

SEBI Revises Lock-In Provisions and Follow-On Offer Guidelines for InvITs

The Securities and Exchange Board of India (SEBI) vide its **Circular No. SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2025/44 dated March 28, 2025**, has amended the lock-in requirements for preferential issues of Infrastructure Investment Trusts (InvITs).

The changes align lock-in provisions with existing regulations, ensuring that sponsor-held units are not subject to additional restrictions beyond their original lock-in period.

Additionally, the Market Regulator has now permitted inter-se transfers of locked-in units among sponsors and their group entities under specified conditions.

The circular also introduces a regulatory framework for follow-on offers (FPOs) by publicly offered InvITs.

The SEBI has outlined procedural requirements, including stock exchange approvals, dematerialized issuance, and adherence to minimum public unitholding norms. Fast-track FPOs have been proposed to enhance fundraising efficiency.

These measures are part of SEBI's efforts to promote ease of doing business and provide greater flexibility to InvITs in raising capital. The circular is effective immediately, and stock exchanges have been advised to publish it on their websites.

Link - https://www.sebi.gov.in/legal/circulars/mar-2025/amendment-to-master-circular-for-infrastructure-investment-trusts-invits-dated-may-15-2024_93145.html