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**SECURITIES AND EXCHANGE BOARD OF INDIA**

**NOTIFICATION**

**Mumbai, the 6th June, 2008**

# SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008

**LAD-NRO/GN/2008/13/127878**- In exercise of the powers under section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations, namely:-

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## 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 Debt Securities) Regulations, 2008.

(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,

(a) "Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992);

(b) 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;

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

(d) “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 debt securities proposed to be issued by an issuer is elicited
and the price and quantity of such securities is assessed;

[1][(e) “debt securities” means non-convertible debt securities which create or acknowledge indebtedness and includes debentures, bonds and such other securities of a body corporate or a Trust registered with the Board as a Real Estate Investment Trust or an Infrastructure Investment Trust, or any statutory body constituted by virtue of a legislation, whether constituting a charge on the assets of the body corporate or not, but excludes bonds issued by Government or such other bodies as may be specified by the Board, security receipts and securitized debt instruments;]

(f) “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 purposes of a particular issue under these regulations;

(g) "issuer” means any company, public sector undertaking or statutory corporation which makes or proposes to make an issue of debt securities in accordance with these regulations or which has its securities listed on a recognized stock exchange or which seeks to list its debt securities on a recognized stock exchange [2][and includes a Trust registered with the Board as a Real Estate Investment Trust or an Infrastructure Investment Trust and whose units are listed in recognized stock exchange(s)];

[3][(ga) "net worth" shall have the same meaning as assigned to it in clause (57) of section 2 of the Companies Act, 2013;]

(h) “private placement” means an offer or invitation to less than fifty persons to subscribe to the debt securities in terms of sub-section (3) of section 67 of the Companies Act, 1956 (1 of 1956);

(i) “public issue” means an offer or invitation by an issuer to public to subscribe to the debt securities which is not in the nature of a private placement;

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[1] Substituted by the SEBI (Issue and Listing of Debt Securities) (Second Amendment) Regulations, 2017, w.e.f. 15.12.2017. Prior to the substitution, the clause read as follows:

*“(e) “debt securities” means a non-convertible debt securities which create or acknowledge indebtedness, and include debenture, bonds and such other securities of a body corporate or any statutory body constituted by virtue of a legislation, whether constituting a charge on the assets of the body corporate or not, but excludes bonds issued by Government or such other bodies as may be specified by the Board , security receipts and securitized debt instruments;”*

[2] Inserted ibid.

[3] Inserted by the SEBI(Issue and Listing of Debt Securities)(Amendment)Regulations, 2014 w.e.f. 31-01-14.

(j) “offer document” means [4][a prospectus or a shelf prospectus] and includes any such document or advertisement whereby the subscription to debt securities are invited by the issuer from public;

(k) “recognised stock exchange” means any stock exchange which is recognised under section 4 of the Securities Contracts (Regulation) Act, 1956;

(l) “schedule" means a schedule annexed to these regulations;

[5][(la) “shelf prospectus" shall have the same meaning as assigned to it in section 31 of the Companies Act, 2013;]

(m) “specified” means specified by a general or special order or circular issued under the Act or these regulations[6][;]

[7][(n) “wilful defaulter” means an issuer who is categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.]

(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 reenactment thereto, unless the context requires otherwise.

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**Applicability**

**3.** These regulations shall apply to-

(a) public issue of debt securities; and

(b) listing of debt securities issued through public issue or on private placement basis on a recognized stock exchange.

## CHAPTER II

[4] Substituted for "prospectus" by the SEBI(Issue and Listing of Debt Securities)(Amendment)Regulations, 2014 w.e.f. 31-01-14.

[5] Inserted by the SEBI(Issue and Listing of Debt Securities)(Amendment)Regulations, 2014 w.e.f. 31-01-14.

[6]Substituted for "." by the SEBI (Issue and Listing of Debt Securities)(Amendment) Regulations, 2016 w.e.f. 25-05-16.

[7] Inserted by the SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 w.e.f. 25-05-16.

## ISSUE REQUIREMENTS FOR PUBLIC ISSUES

### General Conditions

**4.** [8][(1) No issuer shall make any public issue of debt securities if as on the date of filing of draft offer document or final offer document as provided in these regulations:

(a) the issuer or the person in control of the issuer or its promoter or its director is restrained or prohibited or debarred by the Board from accessing the securities market or dealing in securities; or

(b) the issuer or any of its promoters or directors is a wilful defaulter or it is in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months.]

(2) No issuer shall make a public issue of debt securities unless 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, theissuer 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 debt securities on the recognized stock exchanges where the application for listing has been made;

(c) credit rating has been obtained 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;

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[8]Substituted for sub-regulation (1) by the SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 w.e.f. 25-05-16. Prior to substitution, sub-regulation (1) read as under:
"(1) No issuer shall make any public issue of debt securities if as on the date of filing of draft offer document and final offer document as provided in these regulations, the issuer or the person in control of the issuer, or its promoter, 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."

(d) it has entered into an arrangement with a depository registered with the Board for dematerialization of the debt securities that are proposed to be issued to the public, in accordance with the Depositories Act,1996 and regulations made thereunder.

(3) The issuer shall appoint one or more merchant bankers registered with the Board at least one of whom shall be a lead merchant banker.

