

Chapter - 4 "Share Capital and Debentures"

Part VI - Debentures (Sec. 71)

(Xix) Debentures:

(A) Debenture Redemption Reserve: (DRR)

(1) DRR is not required for both public and privately placed debentures in case of following:

- Debentures issued by All India Financial Institutions regulated by RBI and Banking Companies.
- Debentures issued by Listed NBFCs regul. with RBI, listed housing finance Companies regul. with NHB and other listed Companies.

(2) DRR is not required for privately placed debentures in case of unlisted NBFC regul. with RBI and unlisted HFC regul. with NHB.

(3) In case of other unlisted Companies, DRR is required for privately placed debⁿ @ 10% of value of O/S debⁿ

	Public Issue	Privately Placed	B
(i) AIFI / Banking Cos.	- Not required -	- Not required -	X
(ii) Listed NBFC/HFC/Others	- Not required -	- Not required -	✓
(iii) Unlisted Companies			
(a) NBFC / HFC	- Not applicable -	- Not required -	X
(b) Other Companies	- Not applicable -	10% of O/S deb ⁿ	✓

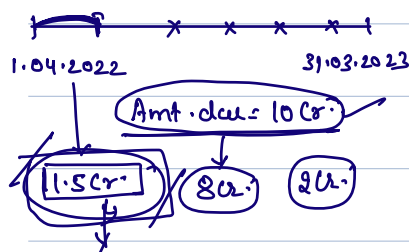
(B) Requirement of deposits / Investments in specified methods:

(i) Applicability:

- (a) All listed NBFCs Regd. with RBI.
- (b) All " HFCs " " NHB.
- (c) " Other listed companies (other than All India FIs and Banking companies)
- (d) All Unlisted companies which are not NBFCs and HFCs

(ii) Requirement:

- (a) All companies specified above, shall on or before 30th day of April in each year, in respect of debentures issued, deposit or invest, a sum \geq 15% of amount of debentures maturing during the year ending on 31st March of the Next year, in specified methods of deposits or investments.



- (b) The amount so deposited or invested, should not be utilised for any purpose other than for redemption of debentures maturing during the year.
- (c) Amount remaining deposited or invested, shall not at any time fall below 15% of amount of debentures maturing during the year ending on 31st day of March of that year.