

Circular No.: NSDL/POLICY/2026/0078

May 18, 2026

Subject: SEBI circular on Permitted use of fresh borrowings for InvITs where Net Borrowings exceeds forty-nine percent of the value of InvIT assets

Attention of the Participants is invited to SEBI Circular no. SEBI/HO/DDHS/DDHS-PoD-2/ I/11700/2026 dated May 15, 2026 regarding "Permitted use of fresh borrowings for InvITs where Net Borrowings exceeds forty-nine percent of the value of InvIT assets" (copy enclosed).

Participants are requested to take note of the same.

**For and on behalf of
National Securities Depository Limited**

**Rakesh Mehta
Vice President**

Enclosure: One

FORTHCOMING COMPLIANCE

Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10th of the following month	Through e-PASS	Para 22 of 'Grievance Redressal' chapter and Para 27 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Compliance report w.r.t Same Mobile number and/ or email address captured for multiple accounts. (Monthly)	Before 27th of following month	Through Email.	Para 26 of 'Miscellaneous' chapter of NSDL Master Circular for Participants.
Artificial Intelligence /Machine Learning Reporting Form (Annually)	Within three months of the end of the financial year	Through e-PASS	Para 10 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants

**National Securities Depository Limited**

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Corporate Identity Number: L74120MH2012PLC230380

CIRCULAR

SEBI/HO/DDHS/DDHS-PoD-2/ I/11700/2026

May 15, 2026

To,

All Infrastructure Investment Trusts (“InvITs”)

All Parties to InvITs

All Depositories

All Recognized Stock Exchanges

Madam / Sir,

Subject: Permitted use of fresh borrowings for InvITs where Net Borrowings exceeds forty-nine percent of the value of InvIT assets

1. Regulation 20(3)(b)(ii) of SEBI (Infrastructure Investment Trusts) Regulations, 2014 (“InvIT Regulations”) was amended on April 17, 2026 to expand the permissible use of borrowings above forty-nine percent in the manner as specified by the Board

2. Accordingly, the following shall be considered as permissible use of borrowing above forty-nine percent under Regulation 20(3)(b)(ii) of InvIT Regulations—

2.1. Capital expenditure made to enhance asset performance or for capacity augmentation;

2.2. Major maintenance expense in respect of Road Project, wherein -

2.2.1. Major maintenance expense shall mean expenditure incurred on maintenance of road project which is not routine maintenance and is in accordance with the obligations and requirements specified in the concession agreement;

2.2.2. *Road Project shall mean a project in the 'Roads and bridges' infrastructure sub-sector as mentioned in the notification of the Ministry of Finance dated September 19, 2025 and shall include any amendments or additions made thereto.*

2.3. *Refinancing of debt, by the InvIT, SPV or Holdco, subject to the following conditions:*

2.3.1. *the original debt which is being refinanced was utilized for the purposes permitted under Regulation 20(3)(b)(ii) of the InvIT Regulations;*

2.3.2. *only the principal portion of debt is refinanced i.e. any accumulated interest or any charges or fees by whatever name called shall not be refinanced.*

3. This circular shall come into force with immediate effect.
4. This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, Regulation 20(3)(b)(ii) and Regulation 33 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014. This circular is issued with the approval of the competent authority.
5. The recognized Stock Exchanges are advised to disseminate the contents of this Circular on their website.
6. This circular is available on the website of Securities and Exchange Board of India at www.sebi.gov.in under the category "Legal → Circulars".

Yours faithfully

Ritesh Nandwani
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