BHARAT InvITs Association

BIA Primer

ICAI Conference on Capital Markets- Kolkata

BHARAT InvITs Association

Altius
ANANTAM HIGHWAYS TRUST
AnZen INDIA ENERGY TRUST
CAPITAL Infra Trust GROWTH | GOVERNANCE | GOAL
CUBE HIGHWAYS TRUST
Digital Fibre Infrastructure Trust
ENERGY INFRA TRUST
IndiGrid
INDUS INFRA TRUST
IRB INFRASTRUCTURE TRUST
IRB InvIT Fund
Intelligent Supply Chain Infrastructure Trust
INTERISE
MAPLE HIGHWAYS
NDR InvIT TRUST
NHIT National Highways Infra Trust
NXT INFRA
Oriental InfraTrust
ROADSTAR
Shrem InvIT
seit
TVS Infrastructure Trust
vertis infrastructure trust

Bharat InvITs Association - Journey So Far

Established in March 2024

Bharat InvITs Association seeks to lead efforts in:

- Promoting transparency in InvIT sector
- Facilitating dialogue with regulators and government bodies
- Supporting effective policy-making
- Advancing best practices across the industry
- Enhancing investor awareness

Key achievements to date

25+ detailed **Representations and White Papers** to policymakers and regulatory bodies such as SEBI, National Highways Authority of India, Ministry of Finance, Pension Fund Regulatory and Development Authority, and Insurance Regulatory and Development Authority of India.

10 Investor outreach programs conducted successfully

The association currently operates with a four-member team

Current members to the association- 23

What Are InvITs?

InvITs - Infrastructure Investment Trusts

Basic

An InvIT is a pooled investment vehicle, similar to a mutual fund, which enables direct investment of money from individual and institutional investors in infrastructure assets to earn a portion of the distributable income as return.

Structure & Management

InvITs pool money from investors into a professionally managed trust.
An Investment Manager manages investments and assets of InvIT.

Market Presence

Units of a listed InvITs are traded on stock exchanges, allowing investors to buy and sell them like shares.
Privately listed InvITs see higher participation from large institutional investors.

InvITs are regulated by SEBI (Infrastructure Investment Trusts) Regulations, 2014.

InvITs: Global Footprint

- 1960 — USA ($1.2 tn)
- 1971 — Australia ($124 bn)
- 1989 — Malaysia ($15 bn)
- 2001 — South Korea ($7 bn); Japan ($111 bn)
- 2002 — Singapore ($77 bn)
- 2003 — Hong Kong ($16 bn)
- 2004 — Thailand ($10bn)
- 2007 — UK ($70 bn); Germany ($1 bn)
- 2016 — India ($34 bn)
- 2020 — Philippines ($8 bn)

