Central Depository Services (India) Limited

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COMMUNIQUÉ TO REGISTRAR & TRANSFER AGENTS

CDSL/OPS/RTA/POLCY/2024/125 **August 08, 2024**

SEBI CIR AMENDMENT TO MASTER CIRCULAR FOR INFRASTRUCTURE INVESTMENT TRUSTS

Issuers / RTAs are advised to refer to the SEBI Circular no. **SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2024/109 dated August 06, 2024,** regarding **Amendment to Master Circular for Infrastructure Investment Trusts (InvITs) dated May 15, 2024 - Board nomination rights to unitholders of InvITs [refer Annexure]**

Issuers / RTAs are advised to take note of the same.

Queries regarding this communiqué may be addressed to: CDSL – Helpdesk Emails may be sent to: dprtasupport@cdslindia.com **and connect through our IVR Number 022-62343333** .

For and on behalf of
Central Depository Services (India) Limited

sd/-

Nilesh Shah
Asst. Vice President

भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

CIRCULAR

SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2024/109 **August 06, 2024**

To,

All Infrastructure Investment Trusts (InvITs)
All Parties to InvITs
All Recognised Stock Exchanges
All Depositories

Madam/Sir,

Sub: Amendment to Master Circular for Infrastructure Investment Trusts (InvITs) dated May 15, 2024 - Board nomination rights to unitholders of InvITs

1. Para 22.3.1. (b) of Chapter 22, titled *"Board nomination rights to unitholders of Infrastructure Investment Trusts (InvITs)"*, of the Master Circular for Infrastructure Investment Trusts dated May 15, 2024 requires as under:
   "(b) Eligible Unitholder(s) shall be entitled to nominate only one Unitholder Nominee Director, subject to the unitholding of such Eligible Unitholder(s) exceeding the specified threshold. If the right to nominate one or more directors on the Board of Directors of the Investment Manager is available to any entity (or to an associate of such entity) in the capacity of shareholder of the Investment Manager or lender to the Investment Manager or the InvIT (or its HoldCo(s) or SPVs), then such entity in its capacity as unitholder, shall not be entitled to nominate or participate in the nomination of a Unitholder Nominee Director."

2. Market participants have requested to provide clarity on the availability of the right to nominate a director on the Board of Directors of the Investment Manager of InvIT, to a unitholder where such nomination right is also available to a unitholder in the capacity of lender to the Investment Manager or the InvIT (or its HoldCo(s) or SPVs).

3. In order to promote ease of doing business and based on the request of the industry and recommendation of Hybrid Securities Advisory Committee (HySAC),

it is proposed to insert the following proviso under paragraph 22.3.1. (b) of Master Circular for Infrastructure Investment Trusts dated May 15, 2024:

"*Provided that the above restriction relating to the right to nominate a Unitholder Nominee Director shall not be applicable if the right to appoint a nominee director is available in terms of clause (e) of sub-regulation (1) of regulation 15 of the SEBI (Debenture Trustees) Regulations, 1993."*

4. This circular shall come into force 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 4(2)(h) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014. This circular is issued with the approval of the competent authority.

6. The recognized Stock Exchanges are advised to disseminate the contents of this Circular on their website.

7. 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

Ritesh Nandwani
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