

CATALYST TRUSTEESHIP LIMITED

THE CATALYST CHRONICLE

● CIRCULAR AND AMENDMENT ISSUED BY THE MARKET REGULATORS:

SEBI Circular: SEBI/LAD-NRO/GN/2025/265 dated September 08, 2025, regarding 'SEBI (Alternative Investment Funds) (Second Amendment) Regulations, 2025'. This is an official government notification published in the Gazette of India.

Key Amendments -

1. Definitions (Regulation 2)

- Co-investment redefined; Co-investment scheme and Shelf Placement Memorandum introduced.
- Angel funds classified as a sub-category under Category I AIF

2. Regulation 3(4)(a)

- "Angel funds" explicitly included along with SME Funds.

3. Regulation 15(1)(b) – Omitted

4. New Regulation 17A – Co-Investment by Category I & II AIFs

Permitted Routes: (i) Co-investment schemes, (ii) Co-investment Portfolio Managers (under SEBI PMS Regulations, 2020).

Filing Requirement: Shelf placement memorandum to be filed with SEBI via a merchant banker before offering co-investments.

Scheme Structure:

- Separate scheme for each co-investment.
- Only accredited investors eligible.
- Each scheme can invest in **only one company**.
- No investments in AIF units permitted.

Terms:

- Cannot be more favorable than AIF's investment terms.
- Exit timing shall be identical to that of AIF scheme.

Closure: Scheme to be wound up upon exit.

Exemptions: Clauses of Reg. 10(b),(d), 11(2), 12(2)-(5), 13, 15(1)(a),(c),(da),(g),(h), 16 & 17 will not apply to co-investment schemes.

5. Angel Funds – (Reg. 19A–19G)

- "Angel investors" replaced with accredited investors.
- Angel funds cannot launch separate schemes – all investments to be made directly.
- Contributions allowed only from accredited investors (including KMPs).
- Investment size per company: minimum ₹10 lakh, maximum ₹25 crore.
- At least two accredited investors required per deal; related-party contributions barred.
- Mandatory onboarding of 5 accredited investors before first close.
- Revised obligations on managers: disclosure of deals, defined allocation methodology, investor approval prior to investments, pro-rata distribution of rights/proceeds.
- Corporate group eligibility tightened (turnover ≤ ₹300 cr).

6. Manager Advisory Role (Reg. 20(15))

- Managers restricted from providing advisory services except for co-investment schemes or co-investment portfolio management clients.

7. Schedules Updated

- New filing fee of ₹1,00,000 for shelf placement memorandum (co-investment).
- New fee of ₹1,00,000 for refiling angel fund placement memorandum.
- Angel funds specifically recognized as Category I AIF sub-category.

Key Takeaway: The amendment introduces a structured co-investment regime, revamps the angel fund framework under Category I AIFs with accredited investor-centric rules, eliminates angel fund schemes, strengthens governance & disclosures, and adds new filing and fee requirements for both co-investment and angel funds.

SEBI Circular: SEBI/HO/AFD/AFD-POD-1/P/CIR/2025/126 dated September 09, 2025, subjected 'Framework for AIFs to make co-investment within the AIF structure under SEBI (Alternative Investment Funds) Regulations, 2012'. It stands effective immediately.

Key Highlights of the circular:

Co-Investment Options: Managers of AIFs can facilitate co-investments either via the PMS route or the new CIV scheme.

Shelf Placement Memorandum: Managers must file a standardized placement memorandum covering governance, regulatory framework, and co-investment terms.

Ring-fencing Assets: Each CIV scheme must maintain separate bank and demat accounts; its assets must be segregated from other schemes.

Investment Limits:

- Investor's co-investment in an investee company through CIV schemes cannot exceed 3x their contribution in the main AIF scheme.
- Exemptions: Multilateral/bilateral DFIs, State Industrial Development Corporations, government entities (domestic/foreign), Central Banks, and Sovereign Wealth Funds.

Restrictions:

- Investors excused, excluded, or in default in the AIF scheme cannot co-invest in that company.
- CIV schemes cannot invest in a manner that gives indirect exposure barred directly, requires additional regulatory disclosures, or where the investee is restricted from receiving such funds.
- CIV schemes cannot borrow or use leverage.