(4) The issuer shall appoint one or more debenture trustees in accordance with the provisions of Section 117B of the Companies Act, 1956 (1 of 1956) and Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

(5) The issuer shall not issue debt securities 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.

(6) Explanation: For the purposes of sub-regulation (5), -

(a) two persons shall be deemed to be "part of the same group" if they belong to the same group within the meaning of clause (ef) of section 2 of the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969) or if they own "inter-connected undertakings" within the meaning of clause (g) of section 2 of that Act;

(b) the expression "under the same management" shall have the meaning derived from sub-section (1B) of section 370 of the Companies Act, 1956 (1 of 1956).

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**Disclosures in the offer document**

**5.** (1) The offer document shall contain all material disclosures which are necessary for the subscribers of the debt securities 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;

(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 investors' investment decision.

**Filing of draft offer document**

**6.** (1) No issuer shall make a public issue of debt securities 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 debt securities 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,[9][along with regulatory fees as specified in Schedule V] 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.

(8) The debenture trustee shall, prior to the opening of the public issue, furnish to the Board a due diligence certificate as per Schedule III of these regulations.

**[10]["Filing of Shelf Prospectus.**

6A. (1) Without prejudice to the regulation 6, following companies or entities may file shelf prospectus under section 31 of Companies Act, 2013 for public issuance of their debt securities,-

a. Public financial institutions as defined under clause (72) of section 2 of the Companies Act, 2013, and scheduled banks as defined under clause (e) of section 2 of the Reserve Bank of India Act, 1934; or

[9] Inserted by the SEBI (Payment of Fees) (Amendment) Regulations, 2014 w.e.f. 23. 05.14

[10] Inserted by the SEBI(Issue and Listing of Debt Securities)(Amendment)Regulations, 2014 w.e.f. 31-01-14.

b. Issuers authorized by the notification of Central Board of Direct Taxes to make public issue of tax free secured bonds, with respect to such tax free bond issuances; or

c. Infrastructure Debt Funds – Non-Banking Financial Companies regulated by Reserve Bank of India; or

d. Non-Banking Financial Companies registered with Reserve Bank of India and Housing Finance Companies registered with National Housing Bank complying with the following criteria:

   i. having a net worth of at-least Rs.500 crore, as per the audited balance sheet of the preceding financial year;

   ii. having consistent track record of distributable profit for the last three years;

   iii. securities issued under the shelf prospectus have been assigned a rating of not less than "AA-" category or equivalent by a credit rating agency registered with the Board;

   iv. no regulatory action is pending against the company or its promoters or directors before the Board, Reserve Bank of India or National Housing Bank;

   v. the issuer has not defaulted in the repayment of deposits or interest payable thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any public financial institution or banking company, in the last three financial years.

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or

e. Listed entities complying with the following criteria:

   i. whose public issued equity shares or debt securities are listed on recognized stock exchange for a period of at least three years immediately preceding the issue and have been complying with the listing agreement entered into between the issuer and the recognized stock exchanges where the said securities of the issuer are listed;

ii. having a net worth of at-least Rs.500 crore, as per the audited balance sheet of the preceding financial year;

iii. having consistent track record of distributable profit for the last three years;

iv. securities issued under the shelf prospectus have been assigned a rating of not less than "AA-" category or equivalent by a credit rating agency registered with the Board;

v. no regulatory action is pending against the company or its promoters or directors before the Board, Reserve Bank of India or National Housing Bank;

vi. the issuer has not defaulted in the repayment of deposits or interest payable thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any public financial institution or banking company, in the last three financial years.

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(2) The issuer filing a shelf prospectus shall file a copy of an information memorandum with the recognised stock exchanges and the Board, immediately on filing the same with the Registrar.

(3) The information memorandum shall contain the disclosures specified in Companies Act, 1956 or Companies Act, 2013, whichever is applicable and rules made thereunder and shall include disclosures regarding summary term sheet, material updations including revision in ratings, if any along with the rating rationale and financial ratios specified in Schedule I, indicating the pre and post issue change.

(4) Not more than four issuances shall be made through a single shelf prospectus.]

**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 a advertisement in an national daily with wide circulation, on or before the issue opening date and such advertisement shall, amongst other things, contain the disclosures as per Schedule IV.

(2) No issuer shall issue an advertisement which is misleading in material particular 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) Any advertisement issued by the issuer shall not contain any matters which are extraneous to the contents of the offer document.

(5) The advertisement shall urge the investors to invest only on the basis of information contained in the offer document.

(6) Any corporate or product advertisement issued by the issuer during the subscription period shall not make any reference to the issue of debt securities or be used for solicitation.

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**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 debt securities 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 debt securities in consultation with the lead merchant banker 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.

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**Minimum subscription.**

**12.** (1) The issuer may decide the amount of minimum subscription which it seeks to raise by issue of debt securities 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.

**Underwriting**

**13.** A public issue of debt securities may be underwritten by an underwriter registered with the Board and in such a case adequate disclosures regarding underwriting arrangements shall be disclosed in the offer document.

**Prohibitions of mis-statements in the offer document.**

**14.** (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 debt securities shall not contain any false or misleading statement.