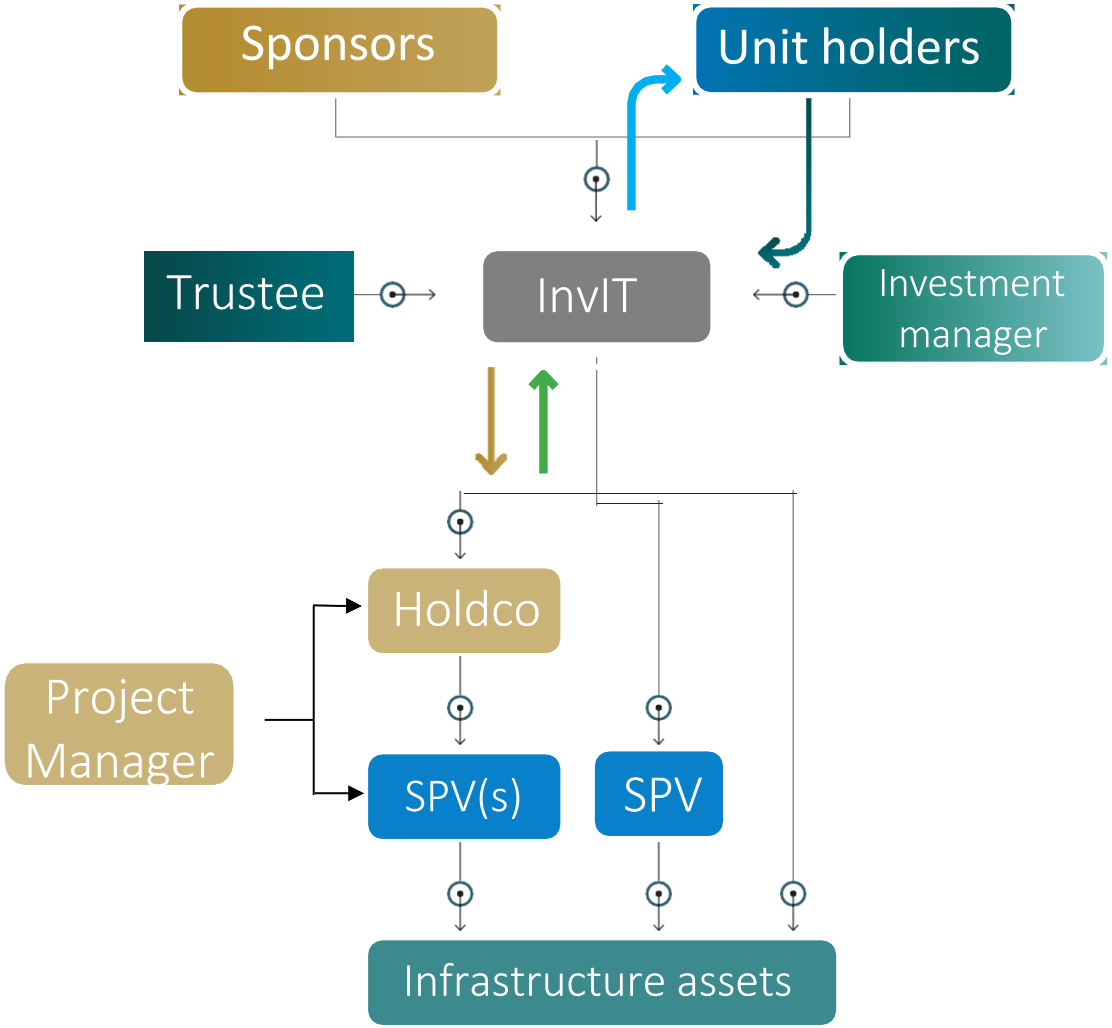
1,000+ REITs/InvITs Listed globally

Across **40+ Countries**

Market Capitalization **$2 trillion**

Note: Globally, InvITs are commonly referred to as REITs.
Note: For India Mcap value is mentioned only for InvIT ,March 2026.
Source: European Public Real Estate Association, Dec 2025

InvIT Structure



Unitholders’ cashflow to InvIT

- Funds infused at the time of issue

InvITs’ cashflow to SPVs

- InvIT loans for SPV loan prepayment
- Meeting SPVs’ other cash requirements reserve creation, etc.

InvITs’ cashflow to unit holder

- Dividend
- Interest income
- Capital repayment

SPVs’ cashflow to InvIT

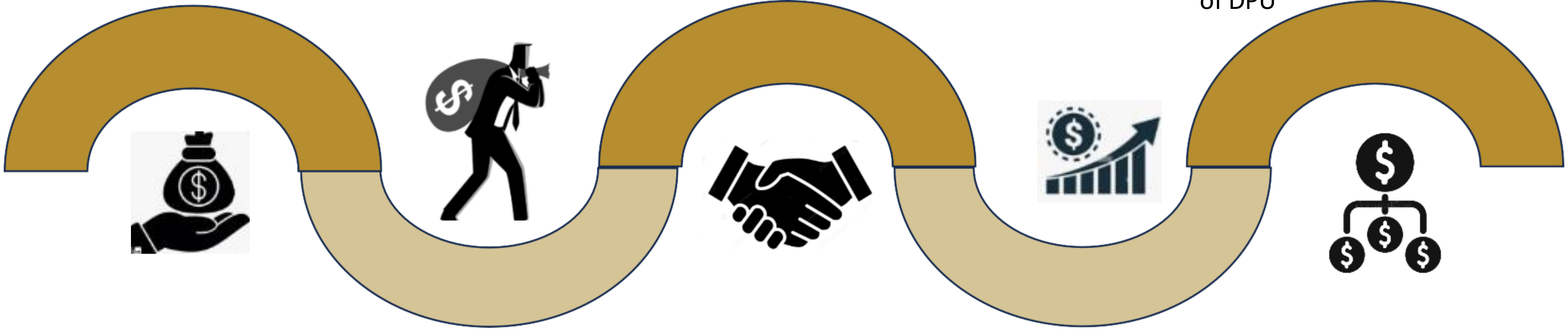
- Dividend
- Interest on InvIT loans
- Repayment of InvIT loans
- Share buyback of SPVs

What Does an InvIT Do?

Equity Raise
Raise capital from investors through primary issuance

Acquire
Acquire commercially operational infrastructure assets (at least 80% of the AUM) from developers through a combination of debt and equity funding

Distribute
Give back at least 90% of Net Distributable Cash Flow (NDCF) generated through the assets to its investors (unitholders) in form of DPU*



Debt Raise
Raise debt from lenders while being within the prescribed Net Debt to AUM threshold

Revenue
Collect revenue generated through the assets while managing their operations and maintenance

**DPU – Distribution Per Unit (split into categories of interest, dividend, capital repayment, and other income)*

Roles & Responsibilities of Key Stakeholders

Sponsor(s) and Sponsor Group(s)	Investment Manager	Trustee	Project Manager
▪ Set up the InvIT ▪ Appoint Trustee ▪ Seed assets into the InvIT ▪ Sponsor to hold not less than 5% of units on a post issue basis ▪ Net worth of Sponsors: Not less than INR 100 Crore in total Not less than INR 20 Crore individually	▪ Ensure investments are in accordance with the investment conditions ▪ Management of the assets ▪ Ensure assets have legal, marketable title ▪ In consultation with Trustee appoint: ➢ majority of Board of Directors of SPVs ➢ all service providers including valuer, auditor, RTA, merchant banker, etc. ▪ Declare distributions ▪ Ensure timely and adequate redressal of unit holders' grievances ▪ Convene meetings of unit holders and maintain records ▪ Investment Manager to have net worth of not less than INR 10 Crore	▪ Oversees activities of the Investment Manager ▪ Ensures Investment Manager complies with the Regulations ▪ Obtain compliance certificate from the Investment Manager on a quarterly basis ▪ Ensure related party transactions are on arms length basis ▪ Ensure Distributions is carried out as per regulations ▪ Review status of unit holders' complaints and their redressal by the Investment Manager ▪ Ensure Investment Manager convenes unitholders meetings, oversee voting by unitholders and declare outcome of the voting. ▪ Inform SEBI of any action detrimental to the interest of Unitholders	• Manage the day-to-day operations of infrastructure assets and ensure proper maintenance and upkeep of the assets. • Ensure compliance with concession agreements, licenses, permits, and regulatory requirements and monitor adherence to contractual obligations with government authorities and counterparties. • Monitor revenue collection and operational expenses and Support cash flow forecasting and budgeting. • Identify operational, technical, environmental, and safety risks and Implement risk mitigation measures and contingency plans. • Plan and oversee major repairs, upgrades, and expansion projects ensure timely execution within approved budgets. • Provide periodic operational and financial reports and support disclosures required under SEBI regulations.

