

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

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