**Trust Deed**

**15.** (1) A trust deed for securing the issue of debt securities shall be executed by the issuer in favour of the debenture trustee within three months of the closure of the issue.

(2) The trust deed shall contain such clauses as may be prescribed under section 117A of the Companies Act, 1956 and those mentioned in Schedule IV of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

(3) The trust deed shall not contain a clause which has the effect of –

(i) limiting or extinguishing the obligations and liabilities of the debenture trustees or the issuer in relation to any rights or interests of the investors;

(ii) limiting or restricting or waiving the provisions of the Act , these regulations and circulars or guidelines issued by the Board;

(iii). indemnifying the debenture trustees or the issuer for loss or damage caused by their act of negligence or commission or omission.

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**Debenture Redemption Reserve**

**16.** (1) For the redemption of the debt securities issued by a company, the issuer shall create debenture redemption reserve in accordance with the provisions of the Companies Act, 1956 and circulars issued by Central Government in this regard.

(2) Where the issuer has defaulted in payment of interest on debt securities or redemption thereof or in creation of security as per the terms of the issue of debt securities, any distribution of dividend shall require approval of the debenture trustees.

**Creation of security**

**17.** (1) The proposal to create a charge or security , if any, in respect of secured debt securities shall be disclosed in the offer document along with its implications.

(2) The issuer shall give an undertaking in the offer document that the assets on which charge is created are free from any encumbrances and if the assets are already charged to secure a debt, the permissions or consent to create second or *pari pasu* charge on the assets of the issuer have been obtained from the earlier creditor.

(3) The issue proceeds shall be kept in an escrow account until the documents for creation of security as stated in the offer document, are executed.

**[11][Right to recall or redeem prior to maturity**

**17A.** An issuer making public issue of debt securities may recall such securities prior to maturity date at his option (call) or provide such right of redemption prior to maturity date (put) to all the investors or only to retail investors, at their option, subject to the following:

a) Such right to recall or redeem debt securities prior to maturity date is exercised in accordance with the terms of issue and detailed disclosure in this regard is made in the offer document including date from which such right is exercisable, period of exercise (which shall not be less than three working days), redemption amount (including the premium or discount at which such redemption shall take place);

b) The issuer or investor may exercise such right with respect to all the debt securities issued or held by them respectively or with respect to a part of the securities so issued or held ;

c) In case of partial exercise of such right in accordance with the terms of the issue by the issuer , it shall be done on proportionate basis only;

d) No such right shall be exercisable before expiry of twenty four months from the date of issue of such debt securities;

e) Issuer shall send notice to all the eligible holders of such debt securities at least twenty one days before the date from which such right is exercisable;

f) Issuer shall also provide a copy of such notice to the stock exchange where the such debt securities are listed for wider dissemination and shall make an advertisement in the national daily having wide circulation indicating the details of such right and eligibility of the holders who are entitled to avail such right ;

g) Issuer shall pay the redemption proceeds to the investors along with the interest due to the investors within fifteen days from the last day within which such right can be exercised;

h) Issuer shall pay interest at the rate of fifteen per cent. per annum for the period of delay, if any,

i) After the completion of the exercise of such right, the issuer shall submit a detailed report to the stock exchange for public dissemination regarding the debt securities redeemed during the exercise period and details of redemption thereof.

Explanation.- For the purpose of this regulation, retail investor shall mean the holder of debt securities having face value not more than rupees two lakh.]

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[11] Inserted by the SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2015 w.e.f. 24-03-15.

**Redemption and Roll-over**

**18.** (1) The issuer shall redeem the debt securities in terms of the offer document.

(2) Where the issuer desires to roll-over the debt securities issued by it, it shall do so only upon passing of a special resolution of holders of such securities and give twenty one days notice of the proposed roll over to them.

(3) The notice referred to in sub- regulation (2) shall contain disclosures with regard to credit rating and rationale for roll-over.

(4) The issuer shall, prior to sending the notice to holders of debt securities, file a copy of the notice and proposed resolution with the stock exchanges where such securities are listed, for dissemination of the same to public on its website.

(5)The debt securities issued can be rolled over subject to the following conditions :-

(a) The roll-over is approved by a special resolutionpassed by the holders of debt securities through postal ballot having the consent of not less than 75% of the holders by value of such debt securities;

(b) atleast one rating is obtained from a credit rating agency within a period of six months prior to the due date of redemption and is disclosed in the notice referred to in sub-regulation (2);

(c) fresh trust deed shall be executed at the time of such roll –over or the existing trust deed may be continued if the trust deed provides for such continuation ;

(d) adequate security shall be created or maintained in respect of such debt securities to be rolled –over.

(6) The issuer shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

## CHAPTER III
## LISTING OF DEBT SECURITIES

**Mandatory listing.**

**19.** (1)An issuer desirous of making an offer of debt securities 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(1 of 1956).

(2) The issuer shall comply with conditions of listing of such debt securities as specified in the Listing Agreement with the stock exchange where such debt securities are sought to be listed.

[12][(3) Where the issuer has disclosed the intention to seek listing of debt securities 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 debt securities.]