Features of InvIT

Strictly governed by SEBI regulations, InvITs present a remarkable yet safe portfolio diversification opportunity to investors:

Minimum 90% NDCF distributed to unitholders, at least semi-annually

Minimum 80% portfolio of operational assets

Leverage ceiling at 70%

Mandatory AAA rating

Unit-holder approval for all key decisions

Board representation for unit holders with stake beyond 10%

NOTE : - NFDC - Net Distributable Cash Flow, which is the cash available for distribution to unitholders after covering operational costs and expenses.

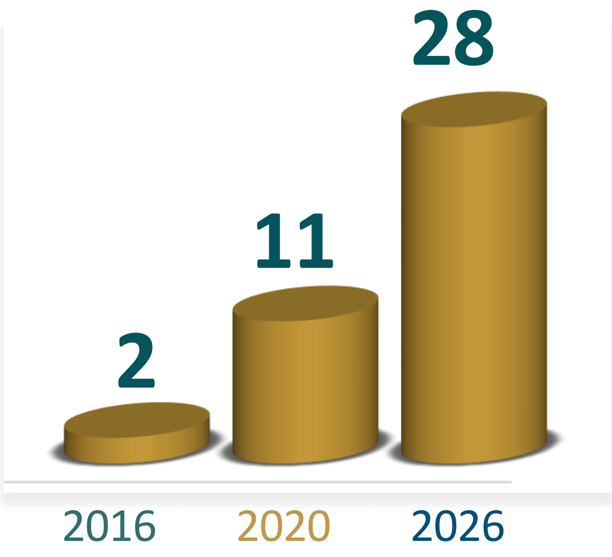
Benefits at Glance

InvIT

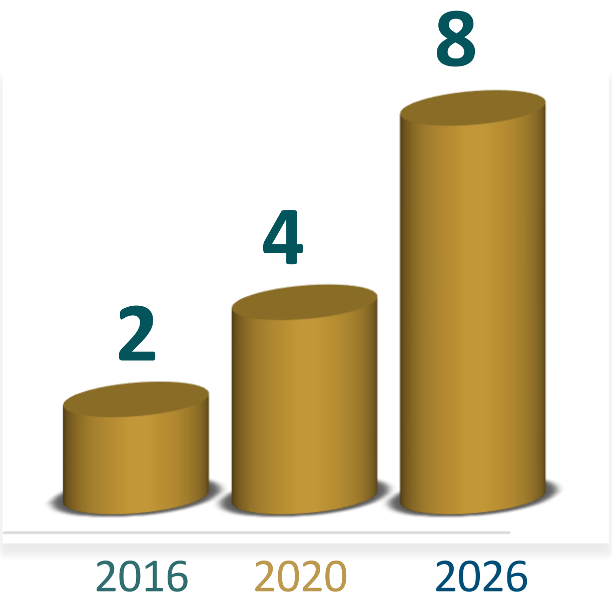
- Growth Potential for Investors
- Facilitation of ownership of diversified Infrastructure Assets for retail investors
- Provide Long term Financing Option for Existing Infrastructure Projects
- Long Term and High- Quality Assets
- Free Up Developer Capital for Reinvestment into New Infrastructure Projects
- Reliable counterparties
- To Bring Higher Standards of Governance into Infrastructure Development and Management
- Robust Corporate Governance (50% of the Board to be independent)
- Low-risk investments offered to attract long term investors such as insurance and pension funds

Milestones in India Since Inception

Number of Registered InvITs



Number of Sectors Covered



Current sectors covered by InvITs

Sector	Number of InvITs
Roads	17
Power - Energy Transmission	4
Telecom Towers	1
Optical Fibre Line	1
Energy Generation	1
Pipeline	1
Supply Chain	1
Warehousing	2
Total	28