Rights & Returns:

- Investors' rights and proceeds are pro-rata to their contribution, subject to carried interest provisions for the sponsor/manager.

Expenses: Co-investment expenses are to be shared proportionately between the AIF scheme and the CIV scheme.

Implementation Standards: framed by the SFA in consultation with SEBI shall be adopted by AIFs, their managers, and key personnel, and will be published on the websites of IVCA, PE VC CFO Association, and Trustee Association of India.

SEBI Circular: SEBI/HO/ITD-1/ITD_VIAP/P/CIR/2025/131 dated September 25, 2025, states the Compliance Guidelines for Digital Accessibility Circular 'Rights of Persons with Disabilities Act, 2016 and rules made thereunder-mandatory compliance by all Regulated Entities' dated July 31, 2025

Key Compliance Requirements (Part A – Timelines):

1. **List of Digital Platforms** – Submit details of all digital platforms provided to investors by 30 Sept 2025.
2. **Appointment of IAAP-certified Accessibility Professionals** – Engage auditors by 14 Dec 2025.
3. **Initial Accessibility Audit** – Conduct audits of digital platforms by 30 Apr 2026.

4. Remediation & Final Audit – Address findings and ensure compliance by 31 Jul 2026.

5. Annual Accessibility Audits – From 30 Apr 2027 onwards, submit yearly audit reports within 30 days of the financial year-end.

Mechanism of Submission (Part B):

- Stockbrokers/Depository Participants → Report via Stock Exchanges/Depositories.
- Investment Advisors & Research Analysts → Report via BSE Ltd.
- Other REs (MIIIs, AIFs, MFs, CRAs, Custodians, DTs, etc.) → Submit directly to SEBI at digital_acc@sebi.gov.in

Formats for Compliance (Part C):

- C1: Information on digital platforms.
- C2: Details of appointed IAAP-certified auditors.
- C3: Initial audit report (with findings, observations, remediation plan).
- C4: Final audit report (with compliance status, evidence, certificates, screenshots).

Regulated Entities Reporting Directly to SEBI (Part D):

- Includes AIFs, Custodians, Debenture Trustees, CRAs, Depositories, KYC Registration Agencies, Merchant Bankers, MFs/AMCs, Portfolio Managers, RTAs, Stock Exchanges, Venture Capital Funds, etc.

Kindly take note of the specified timelines & Formats and ensures timely compliance.

We Stewarded & Acted as Securitization Trustee to India's Largest Securitisation Transaction, Once Again!

We are delighted to announce that Catalyst Trusteeship Limited served as the sole trustee for a landmark securitisation transaction involving Jamnagar Utilities & Power Pvt. Ltd. (JUPPL) and Sikka Ports & Terminals Ltd (STPL).

The transaction involved the securitisation of a pool backed by loan receivables from Digital Fibre Infrastructure Trust (DFIT), a SEBI-registered InvIT, aggregating to ₹21,000 crore (~USD 2.4 billion) across three trusts—Radhakrishna Securitisation Trust, Shivshakti Securitisation Trust, and Siddhivinayak Securitisation Trust.

This represents the largest asset-backed securitisation in India's history and underscores our continued leadership in managing marquee structured finance transactions. Having previously acted as sole trustee for HDFC Bank's ₹9,000 crore and ₹12,000 crore securitisations in FY 2023-24, we are proud to once again set a new industry benchmark. This transaction reaffirms the trust that investors, originators, arrangers, and rating agencies place in our expertise and commitment to excellence in trusteeship services.



We Acted as Debenture Trustee for ₹ 1,600 Cr NCD Issuance

We are delighted to announce that we served as the debenture trustee for the issuance of Listed, Rated, Secured, Redeemable Non-Convertible Debentures (NCDs) aggregating to ₹ 1,600 crore by Knowledge Realty Trust. This transaction highlights our continued role in supporting India's real estate investment trust sector through diligent trusteeship services.



