

**DISCLOSURES BY LISTED ENTITIES OF DEFAULTS ON PAYMENT OF INTEREST/ REPAYMENT OF PRINCIPAL AMOUNT ON LOANS FROM BANKS / FINANCIAL INSTITUTIONS, DEBT SECURITIES, ETC.**

Currently, listed entities have to make specific disclosures if there is delay or default in payment of interest or principal on debt securities' such as listed Non-Convertible Debentures, listed Non-Convertible Redeemable Preference Shares, Foreign Currency Convertible Bonds.

SEBI has extended the scope of disclosure requirements vide circular dated August 04, 2017 thereby making it mandatory on the part of listed entities to disclose the default on non-payment of interest / principal amount / instalment on following:

- Debt securities including commercial paper, Medium Term Notes, Foreign Commercial Convertible Bonds;
- Loan from banks and financial institutions, including ECBs.

'Default' for the purpose of this circular shall mean non-payment of interest or principal amount in full on the pre-agreed term.

Such disclosure, inter-alia, has to be made within one working day from the date of first default w.e.f. October 01, 2017.

Quick access to the circular -

[http://www.sebi.gov.in/legal/circulars/aug-2017/disclosures-by-listed-entities-of-defaults-on-payment-of-interest-repayment-of-principal-amount-on-loans-from-banks-financial-institutions-debt-securities-etc\\_35538.html](http://www.sebi.gov.in/legal/circulars/aug-2017/disclosures-by-listed-entities-of-defaults-on-payment-of-interest-repayment-of-principal-amount-on-loans-from-banks-financial-institutions-debt-securities-etc_35538.html)