Steady growth from the time of inception

Data as on 31st March 2026

Current InvIT Landscape in India

28
Registered InvITs

7
Listed Publicly

~INR 7.1
Lakh Crores
Total Assets Under Management

~INR 1.97
Lakh Crores
Raised in Equity

~5.58
Lakh
Unitholders

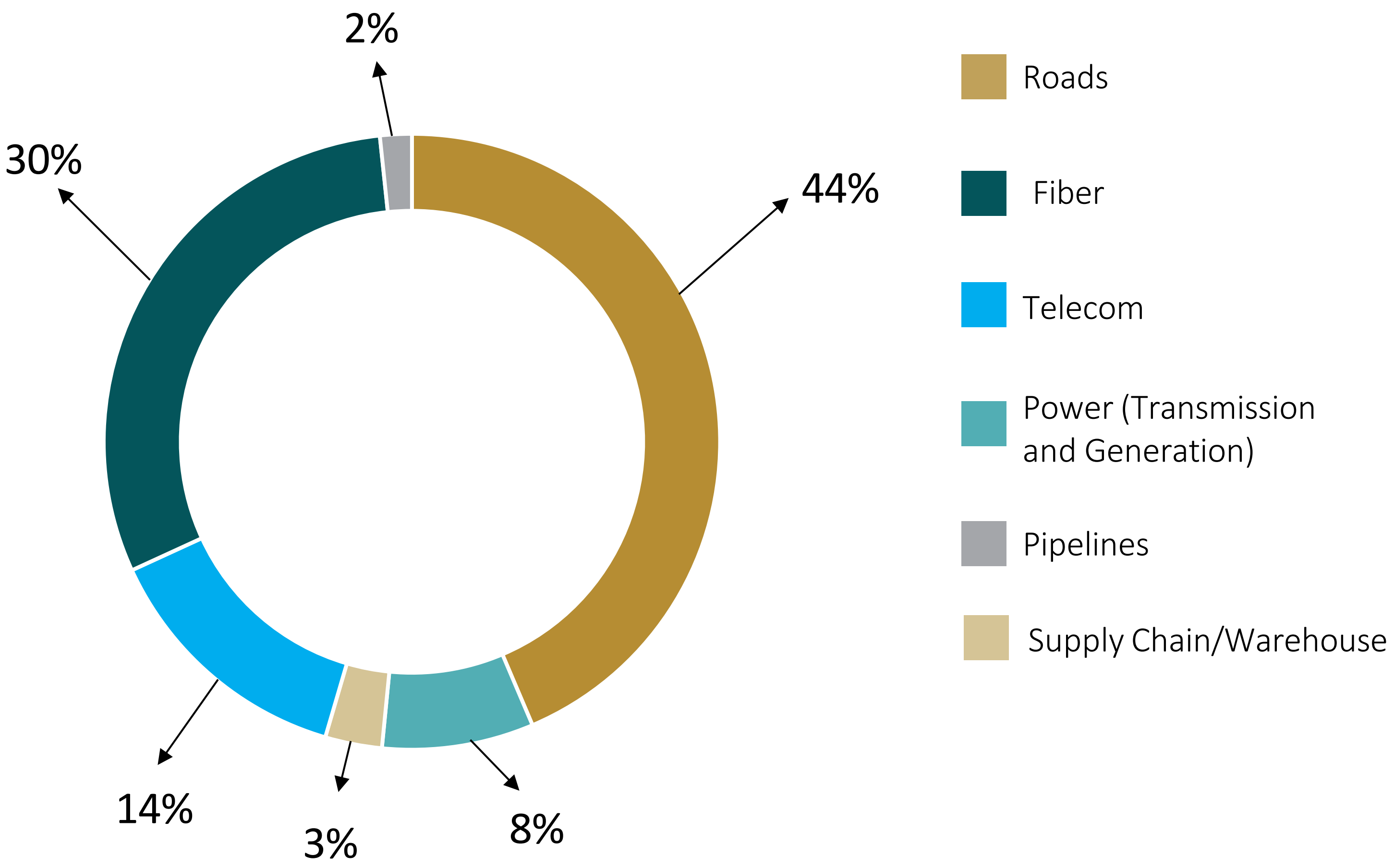
~INR 2.92
Lakh Crores
Market Capitalization

