

CIRCULAR**SEBI/HO/DDHS/DDHS-PoD/P/CIR/2024/10****February 08, 2024****To,****All Infrastructure Investment Trusts (InvITs)****All Parties to InvITs****All Recognised Stock Exchanges****All Depositories****All Merchant Bankers****Madam/Sir,****Sub: Revised Pricing Methodology for Institutional Placements of Privately Placed Infrastructure Investment Trust (InvIT)**

1. Regulation 14(4) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('InvIT Regulations') provides that any subsequent issue of units after initial public offer may be by way of institutional placement, in addition to other mechanisms provided in the regulations. Paragraph 7.9 of the SEBI Master Circular for InvITs dated July 06, 2023, provides the pricing guidelines for institutional placement of InvIT, which state that the institutional placement by InvIT shall be made at a price not less than the average of the weekly high and low of the closing prices of the units of the same class quoted on the stock exchange during the two weeks preceding the relevant date.
2. Based on the request of the industry in respect of pricing for institutional placement by privately placed InvIT, recommendation of Hybrid Securities Advisory Committee (HySAC), and to promote Ease of Doing Business, the guidelines for pricing of institutional placements InvITs has been reviewed. Based on the said review, it has been decided that floor price for institutional placement for privately placed InvITs shall be NAV per unit of such InvIT.
3. Accordingly, the pricing for listed InvITs stand modified as under so that privately placed InvITs can undertake institutional placement based on NAV of the assets of the InvIT:

- 3.1. Paragraph 7.9.1 of the SEBI Master Circular for InvITs dated July 06, 2023 is modified as given below:

“The institutional placement by public InvIT shall be made at a price not less than the average of the weekly high and low of the closing prices of the units of the same class quoted on the stock exchange during the two weeks preceding the relevant date.

Provided that the public InvIT may offer a discount of not more than five percent on the price so calculated, subject to approval of unitholders through a resolution as specified in para 7.2.1.

Explanation: “relevant date” for the purpose of clauses related to institutional placement shall be the date of the meeting in which the board of directors of the investment manager decides to open the issue.”

- 3.2. Insertion of Paragraph 7.9.2 to the SEBI Master Circular for InvITs dated July 06, 2023:

“The institutional placement by privately placed InvIT shall be made at a price not less than the NAV per unit, based on the full valuation of all existing InvIT assets conducted in terms of InvIT Regulations.”

4. This circular shall be applicable with immediate effect.
5. This circular is being issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Regulation 33 of the InvIT Regulations. This circular is issued with the approval of the competent authority.
6. This Circular is available on the website of the Securities and Exchange Board of India at www.sebi.gov.in under the category “Legal” and under the drop down “Circulars”.

Yours faithfully

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