Circulars issued there under are complied with.

We confirm that all comments/ complaints received on the draft offer document filed on the website of _____ (designated stock exchange) have been suitably addressed.

PLACE:

DATE:

LEAD MERCHANT BANKER (S)

U. K. SINHA
CHAIRMAN
SECURITIES AND EXCHANGE BOARD OF INDIA