~INR 91
Thousand Crores
Distributions since listing

~INR 3.35
Lakh Crores
Gross Borrowings

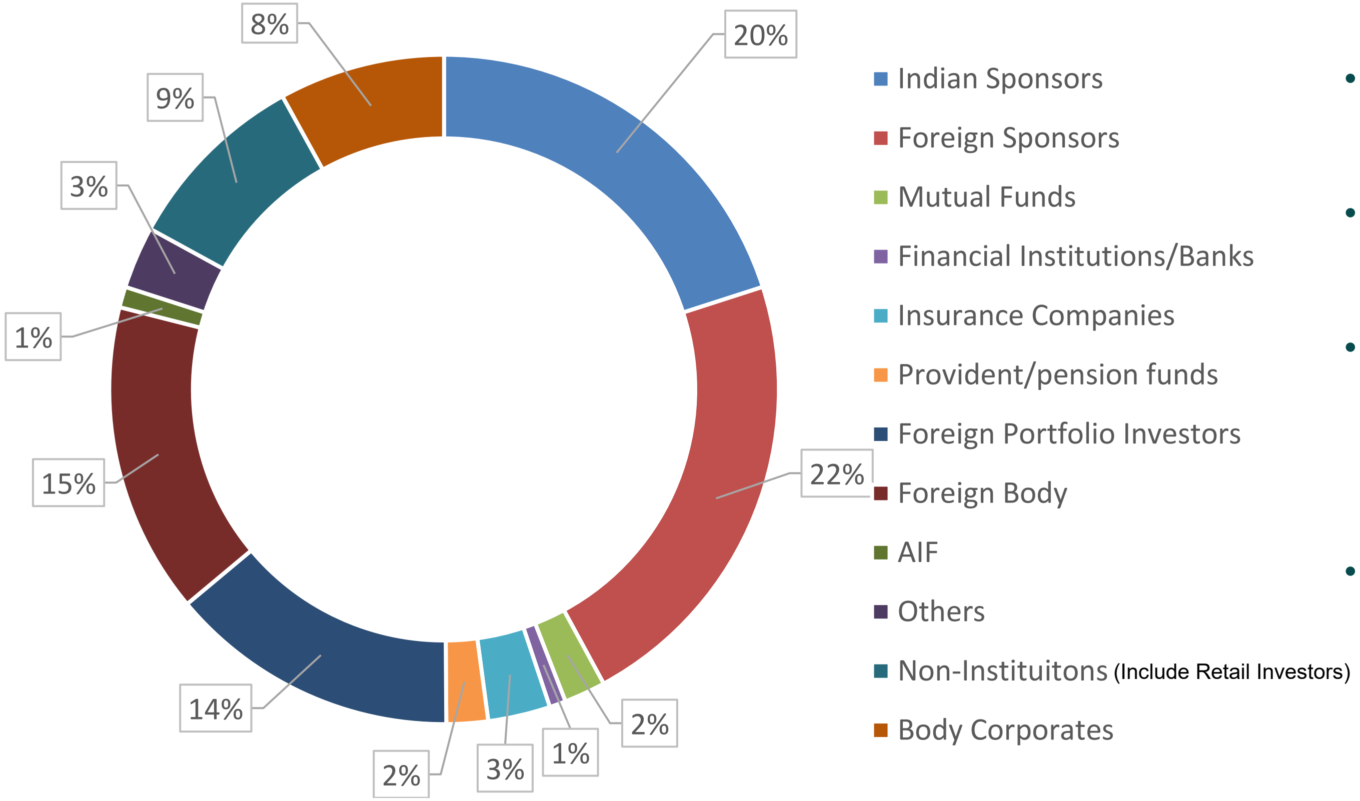
Sector-wise split for AUM

(in % percentage)



Data as on 31st March 2026.

Diverse Investor Base - Equity



- **Domestic sponsors & Investors constitute to 28% of Investments in InvITs.**
- **Foreign sponsors & Investors constitute to 52% of Investments in InvITs.**
- **Opportunity to improve participation from domestic institutional investors (Mutual Funds, Pensions funds, banks and Insurance companies). These together constitute 8% of the total unitholding contribution in the InvITs**
- **Currently, retail participation stands at around 5%, and an opportunity to increase further in the future.**

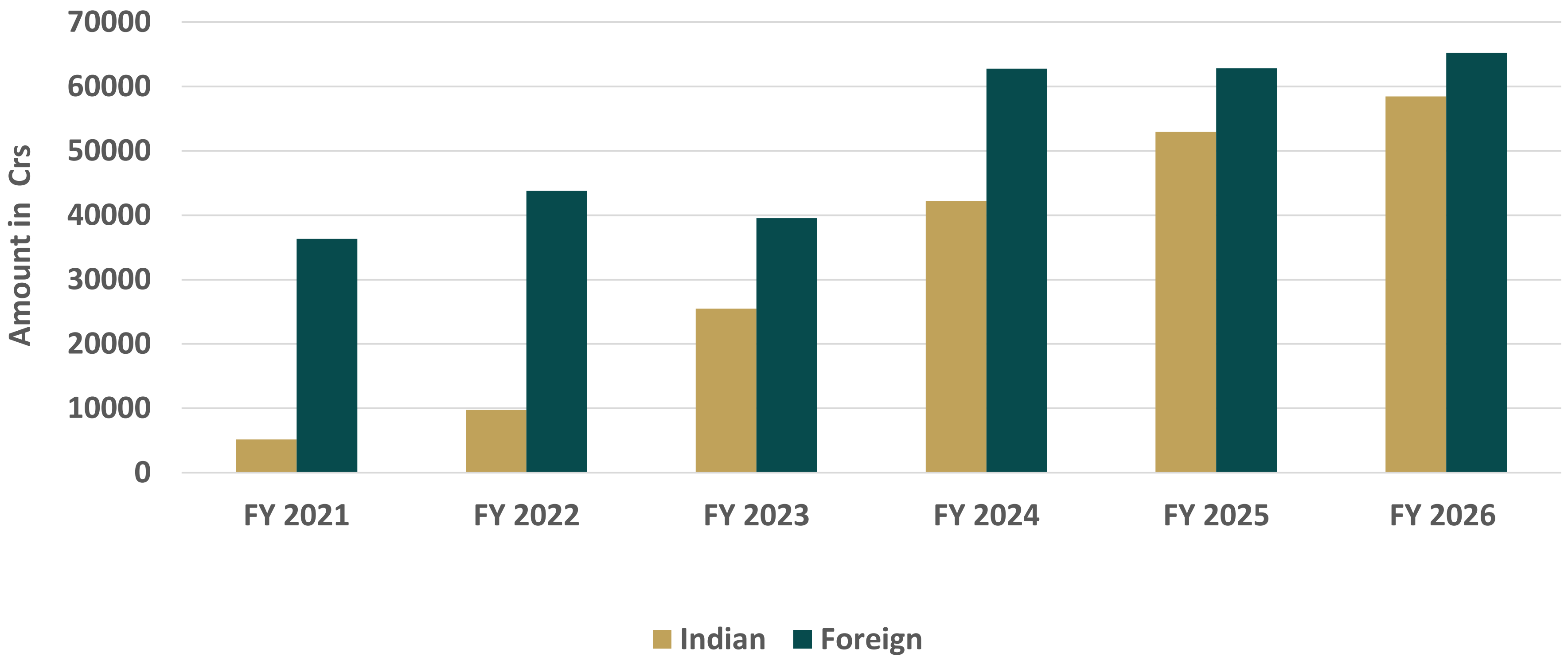
Note –

1. This pie chart includes data from all the InvITs. (BIA members and non - members)

2. The others section in the pie chart includes (Central/State Govt, Venture Capital Funds, Foreign Venture Capital investors, Foreign direct investors).