**Conditions for listing of debt securities issued on private placement basis**

**20.** (1) An issuer may list its debt securities issued on private placement basis on a recognized stock exchange subject to the following conditions:

(a) the issuer has issued such debt securities 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 debt securities from at least one credit rating agency registered with the Board;

(c) the debt securities proposed to be listed are in dematerialized form ;

(d) the disclosures as provided in regulation 21 have been made.

[13][(e) where the application is made to more than one recognized stock exchange, the issuer shall choose one of them as the designated stock exchange.]

(2) The issuer shall comply with conditions of listing of such debt securities as specified in the Listing Agreement with the stock exchange where such debt securities are sought to be listed.

[14][(3) The designated stock exchange shall collect a regulatory fee as specified in Schedule V from the issuer at the time of listing of debt securities issued on private placement basis.]

**[15][Consolidation and re-issuance**

[12] Inserted by the SEBI(Issue and Listing of Debt Securities)(Amendment)Regulations, 2012 w.e.f. 12-10-12.
[13] Inserted by the SEBI (Payment of Fees) (Amendment) Regulations, 2014 w.e.f. 23. 05.14
[14] Inserted by the SEBI (Payment of Fees) (Amendment) Regulations, 2014 w.e.f. 23. 05.14
[15] Inserted by the SEBI(Issue and Listing of Debt Securities) (Amendment) Regulations, 2015 w.e.f. 24-03-15.

20A. An issuer may carry out consolidation and re-issuance of its debt securities, [16][in the manner as may be specified by the Board from time to time] subject to the fulfillment of the following conditions:

a) [17][the articles of association of the issuer shall not have any provision, whether express or implied, contrary to such consolidation and re-issuance;]
b) the issue is through private placement;
c) the issuer has obtained fresh credit rating for each re-issuance from at least one credit rating agency registered with the Board and is disclosed;
d) such ratings shall be revalidated on a periodic basis and the change, if any, shall be disclosed;
e) appropriate disclosures are made with regard to consolidation and re-issuance in the Term Sheet.]

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**[18][International Securities Identification Number.**

**20B.** Any issuer issuing debt securities on private placement basis, shall comply with the conditions relating to the issue of International Securities Identification Number, as may be specified by the Board from time to time.]

**Disclosures in respect of Private Placements of Debt Securities**

**21.** (1) The issuer making a private placement of debt securities and seeking listing thereof on a recognized stock exchange shall make disclosures [19][in a disclosure document] 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.

**[20][Filing of Shelf Disclosure Document.**

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[16] Inserted by the SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2017, w.e.f. 13.06.2017
[17] Substituted ibid for clause which read "there is such an enabling provision in its articles under which it has been incorporated;".
[18] Inserted by the SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2017, w.e.f. 13.06.2017
[19] Ibid.
[20] Ibid.

21A. (1) An issuer making a private placement of debt securities and seeking listing thereof on a recognised stock exchange may file a Shelf Disclosure Document containing disclosures as provided in Schedule I.

(2) An issuer filing a Shelf Disclosure Document under sub-regulation (1), shall not be required to file disclosure document, while making subsequent private placement of debt securities for a period of 180 days from the date of filing of the shelf disclosure document:

Provided that the issuer while making any private placement under Shelf Disclosure Document, shall file with the concerned stock exchange updated disclosure document with respect to each tranche, containing details of the private placement and material changes, if any, in the information provided in Shelf Disclosure Document.]

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

**22.** In exercise of the powers conferred by sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, the Board hereby relaxes the strict enforcement of: (a) sub-rules (1) and (3) of rule 19 the said rules in relation to listing of debt securities issued by way of a public issue or a private placement;

(b) clause (b) of sub-rule (2) of rule 19 of the said Rules in relation to listing of debt securities, (i) issued by way of a private placement by any issuer;

(ii) issued to public by an infrastructure company, a Government company, a statutory authority or corporation or any special purpose vehicle set up by any of them, which is engaged in infrastructure sector.

Explanation: For the purposes of this regulation the terms 'infrastructure company' and 'infrastructure sector' shall have the same meaning as assigned to them under the SEBI (Disclosure and Investor Protection) Guidelines, 2000 or any successor thereof.

## CHAPTER IV

## CONDITIONS FOR CONTINUOUS LISTING AND TRADING OF DEBT SECURITIES

**Continuous Listing Conditions**

**23.** (1) All the issuers making public issues of debt securities or seeking listing of debt securities issued on private placement basis shall comply with the conditions of listing specified in the respective listing agreement for debt securities.

(2) Every rating obtained by an issuer shall be periodically reviewed by the registered credit rating agency and any revision in the rating shall be promptly disclosed by the issuer to the stock exchange(s) where the debt securities 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, the respective debenture trustees and stock exchanges shall disseminate all information and reports on debt securities including compliance reports filed by the issuers and the debenture trustees regarding the debt securities to the investors and the general public by placing them on their websites.

(5) Debenture trustee shall disclose the information to the investors and the general public by issuing a press release in any of the following events:

(a) default by issuer to pay interest on debt securities or redemption amount;

(b) failure to create a charge on the assets;

(c) revision of rating assigned to the debt securities.

(6) The information referred to in sub-regulation (5) shall also be placed on the websites, if any, of the debenture trustee, the issuer and the stock exchanges.

