



CIRCULAR

SEBI/HO/DDHS/CIR/P/2019/16

January 15, 2019

**To All Infrastructure Investment Trusts (InvITs)
All Parties to InvITs
All Recognized Stock Exchanges (except Commodity Exchanges)
All Merchant Bankers**

Dear Sir / Madam,

Sub: Guidelines for public issue of units of InvITs - Amendments

1. This is in continuation to SEBI circular No. CIR/IMD/DF/55/2016 dated May 11, 2016, which provided the "Guidelines for public issue of units of InvITs" ("InvIT Guidelines").
2. With a view to further rationalise and ease the process of public issue of units of InvITs, it has been decided to provide for following in the InvIT Guidelines:

a. In clause 3 of Schedule A,

- i. explanation to sub-clause (1) shall be substituted with following:

"Explanation: Institutional investors is as defined under Regulation 2(1)(y) of SEBI (Issue Of Capital And Disclosure Requirements) Regulations, 2018."

- ii. Sub-clause 2(h) shall be substituted with the following:

"(g) Neither the merchant bankers(s) nor any associate of the merchant bankers, other than mutual funds sponsored by entities which are associate of the merchant bankers or insurance companies promoted by entities which are associate of the merchant bankers or pension funds of entities which are associate of the merchant bankers or Alternate Investment Funds (AIFs) sponsored by the entities which are associate of the merchant bankers or FPIs other than Category III sponsored by the entities which are associate of the merchant bankers, shall apply under the Anchor Investors category."

b. In clause 6 of Schedule A,

- i. Following proviso shall be inserted after the proviso to sub-clause (3)

"Provided further, that in case of force majeure, banking strike or similar circumstances, the InvIT, for reasons to be recorded in writing, may extend the bidding (issue) period disclosed in the offer document, for a minimum period of three working days, subject to total bidding period not exceeding thirty days."



c. In clause 8 of Schedule A,

- i. In sub-clause (3), the word “five” shall be substituted with the word “two”.

d. In clause 9 of Schedule A,

- i. sub-clause (1) to (5), shall be substituted with following:

(1) *The InvIT shall accept bids using only the Application Supported by Blocked Amount (ASBA) facility for making payment i.e. writing their bank account numbers and authorising the banks to make payment in case of allotment, by signing the application forms. Further, the bidding process shall be done only through an electronic bidding platform provided by recognised stock exchanges.*

(2) *An investor, intending to subscribe to a public issue, shall submit a completed bid-cum-application form to Self-Certified Syndicate Banks (SCSBs), with whom the bank account to be blocked is maintained or any of the following intermediaries:*

- a. *A syndicate member (or sub-syndicate member)*
- b. *A stock broker registered with a recognised stock exchange*
- c. *A depository participant („DP“)*
- d. *A registrar to an issue and share transfer agent („RTA“)*

(3) *Role of intermediaries:*

- a. *Intermediaries accepting the application forms shall be responsible for uploading the bid along with other relevant details in application forms on the electronic bidding system of stock exchange(s) and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only).*
- b. *All applications shall be stamped and thereby acknowledged by the intermediary at the time of receipt.*

(4) *Role of Stock Exchanges:*

- a. *Stock Exchanges to provide transparent electronic bidding facility.*
- b. *Stock exchange(s) shall validate the electronic bid details with depository’s records for DP ID, Client ID and PAN, by the end of each bidding day and bring the inconsistencies to the notice of SCSBs or intermediaries concerned, for rectification and re-submission within the time specified by stock exchange(s).*



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- c. *Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code in the bid details already uploaded on a daily basis upto timeline as has been specified.*
- d. *The stock exchanges shall develop the systems to facilitate the investors to view the status of their public issue applications on their websites and sending the details of applications and allotments through SMS and E-mail alerts to the investors.*
- (5) *The blocking of funds accompanied with any revision of Bid, shall be adjusted against the amount blocked at the time of the original bid or the previously revised bid.*
- e. In clause 13 of Schedule A,
- i. sub-clause (7), shall be substituted with following:
- "The merchant bankers shall submit a compliance certificate in respect of news reports appearing for the period between the date of filing the draft offer document with the Board and the date of closure of the issue in accordance with the Clause (11) of Schedule IX of SEBI (Issue Of Capital And Disclosure Requirements) Regulations, 2018."*
3. This Circular is issued in exercise of powers conferred under Section 11(1) of Securities and Exchange Board of India Act, 1992 read with Regulation 33 of InvIT Regulations.
4. This Circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework" and under the drop down "Circulars".

Yours faithfully,

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