

SEBI rationalises offer document contents and certain timelines for NCD public issuance

NCS Regulations amended effective from September 18, 2024

Provisions w.r.t. Public Issue of NCDs

Timeline for public comments on Draft Offer Document (OD)

(Reg. 27)

- Draft OD now open for public comments for 5 days [earlier 7 WD];
- For listed issuers*: open for 1 day.

Subscription period (Reg. 33A)

- Minimum offer period reduced from 3 WD to 2 WD [maximum period of 10 WD remains same];
- In case of price band revision, bidding period to be extended by 1 WD instead of 3WD [within maximum cap of 10 WD].

Option of e-advertisement in public issue (Reg. 30)

- Option to make advertisement through electronic modes [online newspapers or website of issuer/ stock exchange];
- Issuers opting for electronic mode to make a window advertisement in English national daily & regional daily newspaper with QR code/link to full advertisement.

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Amendment in Schedule I - Offer Document (“OD”)**

(a) **Promoter details (para 3.3.2):** No disclosure of personal address and PAN of promoters in OD as the same is already provided to stock exchange, with a declaration in OD.

(b) **Branch/Unit details (para 3.3.8):** May be provided via QR code or weblink. Details to be provided to Debenture Trustee (DT)# and to be kept open for inspection.

(c) **Use of Proceeds (para 3.3.8):** Disclose utilization of issue proceeds [in priority order] including the purpose of placement, project cost breakdown, means of financing the project and proposed deployment status at each stage.

(d) **Key operational & financial parameters (para 3.3.10):** Disclosure for the period as applicable in case of audited financial statements [3 years]

(e) **Attestation flexibility (para 3.3.37):**

- Authorised person to provide attestation in OD instead of all directors [in case issuer is body corporate] as authorized by Board through resolution;
- Copy of resolution to be disclosed in OD;
- Authorised persons will be Executive Chairperson/MD/CEO/CFO/WTD and Compliance Officer or any two KMPs;
- Attestation to include a clause that Board of issuer has reviewed the content of OD and has final & ultimate responsibility for the same.

(f) **Vendor details (para 3.3.41(e)):**

- For purchase/acquisition of immovable property, disclosure of specified details for top 5 vendors (based on transaction value).
- Remaining vendor details may be aggregated and provided via QR code/weblink. Such details also to be provided to DT# and kept open for inspection.

*Having listed specified securities

** Applicable for all type of NCD issuances

#Submission to DT as a part of Security & Covenant Monitoring system, which DT also verifies.