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**Trading of Debt securities**

**24.** (1) The debt securities 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 debt securities 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 Debenture Trustee**

**25.** (1) The debenture trustee shall be vested with the requisite powers for protecting the interest of holders of debt securities including a right to appoint a nominee director on the Board of the issuer in consultation with institutional holders of such securities.

(2) The debenture trustee shall carry out its duties and perform its functions under these regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the trust deed and offer document, with due care, diligence and loyalty.

(3) The debenture trustee shall ensure disclosure of all material events on an ongoing basis.

(4) The debenture trustees shall supervise the implementation of the conditions regarding creation of security for the debt securities and debenture redemption reserve.

**Obligations of the Issuer , Lead Merchant Banker, etc.**

**26.** (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 debt securities 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 debt securities which are listed or proposed to be listed on a recognized stock exchange.

(6) The issuer and the merchant banker shall ensure that the security created to secure the debt securities is adequate to ensure 100% asset cover for the debt securities.

## CHAPTER VI

## PROCEDURE FOR ACTION IN CASE OF VIOLATION OF REGULATIONS

**Inspection by the Board**

**27.** (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 debt securities, 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, 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 requirements 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.

**Directions by the Board**

**28.** Without prejudice to the action under section 11, 11A, 11 B, 11D, sub- section (3) of section 12, Chapter VIA and section 24 of the Act or section 621 of the Companies Act, 1956, the Board may suo-motu or on receipt of information or on completion or pendency of inspection or investigation, in the interests of the securities market, issue or pass such directions as it deems fit including any or all of the following –

(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;

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(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.

**Appeal**

**29.** Any person aggrieved by an order of the Board or Adjudicating Officer under the Act or these regulations, may prefer an appeal to the Securities Appellate Tribunal in accordance with section 15T of the Act read with the Securities Appellate Tribunal (Procedure) Rules, 2000.

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## CHAPTER VII
## MISCELLANEOUS

**Delegation**

**30.** The powers exercisable by the Board under these regulations shall also be exercisable by any officer of the Board to whom such powers are delegated by the Board.

**Power of the Board to issue general order or circular**

**31.** (1) The Board may by a general or special order or circular specify any conditions or requirement in respect of issue of debt securities.

(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 debt securities;

(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**

**32.** (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 therefore.

(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.

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**Repeal and Savings**

**33.** (1) On and from the commencement of these regulations, the provisions of Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 in so far as they relate to issue and listing of debt securities shall stand rescinded.

(2) Notwithstanding such rescission:-

(a) anything done or any action taken or purported to have been done or taken including observation made in respect of any draft offer document, any enquiry or investigation commenced or show cause notice issued in respect of the said guidelines shall be deemed to have

been done or taken under the corresponding provisions of these regulations;

(b) any application made to the Board under the said Guidelines and pending before it shall be deemed to have been made under the corresponding provisions of these regulations.

# [21][ SCHEDULE I

[21] Substituted by the SEBI(Issue and Listing of Debt Securities)(Amendment)Regulations, 2012 w.e.f. 12-10-12. Prior ro its substitution, Schedule I read as under:

**SCHEDULE I**

*[See Regulation 5 (2) (b)]*

**DISCLOSURES**

**1.** The issuer seeking listing of its debt securities on a recognized stock exchange shall forward the listing application to the stock exchange along with the following documents –

(a). Memorandum and Articles of Association and a copy of the Trust Deed.

(b). Copy of latest audited balance sheet and Annual Report.

(c). Statement containing particulars of dates of, and parties to all material contracts and agreements:

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

2. The following disclosures shall be made where relevant:

i. Name and address of the registered office of the issuer.

ii. Names and addresses of the directors of the issuer.

iii. A brief summary of the business/ activities of the issuer and its line of business.

iv. And a brief history of the issuer since its incorporation giving details of its activities including any reorganization, reconstruction or amalgamation, changes in its capital structure, (authorized, issued and subscribed) and borrowings, if any.

v. Details of debt securities issued and sought to be listed including face value, nature of debt securities mode of issue i.e. public issue or private placement.

vi. Issue size .

vii. Details of utilization of the issue proceeds.

viii. A statement containing particulars of the dates of, and parties to all material contracts, agreements involving financial obligations of the issuer

ix. Details of other borrowings including any other issue of debt securities in past;

x. Any material event/ development or change at the time of issue or subsequent to the issue which may affect the issue or the investor's decision to invest / continue to invest in the debt secutities.

xi. Particulars of the debt securities 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.

xii. A list of highest ten holders of each class or kind of securities of the issuer as on the date of application along with particulars as to number of shares or debt securities held by them and the address of each such holder.

xiii. An undertaking that the issuer shall use a common form of transfer

xiv. Redemption amount, period of maturity, yield on redemption.

xv. Information relating to the terms of offer or purchase.

xvi. The discount at which such offer is made and the effective price for the investor as a result of such discount.

xvii. The debt equity ratio prior to and after issue of the debt security.

xviii. Servicing behavior on existing debt securities, payment of due interest on due dates on term loans and debt securities.

xix. That the permission / consent from the prior creditor for a second or *pari passu* charge being created in favor of the trustees to the proposed issue has been obtained.

