

IDBI Trusteeship Services Limited (ITSL)

PRICING MECHANISM

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

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

Annual Fee- Listed Debentures		
Issue Size	Public/Private- Non -PSU entities	
	Secured	Unsecured
≤25 crs	Rs. 1 Lac	Rs. 1 Lac
>25 crs - ≤100 crs	Rs. 1.5 Lac	Rs. 1 Lac
> 100 crs - ≤ Rs.1500 crs	0.015%	0.0075%
> 1500 crs	Rs.22.50 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.		

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

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

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

Basis of fees determination

ITSL in its constant endeavour aims to secure the interests of investors in listed debt securities, enhance transparency and perform its duties effectively and promptly.

The basis of fees determination originates from the manifold increase in the responsibility of the Debenture Trustees ('DT') following the amendments in SEBI regulations relating to Debenture Trustee Regulations, SEBI ILDS Regulations (now SEBI NCS Regulations), SEBI LODR Regulations and SEBI circular pertaining to Security and Covenant Monitoring' using Distributed Ledger Technology ('DLT'). 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. Further the enhanced roles and responsibilities were prescribed for the DTs by SEBI vide Circular dated November 03, 2020, November 12, 2020 and October 13, 2020 respectively.

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

- a. Upgraded the skill sets of the existing workforce and hiring of additional resources to discharge the fiduciary role in line with the changed regulatory guidelines;
- b. Upgrading and automating the ERP system to facilitate better monitoring of the transactions' covenants including breach of covenants, interest and principal payment, enabling related system generated alerts to issuers, debenture holders, rating agencies, etc. on an ongoing basis;
- c. Appointment of advisors/professionals/agencies/consultants in connection with due diligence and periodical monitoring and co-ordinate with them on real time basis for obtaining various reports;
- d. Security and Covenant monitoring' using DLT platform in terms of SEBI circular dated 13.08.2021 and 29.03.2022;
- e. The increase in defaults has resulted in expeditious enforcement of collateral in debt securities and consequential expenses.

ITSL submits that the fees charged by us for the services extended includes: -

- Acceptance fee- Fee charged for undertaking initial due diligence, execution of various facility documents to facilitate listing and fund raising;
- Annual fee – Fee for undertaking monitoring and continuous disclosures on a periodic basis till the life of the transaction & maintenance of record as per applicable law.

However, the actual fees chargeable for any transaction or issuer shall be dependent on various parameters including but not limited to tenure, credit rating, security and transaction complexity and existing business relationship.

Applicability: This fees structure is applicable from 27.05.2019 in terms of SEBI Circular under no. SEBI/ HO/ MIRSD/ DOS3/CIR/P/2019/68 dated May 27, 2019.