3. Data as on 31st March 2026.

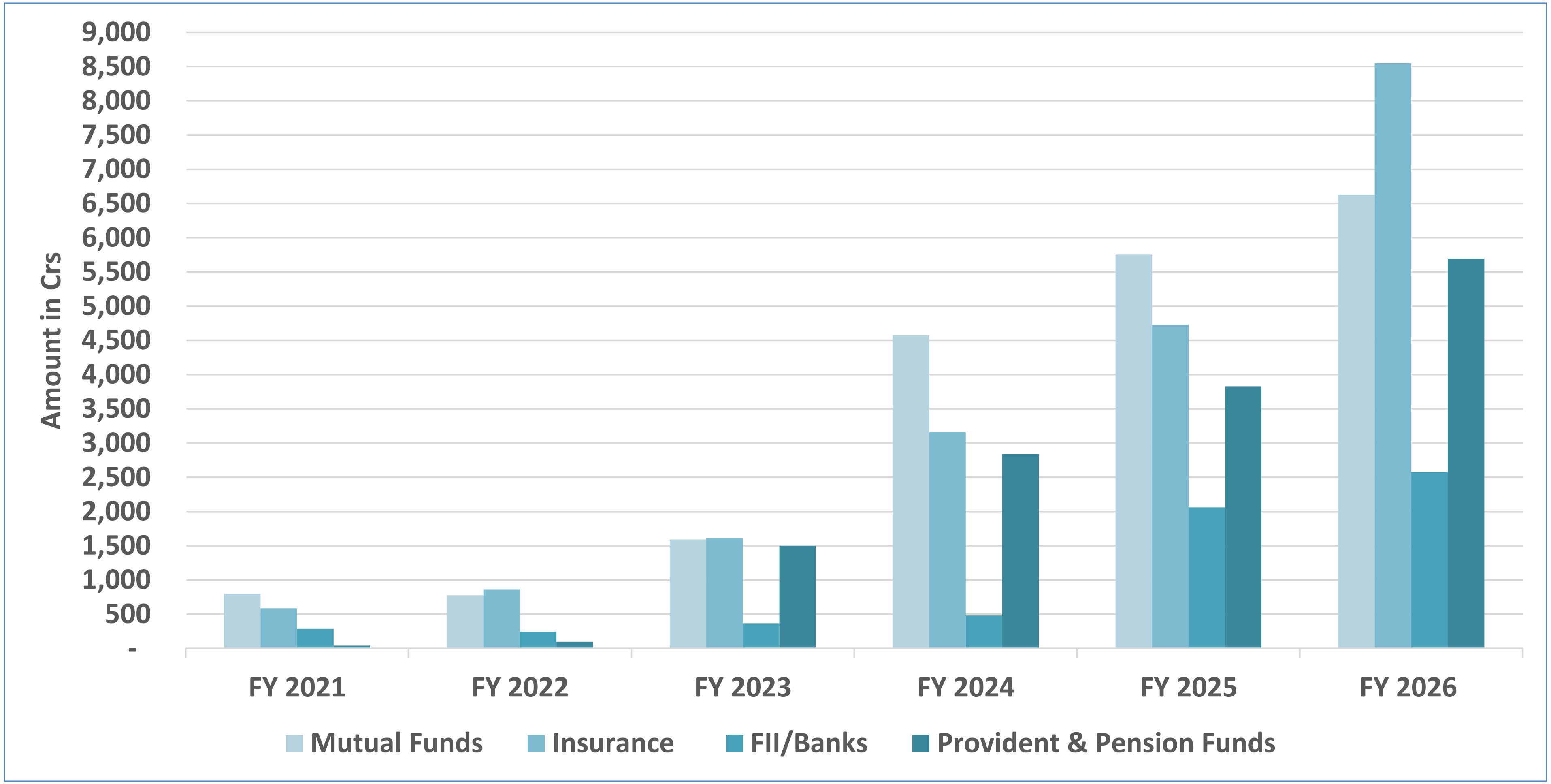
Sponsor Contribution Growth FY 2021 Onwards



