

FORM DPT-1

**CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT
INVITING DEPOSITS**

*[Pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2)
of the Companies (Acceptance of Deposits) Rules, 2014]*

The circular or circular in the form of advertisement shall contain the following:

1. GENERAL INFORMATION

- a. Name, address, website and other contact details of the company;
- b. Date of incorporation of the company;
- c. Business carried on by the company and its subsidiaries with the details of branches or units, if any;
- d. Brief particulars of the management of the company;
- e. Names, addresses, DIN and occupations of the directors;
- f. Management's perception of risk factors;
- g. Details of default, including the amount involved, duration of default and present status, in repayment of –
 - i) statutory dues;
 - ii) debentures and interest thereon;
 - iii) loan from any bank or financial institution and interest thereon.

2. PARTICULARS OF THE DEPOSIT SCHEME

- a. Date of passing of board resolution;
- b. Date of passing of resolution in the general meeting authorizing the invitation of such deposits;
- c. Type of deposits, i.e., whether secured or unsecured;

- d. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder, and the aggregate of deposits actually held on the last day of the immediately preceding financial year and on the date of issue of the Circular or advertisement and amount of deposit proposed to be raised and amount of deposit repayable within the next twelve months ;
- e. Terms of raising of deposits : Duration, Rate of interest, mode of payment and repayment;
- f. Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid;
- g. Reasons or objects of raising the deposits;
- h. Credit rating obtained; Name of the Credit Rating Agencies, Rating obtained, Meaning of the rating obtained, Date on which rating was obtained.
- i. Extent of deposit insurance, ; Name of the Insurance Company, terms of the insurance coverage, duration of coverage, extent of coverage, procedure for claim in case of default etc.
- j. Short particulars of the charge created or to be created for securing such deposits, if any;
- k. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons.

3. DETAILS OF ANY OUTSTANDING DEPOSITS

- a. Amount Outstanding;
- b. Date of acceptance;
- c. Total amount accepted;

- d. Rate of interest;
- e. Total number of depositors;
- f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved;
- g. Any waiver by the depositors, of interest accrued on deposits;

4. FINANCIAL POSITION OF THE COMPANY

- a. Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement;
- b. Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest paid)
- c. A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement;
- d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement;
- e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.

5. A DECLARATION BY THE DIRECTORS THAT-

- a. the company has not defaulted in the repayment of deposits accepted either before or after the

commencement of the Act or payment of interest there on;

- b. the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- c. the company has complied with the provisions of the Act and the rules made thereunder;
- d. the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- e. the deposits accepted by the company before the commencement of the Act have been repaid (or will be repaid along with interest within ____ days (days to be specified) and until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities).
- f. In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- g. the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;

h. the deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.