



**REITs and INVITs are permitted to issue
Commercial Paper**

On 22 September 2022, the Securities and Exchange Board of India (SEBI), through Notification - SEBI/HO/DDHS/DDHS_Div3/P/CIR/2022/122 and SEBI/HO/DDHS/DDHS_Div3/P/CIR/2022, notified and permitted to issue and listing of Commercial paper by Listed REITs and InvITs.

REITs, or real estate investment trusts, are companies that own or finance income-producing real estate across a range of property sectors. These real estate companies have to meet several requirements to qualify as REITs. Most REITs trade on major stock exchanges, offering investors several benefits.

InvITs: Infrastructure Investment Trusts are investment instruments that function like mutual funds and are governed by SEBI. InvITs are primarily structured as trusts, and an independent trustee holds assets on behalf of unit holders.

InvITs could be set up for sectors defined under the infrastructure as per RBI guidelines. So far, power transmission, developers engaged in the road, gas pipelines and tower transmission have formed InvIT.

The capital market regulator SEBI on Thursday notified that REITs - Real Estate Investment Trust and InvITs - Infrastructure Investment Trust that has a net worth of not less than 100 Crore or higher are eligible for the issuance of commercial paper. In terms of Reserve Bank Commercial Paper Directions, 2017, dated 10 August 2017.

Condition for Issue and Listing of Commercial Paper by listed REITs and InvITs.

The REITs - Real Estate Investment Trust and InvITs - Infrastructure Investment Trust shall abide by the guidelines prescribed by the RBI for issuing commercial papers.

REITs and InvITs shall abide by the condition of Listing Norms Prescribe by SEBI Under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and circulars issued thereunder.

Listed Commercial Paper shall be within the Overall debt limit, permitted under SEBI (Real Estate Investment Trusts) Regulations, 2014 and SEBI (Infrastructure Investment Trusts) Regulations, 2014.

This Circular is being issued in the exercise of powers granted under Section 11(1) of the SEBI Act, 1992 and Regulation 33 of the SEBI (Real Estate Investment Trusts) Regulations, 2014 and Regulation 33 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014. This Circular is issued with the permission of the competent authority.

This Circular is available on the website of SEBI at www.sebi.gov.in under the icon "Legal".



Official Notification Attached - [here](#)

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