*** Steady Growth in Participation from Domestic and Foreign Sponsors.**

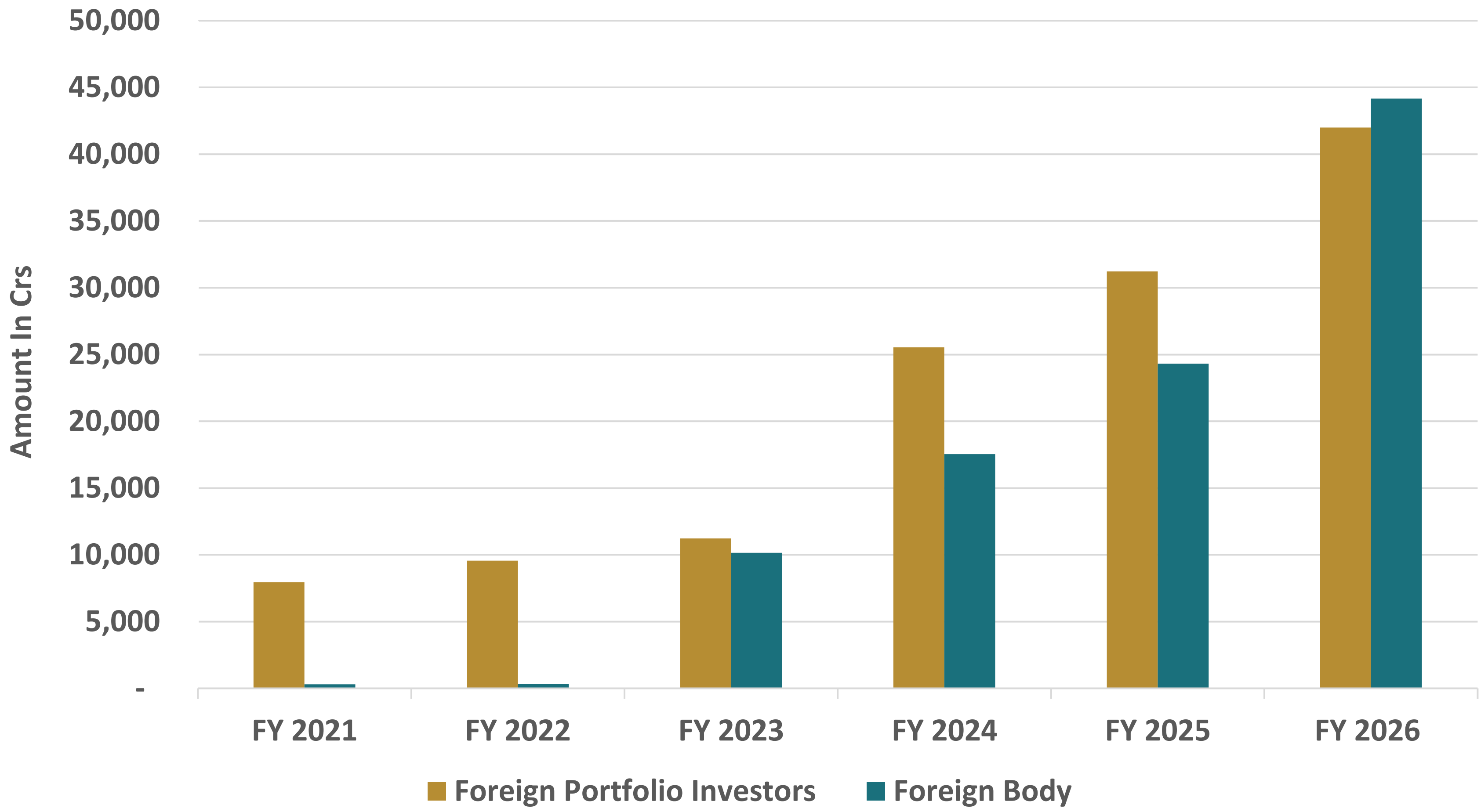
Note - Data as on 31st March 2026
Source – Unitholding Patterns and NAV of all InvITs

Domestic Investor Trend FY 2021 Onwards



Note - Data as on 31st March 2026
Source – Unitholding Patterns and NAV of all InvITs

Foreign Investor Growth FY 2021 Onwards



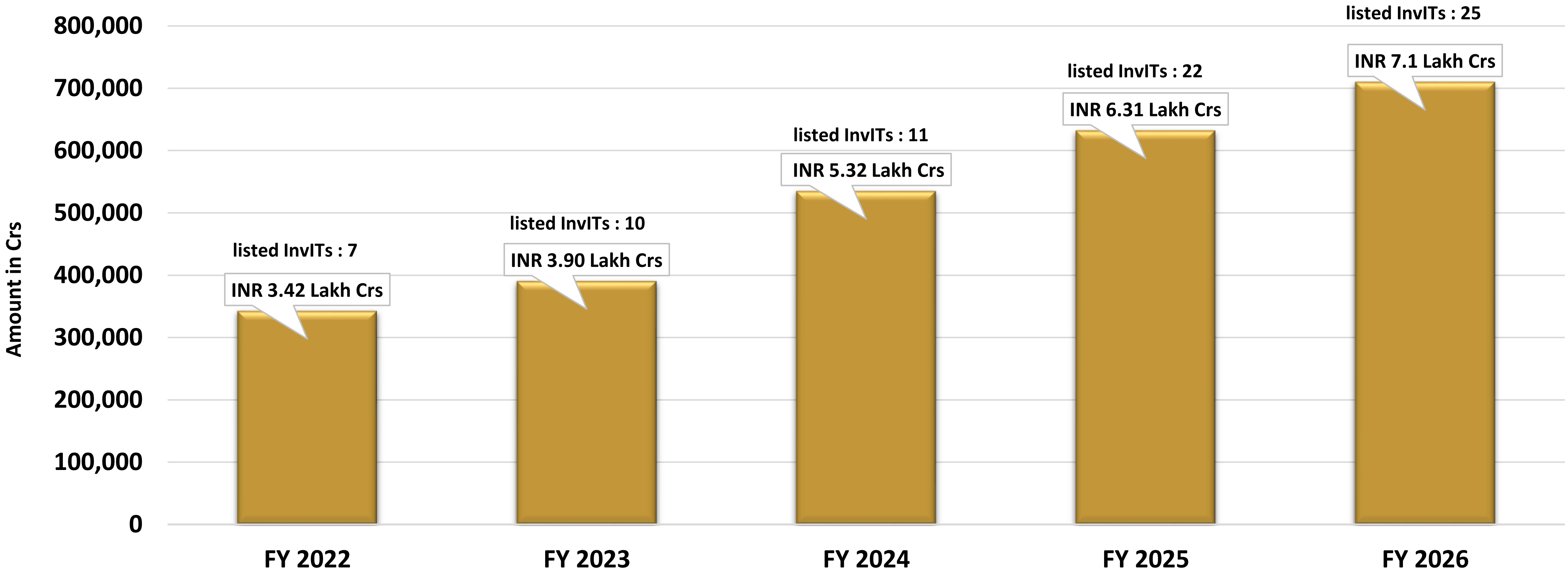
Note - Data as on 31st March 2026
Source – Unitholding Patterns and NAV of all InvITs

Geographical coverage of InvITs assets

Total assets under InvITs are 360, spanning across India and covering nearly all states.

