



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

CIRCULAR

SEBI/HO/DDHS/DDHS/CIR/P/2019/59

April 23, 2019

To
All Real Estate Investment Trusts (REITs)
All Infrastructure Investment Trusts (InvITs)
All Parties to REITs/InvITs
All Recognized Stock Exchanges
All Merchant Bankers

Dear Sir/Madam,

Sub: Guidelines for determination of allotment and trading lot size for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs)

1. SEBI (Infrastructure Investment Trusts) Regulations, 2014 (“InvIT Regulations”) and SEBI (Real Estate Investment Trusts) Regulations, 2014 (“REIT Regulations”) were amended vide notifications dated April 22, 2019.
2. The said amendments have, inter-alia, for publicly offered InvITs and REITs, reduced the minimum subscription requirement and has defined the trading lot in terms of number of units. Further, limits for aggregate consolidated borrowings and deferred payments, net of cash and cash equivalents, have been increased to seventy percent of the value of the InvIT assets.

Manner of determining minimum allotment for publicly offered InvITs and REITs

3. For determining the allotment in an initial offer, by a publicly offered InvITs/REITs, following guidelines shall be applicable:
 - 3.1. The value of each allotment lot shall not be less than Rs 1 lakh for InvITs and Rs 50,000 for REITs, where such lot shall consist of 100 units.
 - 3.2. Allotment to any investor shall be made in the multiples of a lot.
4. For follow-on offer, by a publicly offered InvITs/REITs, following guidelines shall be applicable:
 - 4.1. Minimum allotment shall be of such number of lots, whose value is not less than Rs 1 lakh for InvITs and Rs 50,000 for REITs, where each lot shall consist of such number of units as in its trading lot.
 - 4.2. Allotment to any investor shall be made in the multiples of a lot.



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5. Recognised Stock Exchange(s) shall, in consultation with the publicly offered InvITs/REITs, whose units are listed on the date of this circular, determine the number of units in the trading lot for such REITs/InvITs, within a period of 6 months from the date of this circular.

Enhanced financial disclosures for InvITs

6. InvITs, which in terms of Regulation 20(3)(b) of the InvIT Regulations, have their aggregate consolidated borrowings and deferred payments above 49 percent, shall, in addition to financial disclosures as specified vide circular no. CIR/IMD/DF/127/2016 dated November 29, 2016, disclose following additional line items:
 - 6.1. Asset cover available;
 - 6.2. debt-equity ratio;
 - 6.3. debt service coverage ratio;
 - 6.4. interest service coverage ratio;
 - 6.5. net worth;
7. 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 REIT Regulations and Regulation 33 of InvIT Regulations.
8. 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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