We Acted as Debenture Trustee for ₹ 2,000 Cr NCD Issuance



BAJAJ FINANCE LIMITED

We are pleased to announce that we acted as the debenture trustee for the issuance of Listed, Rated, Secured, Redeemable Non-Convertible Debentures (NCDs) aggregating to ₹2,000 crore by Bajaj Finance Limited. This transaction reinforces our continued partnership in strengthening India's non-banking financial sector through diligent and trusted trusteeship services, while facilitating robust capital market access for leading financial institutions.

We Acted as Debenture Trustee for ₹ 1,700 Cr NCD Issuance

We are excited to report that we facilitated as the debenture trustee for the issuance of Listed, Rated, Secured, Redeemable Non-Convertible Debentures (NCDs) aggregating to ₹ 1,700 crore by Api Holdings Limited. This transaction reflects our continued commitment to facilitating capital market access and safeguarding investor interests in the healthcare sector through diligent trusteeship services.



We Acted as Debenture Trustee for ₹ 835 Cr NCD Issuance



We are honored to share that we acted as the debenture trustee for the issuance of Listed, Rated, Secured, Redeemable Non-Convertible Debentures (NCDs) aggregating to ₹ 835 crore by Oriental Infra Trust. This transaction underscores our role in enabling infrastructure financing through robust trusteeship services and supporting India's infrastructure investment trust sector.

We Acted as Debenture Trustee for ₹ 1,000 Cr NCD Issuance

We are thrilled to highlight that we served as the debenture trustee for the issuance of Listed, Rated, Secured, Redeemable Non-Convertible Debentures (NCDs) aggregating to ₹ 1,000 crore by Godrej Seeds and Genetics Limited. This transaction demonstrates our continued role in supporting India's agricultural and genetics sector through diligent trusteeship services and facilitating access to capital markets for diverse industry segments.



Godrej Seeds and Genetics Ltd.

We Are Your Trusted Bridge Between Borrowers & Lenders, We Are Your End-to-End Facility Agent

At Catalyst Trusteeship, we don't just oversee transactions—we orchestrate them from start to finish. Our involvement begins before ink meets paper. We meticulously vet every document, ensuring operational clauses are watertight and terms are crystal clear before finance documents are signed. Post-execution, we take the reins: disbursing funds, collecting Conditions Precedent, managing interest payments through multi-currency accounts, and facilitating lender transfers—all while keeping every stakeholder informed and aligned.

But we don't stop at closing. Throughout the transaction lifecycle, we track repayments, monitor financial covenants, and facilitate amendments with precision and agility.

The result? A seamless bridge between borrowers and lenders, where transparency meets efficiency, and trust is built into every step. That's the Catalyst difference.

Highlights of the Month

Security Trustee Deals

Sector	No. of Transaction	Facility Amount (Cr.)
Renewable Sector	77	39143.84
NBFC	37	22552.5
Others	20	8350
Real Estate	6	1515
Infrastructure	7	2292.59
Grand Total	147	73853.93

Debenture Trustee Deals

Sector	No. of Transaction	Facility Amount (Cr.)
Auto	2	250
Banking	1	5000
Business	1	235
Finance	1	50
Infrastructure	2	1316
Manufacturing	3	400
NBFC	37	12510
Others	52	14611.53
Power	1	16
Real Estate	13	2528
Grand Total	113	36,906.53

Securitisation Deals

Asset Class	No. of deals	Sum of Pool Size (Cr.)
Agriculture Loan	2	191.79
Education Loan	3	107.50
Commercial Vehicle	1	24
Digital Fibre Infrastructure Trust	3	21,000
Gold Loan	1	500
Invoice Financing Receivables	2	137.72
Loan Against Property	5	500
Microfinance Loans	27	2,422.22
Personal Loan	13	945.22
Tractor Loan	2	641
Two-Wheeler Loan	3	135.10
Unsecured Business Loan	5	756.75
Housing Loan	4	370
Secured Business Loan	1	126
Grand Total	72	27,857.30

AIF Deals

Sector	No. of Transaction	Fund Size (Cr.)
AIF (Domestic)	5	Rs. 9500
AIF (GIFT City AIF)	-	-
ESOP/ EBT/ Private Trust	-	-