xx. The names of the debenture trustee(s) shall be mentioned with a statement to the effect that debenture trustee(s) has given his consent to the issuer for his appointment under regulation 4 (4) and also in all the subsequent periodical communications sent to the holders of debt securities.

xxi. The rating rationale (s) adopted by the rating agencies shall be disclosed

xxii. Names of all the recognised stock exchanges where securities are proposed to be listed clearly indicating the designated stock exchange and also whether in principle approval from the recognised stock exchange has been obtained.

xxiii. A summary term sheet shall be provided which shall include brief information pertaining to the Secured / Unsecured Non Convertible debt securities (or a series thereof) as follows (where relevant):

• Issuer

• Minimum Subscription of Debt securities and in multiples of __ Debt securities thereafter

• Tenor __ Months from the Deemed Date of Allotment

• Coupon Rate / Coupon Date __% p.a. (payable __) on __each year

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*[See Regulation 5 (2) (b), Regulation 19(3), Regulation 21 and Regulation 21A]*

## DISCLOSURES

1. The issuer seeking listing of its debt securities 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 debt securities;
   B. Copy 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 list of authorized signatories.
   E. An undertaking from the issuer stating that the necessary documents for the creation of the charge, where applicable, including the Trust Deed would be executed within the time frame prescribed in the relevant regulations/act/rules etc and the same would be uploaded on the website of the Designated Stock exchange, where the debt securities have been listed, within five working days of execution of the same.
   F. Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

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• Redemption Date
• Put / Call option _____
• Proposed listing of the debt securities with ____ Stock Exchange
• Issuance Physical /Demat mode
• Trading Demat mode only
• Depository _____
• Security
• Rating ___ by ___ (All the credit rating/s, including any unaccepted credit ratings, shall be disclosed in the draft offer document to be filed with SEBI)
• Settlement By way of [Insert details of payment procedure]
• Issue Schedule:
  - Issue opens on: _____
  - Issue closes on _____
• Pay-in date _____
• Deemed date of allotment _____

G. An undertaking that permission / consent from the prior creditor for a second or *pari passu* charge being created, where applicable, in favor of the trustees to the proposed issue has been obtained.

2. Issuer shall submit the following disclosures to the Debenture Trustee in electronic form (soft copy) at the time of allotment of the debt securities:

A. Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities;
B. Copy of last three years' audited Annual Reports;
C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
D. Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications , if any.
E. An undertaking to the effect that the Issuer would, till the redemption of the debt securities, submit the details mentioned in point (D) above to the Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No.SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustee and the Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within two working days of their specific request.

3. The following disclosures shall be made where relevant:

**A. Issuer Information**

a. Name and address of the following:-
   i. Registered office of the Issuer
   ii. Corporate office of the Issuer
   iii. Compliance officer of the Issuer

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iv. CFO of the Issuer
v. Arrangers, if any, of the instrument
vi. Trustee of the issue
vii. Registrar of the issue
viii. Credit Rating Agency (-ies) of the issue and
ix. Auditors of the Issuer

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

i. Overview
ii. Corporate Structure
iii. Key Operational and Financial Parameters * for the last 3 Audited years
iv. 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

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| Parameters | Upto latest Half Year | FY…… … | FY…… | FY… …… |
|---|---|---|---|---|
| **For Non-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 | | | | |
| Net sales | | | | |
| EBITDA | | | | |
| EBIT | | | | |
| Interest | | | | |
| PAT | | | | |
| Dividend amounts | | | | |
| Current ratio | | | | |
| Interest coverage ratio | | | | |
| Gross debt/equity ratio | | | | |
| Debt Service Coverage Ratios | | | | |
| **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 | | | | |
| Assets Under Management | | | | |
| Off Balance Sheet Assets | | | | |

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| | | | | |
|---|---|---|---|---|
| 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 of the Company:-

| | |
|---|---|
| Before the issue of debt securities | |
| After the issue of debt securities | |

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c. A brief history of the Issuer since its incorporation giving details of its following activities:-

i. Details of Share Capital as on last quarter end:-

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

ii. Changes in its capital structure as on last quarter end, for the last five years:-

| Date of Change ( AGM/EGM) | Rs | Particulars |
|---|---|---|
| | | |

iii. 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)

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

v. Details of any Reorganization or Reconstruction in the last 1 year:-

| Type of Event | Date of Announcement | Date of Completion | Details |
|---|---|---|---|
| | | | |

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

i. 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 |
|---|---|---|---|---|
| | | | | |

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

ii. 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 |
|---|---|---|---|---|
| | | | | |

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

i. 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 the RBI defaulter list and/or ECGC default list, if any.

ii. 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 |
|---|---|---|---|
| | | | |

