

Minimum fee structure for listed Debenture/Bonds assignments

(Ref. SEBI Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2019/68 dated 27th May 2019 and SEBI Operational Circular for Debenture Trustee dated March 31,2023)

The minimum fees structure for debenture trusteeship of listed debentures / bonds, w.e.f. 1st April 2021 shall be as under:

The Pricing structure for undertaking trusteeship services for issuers **other than Public Sector Undertakings** are as follows:

Listed Debentures	Secured		Unsecured	
Issue Size	Public/Private - Non -PSU entities			
	Initial Fee	Annual Fee	Initial Fee	Annual Fee
≤25 crs	Rs. 0.75 Lac	Rs. 1 Lac	Rs. 0.60 Lac	Rs. 1 Lac
>25 crs - ≤100 crs	Rs. 1 Lac	Rs. 1.5 Lac	Rs. 0.75 Lac	Rs. 1 Lac
> 100 crs - ≤ 1500 crs	0.01%	0.015%	0.005%	0.0075%
>1500 crs	Rs.15 Lac	Rs.22.50 Lac	Rs.7.50 Lac	Rs.11.25 Lac

1. In case of multiple securities or securities located across states, complex /structured covenant monitoring etc., additional fee would be levied.
2. Expenses relating to valuation, search, inspection, etc. arranged through external agencies shall be payable on actual basis over and above the aforementioned fees.
3. The above mentioned fees are subject to Vistra’s management discretion and may differ on the basis of scope of work which are subject to prior approval of management.

The Pricing structure for undertaking services for issuers categorized as **Public Sector Undertakings** are as follows:-

Listed Debentures	Secured		Unsecured	
Issue Size	Public/Private - PSU entities			
	Initial Fee	Annual Fee	Initial Fee	Annual Fee
≤500 crs	Rs. 0.75 Lac	Rs. 1.15 Lac	Rs. 0.60 Lac	Rs. 0.75 Lac
> 500 crs - ≤ 1500 crs	0.0075%	0.010%	0.0035%	0.0055%
>1500 crs	Rs.11 Lac	Rs.15Lac	Rs.5.50 Lac	Rs.7.5 Lac

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Basis for fee determination for Listed Debt Securities

With a view to secure the interests of investors in listed debt securities, enhance transparency and to enable Debenture Trustees (DTs) to perform their duties effectively and promptly, SEBI vide its circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2019/68 dated 27th May 2019 directed DTs to disclose the nature of compensation arrangement with its clients on their websites, including the minimum fee to be charged (in absolute terms or as a percentage of the issue size) and factors determining the same.

Our basis of fees determination originates from the manifold increase in the responsibility of the DTs following the amendments in SEBI regulations relating to Debenture Trustee Regulations, NCS Regulations and SEBI LODR Regulations respectively. The DTs are mandated to undertake independent assessment of assets offered as security, periodic monitoring and compliance of security created or assets on which charges are created with covenants or terms of the issue of listed debt securities incorporated in debenture trust deed.

Enhanced role and responsibilities as prescribed vide SEBI Operational Circular for Debenture Trustee dated March 31,2023

The change in regulatory framework has increased obligations of DT to safeguard the interest of investors. To facilitate this transformation, DTs have taken following steps –

- Upgraded the skill sets of the existing identified workforce and hired additional resources to discharge the fiduciary role in line with the changed regulatory guidelines.
- Automation of processes for better monitoring of the transactions' covenants on an ongoing basis coordination with the appointed advisors/professionals/agencies/consultants on a real time basis in connection with due diligence and periodical monitoring.
- Co-ordination with third party consultants, appointed agencies etc.
- Security and Covenant monitoring' using DLT platforms in terms of SEBI circular dated August 13, 2021 and March 29, 2022 (Operational circular dated March 31,2023)
- Co-ordination required for No objection certificates (NOCs) from existing charge holders/lenders.
- Liaisoning with Legal counsels for drafting of documents related to debenture issuance including Debenture Trustee Agreement, Debenture Trust deed, Security Creation documents etc.
- Ensuring creation of securities by the issuer and holding of security including safe custody of documents.