



Revised Pricing Methodology for Institutional Placements of Privately Placed Infrastructure Investment Trust (InvIT)

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SOURCE : SEBI Circular No - SEBI/HO/DDHS/DDHS-PoD/P/CIR/2024/10

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Background

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.

Brief

Para 7.9.1 as per the Master Circular for InvITs dated July 06, 2023

[The institutional placement 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 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.]

Para 7.9.1 of the 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

Para 7.9.2 has been inserted 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."



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