INDIALAW

Securitisation/ Debt Assignment

Securitisation and Debt Assignment Law Firm in India for SARFAESI Matters

PRACTICE PROFILE • OCTOBER 2026

Overview

Our firm has developed a strong reputation and expertise in providing legal advisory services for securitisation transactions, debt assignments, and asset sales under SARFAESI. We assist a diverse range of clients, including banks, NBFCs (Non-Banking Financial Companies), ARCs (Asset Reconstruction Companies), and process advisors, ensuring efficient and legally sound execution of debt restructuring and recovery processes.

Our Services

Expertise in Securitisation & Debt Assignment Transactions

We specialize in guiding financial institutions through complex securitisation and debt assignment transactions, including the assignment of debt to National Asset Reconstruction Company Limited (NARCL), other ARCs, and NBFCs. Our services include:

- Legal advisory on securitisation transactions and debt assignments under the SARFAESI Act (Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act)
- Assisting clients in debt sale and asset sales under SARFAESI, ensuring full compliance with regulatory frameworks
- Advising on the Swiss Challenge process for debt assignment, providing a structured mechanism for price discovery and competitive bidding

Debt Assignment & Asset Sale Under SARFAESI

Our firm has significant experience advising lenders and ARCs on the sale of distressed assets under the SARFAESI Act. This includes:

- Direct assignment of debt to ARCs and NBFCs through price discovery mechanisms
- Providing strategic advice on the structuring of debt sale agreements, ensuring transparency and regulatory compliance
- Supporting the Swiss Challenge process to ensure a fair and competitive bidding process for distressed asset sales and debt assignments

Collaboration with Process Advisors

We have worked with leading process advisors such as BOBCAPS, IDBI Capital, and PNBISL during the price discovery and Swiss Challenge mechanisms in securitisation and debt assignment transactions. Our firm supports:

- Price discovery for distressed assets and debt assignments
- Assisting in structuring securitisation transactions to ensure compliance with all applicable laws and regulations
- Providing legal support for asset sales under SARFAESI to ARCs and NBFCs

Key Professionals



Shiju P V
Managing Partner



Shrishail Kittad
Senior Partner



Nim Dem Dorjee
Associate Partner



Rahul Sundaram
Partner



Shweta Tiwari
Associate Partner

Frequently Asked Questions

Q1 What does securitisation and debt assignment mean in Indian banking?

Securitisation involves pooling financial assets and issuing securities backed by them. Debt assignment is the transfer of loan receivables from a lender to an ARC, NBFC, or another bank, typically to resolve stressed assets and improve the originator's balance sheet under the SARFAESI Act framework.

Q2 When should a lender consider assigning distressed debt to an ARC?

Lenders typically explore debt assignment when internal recovery efforts stall, provisioning costs rise, or RBI timelines for NPA resolution approach. Early engagement allows better price discovery and helps avoid steep haircuts that come with prolonged holding of stressed assets.

Q3 Which laws and regulators govern securitisation transactions in India?

The SARFAESI Act, 2002 is the primary statute. RBI Master Directions on securitisation of standard assets and on transfer of loan exposures set detailed norms on eligibility, minimum holding periods, and risk retention. SEBI regulations apply when securities are listed or offered to investors.

Q4 How does the Swiss Challenge process work in debt assignment deals?

A base bid is received from an initial offeror. The asset is then opened for counter bids from other participants. If a higher bid emerges, the original bidder gets a right to match. This structured mechanism ensures competitive price discovery and transparency, often taking four to eight weeks to complete.

Q5 What documents are needed to start a securitisation or debt sale transaction?

Key documents include the original loan and security agreements, sanction letters, title deeds for secured assets, NPA classification records, valuation reports, and details of pending litigation. Process advisors also require a data tape summarising borrower, exposure, and collateral information.

Q6 What common pitfalls should lenders watch for in SARFAESI debt assignments?

Frequent issues include incomplete security interest perfection, gaps in borrower notice requirements under Section 5 of SARFAESI, unclear charge registration with MCA or CERSAI, and inadequate representations in assignment deeds. Any of these can delay transfer or expose the assignee to title disputes post closing.

Related Practice Areas

Banking & Finance | Debenture Issuance | Regulatory Advisory/ Digital Lending | Cross-Border lending | Debt Restructuring | Corporate Finance | Project Finance