

Disclosure requirements w.r.t. debt securities | Amendments in LODR & NCS Regulations w.e.f. July 10, 2024

Amendments in NCS Regulations

Applicability

Entities having listed debt securities or intending to list its debt securities.

Revision in format of DD Certificate provided by Debenture Trustee

- Format of Due Diligence Certificate (DD Certificate) provided by Debenture Trustee (DT), is aligned with the format provided in DT Master Circular.
- **Filing in case of Public issue to SE & SEBI [Reg. 40]:**
 - (a) At the time of filing the draft offer document with SE & prior to the opening of issue - Part A of Schedule IV (secured) or Part A of Schedule IVA (Unsecured)
 - (b) At the time of filing the listing application by issuer - Part B of Schedule IV (secured) or Part B of Schedule IVA (Unsecured)
- **Filing in case of Private Placement to SE [Reg. 44 (3)]:** Part B of Schedule IV (secured) or Part B of Schedule IVA (Unsecured)
- **Other disclosure:** SE is required to disseminate the DD certificate along with the offer document on its website.
- **Rationale:** To harmonize the formats in different regulations.

Fixing a record date

- A new obligation on the issuers to fix a record date for payment of interest, dividend & redemption at **15 days prior to due date**. [*newly inserted Reg. 23(7)*]
- Earlier there was only a requirement to intimate the record date. [*Reg. 60(2) of LODR*]
- **Rationale:** Ensure standardization in terms of market practice for treatment of record dates.

Web link/QR code to audited FS in issue documents

- **Option to provide web-link/static QR code of the audited financial statements** in the offer document, subject to conditions -
 - Scanning the QR/clicking the web-link open to the SEs website to display the audited FS for the last 3 years ;
 - Disclosure of comparative key operational and financial parameters (standalone & consolidated basis) of last 3 years as certified by peer-reviewed statutory auditors in offer document.
- **Rationale:** To reduce the bulky size of offer document.

Amendments in LODR Regulations

Applicability

Entities having listed debt securities.

Window advertisement for financial results

- Option for **window advertisement for financial results** [*Reg. 52(8)*] which:
 - (a) refers to QR Code &
 - (b) provide links to website of LE and SEs where results are available,
- Subject to following **conditions:**
 - (a) For outstanding listed NCDs as on date of this amendment - obtain prior approval from DT
 - (b) For new issuances of NCDs - option to either make disclosure in offer document or obtain prior approval from DT.
- **Rationale:** Publication of financial results in newspapers become redundant as they are already available on SE & LE's website and the same is also expensive for the LE.

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