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

i. Details of the auditor of the Company:-

| Name | Address | Auditor since |
|---|---|---|

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| | | |
|---|---|---|
| | | |

ii. 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 |
|---|---|---|---|---|
| | | | | |

g. Details of borrowings of the Company, as on the latest quarter end:-

i. Details of Secured Loan Facilities :-

| Lender's Name | Type of Facility | Amt Sanctioned | Principal Amt outstanding | Repayment Date / Schedule | Security |
|---|---|---|---|---|---|
| | | | | | |

ii. Details of Unsecured Loan Facilities:-

| Lender's Name | Type of Facility | Amt Sanctioned | Principal Amt outstanding | Repayment Date / Schedule |
|---|---|---|---|---|
| | | | | |

iii. Details of NCDs:-

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iv. List of Top 10 Debenture Holders (as on ……)

| Debenture Series | Tenor / Period of Maturity | Coupon | Amount | Date of Allotment | Redemption Date/ Schedule | Credit Rating | Secured / unsecured | Security |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |

| Sr. No. | Name of Debenture Holders | Amount |
|---|---|---|
| | | |

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

v. 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.

vi. 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 |
|---|---|
| | |

vii. 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 ) / Instrument Name | Type of Facility / Instrument | Amt Sanctioned / Issued | Principal Amt outstanding | Repayment Date / Schedule | Credit Rating | Secured / Unsecured | Security |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

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

ix. 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;

h. Details of Promoters of the Company:-

i. 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. |
|---|---|---|---|---|---|---|
| | | | | | | |

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i. 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. *

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

k. 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 debt securities.

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l. The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given his consent to the Issuer for his appointment under regulation 4 (4) and in all the subsequent periodical communications sent to the holders of debt securities.

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

n. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure( procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

o. Copy of consent letter from the Debenture Trustee shall be disclosed.

p. Names of all the recognised stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange.

q. Other details

i. DRR creation - relevant regulations and applicability.

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

iii. Application process.

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

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**B. Issue details**

a. Summary term sheet shall be provided which shall include at least following information (where relevant) pertaining to the Secured / Unsecured Non Convertible debt securities (or a series thereof):-

| | |
|---|---|
| Security Name | Name of the bond which includes (Issuer Name, Coupon and maturity year) e.g. 8.70% XXX 2015. |
| Issuer | |
| Type of Instrument | |
| Nature of Instrument | Secured or Unsecured |
| Seniority | Senior or Subordinated. |
| Mode of 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 | |
| Coupon Rate | |
| Step Up/Step Down Coupon Rate [1] | |
| Coupon Payment Frequency | |
| Coupon payment dates | Dates on which coupon will be paid. |
| Coupon Type | Fixed, floating or other coupon structure. |
| Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc). | |
| Day Count Basis | Actual/ Actual |
| 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 | |
| Issue Price | The price at which bond is issued |
| Discount at which security is issued and the effective yield as a result of such discount. | |
| [22][Put] Date | |
| [23][Put] Price | |
| [24][Call] Date | |

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[22] Substituted by the SEBI (Issue and Listing of Debt Securities)(Amendment)Regulations, 2015 w.e.f. 24-03-15 for the words "Put option".
[23] *Ibid.*
[24] Substituted by the SEBI (Issue and Listing of Debt Securities)(Amendment)Regulations, 2015 w.e.f. 24-03-15 for the words "Call option".

| | |
|---|---|
| [25][Call] Price | |
| Put Notification Time | Timelines by which the investor need to intimate Issuer before exercising the [26][put]. |
| Call Notification Time | Timelines by which the Issuer need to intimate investor before exercising the [27][call]. |
| Face Value | Rs 10 lakhs per instrument for all the issues |
| Minimum Application and in multiples of __ Debt securities thereafter | |
| Issue Timing<br>1. Issue Opening Date<br>2. Issue Closing Date<br>3. Pay-in Date<br>4. Deemed Date of Allotment | |
| Issuance mode of the Instrument | Demat only (for private placement) |
| Trading mode of the Instrument | Demat only (for private placement) |
| Settlement mode of the Instrument | Insert details of payment procedure |
| Depository | |
| Business Day Convention[2] | |
| Record Date | 15 days prior to each Coupon Payment / [28][Put] Date / [Call] Date / Redemption date. |
| Security (where applicable) | |

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[25]*Ibid*

[26] Substituted by the SEBI (Issue and Listing of Debt Securities)(Amendment) Regulations, 2015 w.e.f. 24-03-15 for the words "put option".

[27]Substituted by the SEBI (Issue and Listing of Debt Securities)(Amendment) Regulations, 2015 w.e.f. 24-03-15 for the words "call option".

[28]Substituted by the SEBI (Issue and Listing of Debt Securities)(Amendment) Regulations, 2015 w.e.f. 24-03-15 for the words "Put option" and "Call option" respectively.

| | |
|---|---|
| (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security). | |
| Transaction Documents [3] | |
| 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 |
| Role and Responsibilities of Debenture Trustee | |
| Governing Law and Jurisdiction | |

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Notes:

1. *If there is any change in Coupon Rate rate pursuant to any event including elapse of certain time period or downgrade in rating , then such new Coupon Rate and events which lead to such change should be disclosed.*

2. *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 etc., should be laid down.*
3. *The list of documents which has been executed or will be executed in connection with the issue and subscription of debt securities shall be annexed*.

b. In privately placed issues, additional Covenants shall be included as part of the Issue Details on the following lines, as per agreement between the issuer and investor:

i. Security Creation (where applicable): In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate

of interest or will pay penal interest of atleast 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor.

ii. Default in Payment: In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period

iii. Delay in Listing: In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Company will pay penal interest of atleast 1 % p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor.

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

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[29][**C. Disclosures pertaining to wilful default**

(1) In case of listing of debt securities made on private placement, the following disclosures shall be made:

(a) Name of the bank declaring the entity as a wilful defaulter;

(b) The year in which the entity is declared as a wilful defaulter;

(c) Outstanding amount when the entity is declared as a wilful defaulter;

(d) Name of the entity declared as a wilful defaulter;

(e) Steps taken, if any, for the removal from the list of wilful defaulters;

(f) Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions;

(g) Any other disclosure as specified by the Board.

(2) The fact that the issuer or any of its promoters or directors is a wilful defaulter shall be disclosed prominently on the cover page with suitable cross-referencing to the pages.

[29] Inserted by the SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 w.e.f. 25-05-16.

(3) Disclosures specified herein shall be made in a separate chapter or section, distinctly identifiable in the Index / Table of Contents.]

## SCHEDULE II

*[See regulation 6 (7) ]*

## 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.**

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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 and advertisement for opening or closure of the issue have been given.
3 We confirm that the offer document contains all disclosures as specified in the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
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 thereunder 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)**

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## SCHEDULE III

*[See regulation 6 (8)]*

**FORMAT OF DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE BEFORE OPENING OF THE ISSUE**

To,

SECURITIES AND EXCHANGE BOARD OF INDIA

Dear Sir / Madam,

**SUB.: ISSUE OF _____ BY _____LTD.**

We, the Debenture Trustee (s) to the above mentioned forthcoming issue state as follows:

(1) We have examined documents pertaining to the said issue and other such relevant documents.

(2) On the basis of such examination and of the discussions with the issuer, its directors and other officers, other agencies and of independent verification of the various relevant documents,

WE CONFIRM that:

(a) The issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.

(b) The issuer has obtained the permissions / consents necessary for creating security on the said property (ies).

(c) The issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities.

(d) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the issuer to service the debt securities.

**PLACE**

**DATE**: **DEBENTURE TRUSTEE TO THE ISSUE WITH HIS SEAL**

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**SCHEDULE IV**

*[See regulation 8 (1)]*

**FORMAT OF ISSUE ADVERTISEMENTS FOR PUBLIC ISSUES**

This is an advertisement for information purposes

**_____ _____ LIMITED**

(Incorporated on _____ under the Companies Act as _____
and subsequently renamed _____ on _____)

Registered Office: _____ Tel: _____ Fax _____

Corporate Office: _____ Tel: _____ Fax _____

e-mail: _____ Website: _____

**THE ISSUE**

Public issue of _____ debt securities of Rs. ____ each at a price of Rs._____

(Summary Details of Coupon, Redemption, etc shall be disclosed)

**PROMOTERS**

XXXX

**PROPOSED LISTING**

Names of Stock Exchanges

**MERCHANT BANKERS**

(Names)

**COMPLIANCE OFFICER OF THE ISSUER**

Name, address, telephone and fax numbers, email ID, website address

**CREDIT RATING**

(The Rating Obtained shall be disclosed prominently along with the meaning of the same)

**DEBENTURE TRUSTEES**

( Names)

**AVAILABILITY OF APPLICATION FORMS**

Names of Issuer, Lead Managers, etc. (Addresses optional)

**AVAILABILITY OF OFFER DOCUMENT**

Investors are advised to refer to the offer document, and the risk factors contained therein, before applying in the issue. Full copy of the offer document is available on websites of issuer / lead manager(s) / Stock Exchange(s) on www._____

**ISSUE OPENS ON:**

**ISSUE CLOSES ON:**

Issued by

**Directors of Issuer**

[30][SCHEDULE V
[*See Regulations 6(6) and 20]*
REGULATORY FEES

(1)There shall be charged, in respect of every draft offer document filed by a lead merchant banker with the Board in terms of these regulations, a non-refundable fee of 0.00025% of issue size, subject to the minimum of twenty five thousand rupees and maximum of fifty lakh rupees.

(2)The fees as specified in clause (1) above shall be paid [31][by way of direct credit in the bank account through NEFT/RTGS/IMPS or any other mode allowed by RBI or] by means of a demand draft drawn in favour of 'the Securities and Exchange Board of India' payable at the place where the draft offer document is filed with the Board.

(3)There shall be charged, in respect of every private placement of debt securities which are listed in terms of these regulations, a non-refundable fee of five thousand rupees which shall be paid to the designated stock exchange at the time of listing of the debt securities.

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(4)Every designated stock exchange shall remit the regulatory fee collected during the month under clause (3) above to the Board before tenth day of the subsequent month [32][by way of direct credit in the bank account through NEFT/RTGS/IMPS or any other mode allowed by RBI or] by means of a demand draft drawn in favour of 'the Securities and Exchange Board of India' payable at Mumbai along with the details of the issuances listed during the month.]

[30] Inserted by the SEBI (Payment of Fees) (Amendment) Regulations, 2014 w.e.f. 23. 05.14.
[31] Inserted by the SEBI (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2017, w.e.f. 6.3.2017.
[32] Inserted by the SEBI (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2017, w.e.f. 6.3.2017.