AUM Trend For InvITs

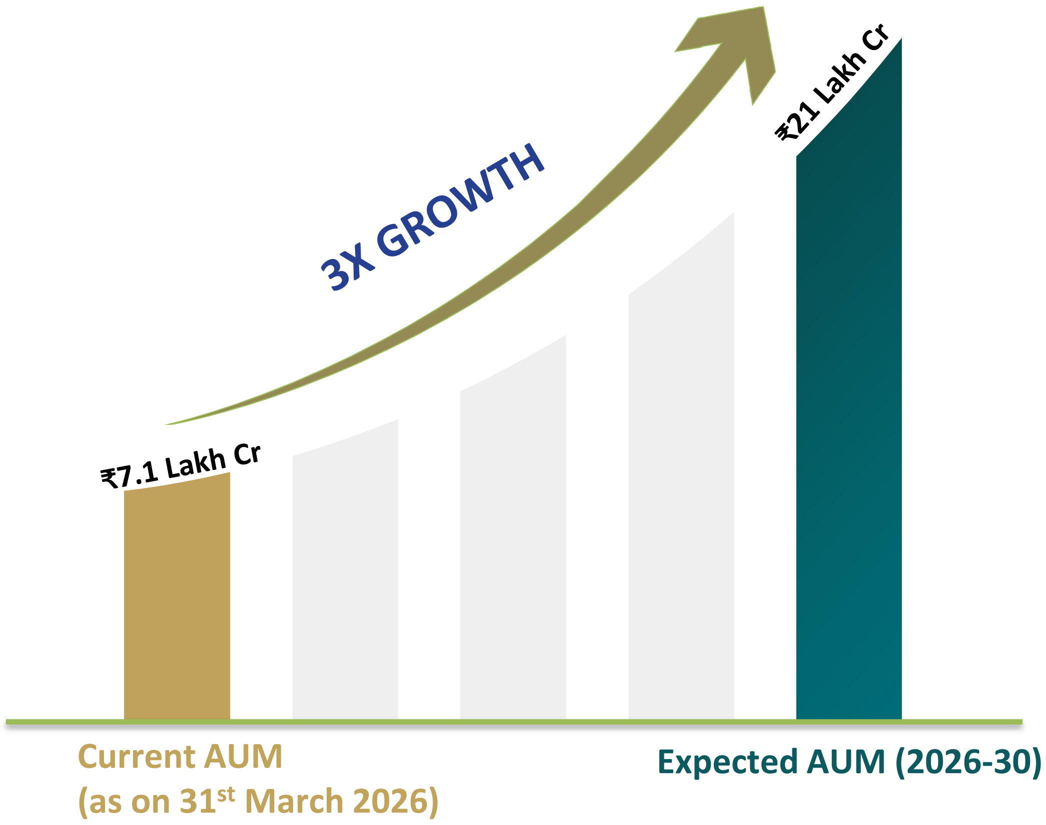
AUM Trend From FY 2022 Onwards



*AUM is showing a steady growth

Data as on 31st March 2026
Source – Valuation reports of all InvITs

InvITs Growth Potential



Potential InvIT pipeline from existing infra assets base (excluding existing InvITs AUM)
₹2.7 lakh Cr

Balance target monetization pipeline in the near term from Government's total target of ₹6 lakh Cr
₹2.1 lakh Cr

Potential InvIT pipeline from planned infrastructure spend during 2026-30
₹17 lakh Cr

How to Invest in InvITs

Any investor with a demat account can invest in Publicly listed InvIT units which are freely traded on the Indian stock exchanges.

Any eligible investor (domestic/ foreign / retail / institutional) can buy these InvIT units in India.

Privately listed InvIT units can be invested in by institutional investors (both domestic and foreign) through various private placement processes.

Why Invest in InvITs

InvITs are a liquid, 'total return' product, allowing ownership in a professionally managed infrastructure asset portfolio

Accessibility

Ownership in professionally-managed infrastructure assets, even with a small capital outlay

Liquidity

Publicly Listed InvIT units are freely traded in stock markets like equity shares

Transparency

Strong governance framework and disclosure requirements prescribed by SEBI

Regular Yields

Requirement to distribute at least 90% of cash flows, distributions are consistent and tax-efficient

Growth Upside Yields

Participation in potential capital appreciation of InvIT units from organic or inorganic growth

Low Risk Diversified Upside Yields

Diversified portfolio across geographies / counterparties. 80% of AUM in operational assets

Components of Distribution of Cash Flows

Distributions Per Unit (DPU)

Dividends

Dividends received from equity investments in SPVs

Repayment of debt by SPVs & Other Income

Debt repayment by SPVs.
Treasury Income in form of other income

Interest

Interest received from debt investments in SPVs

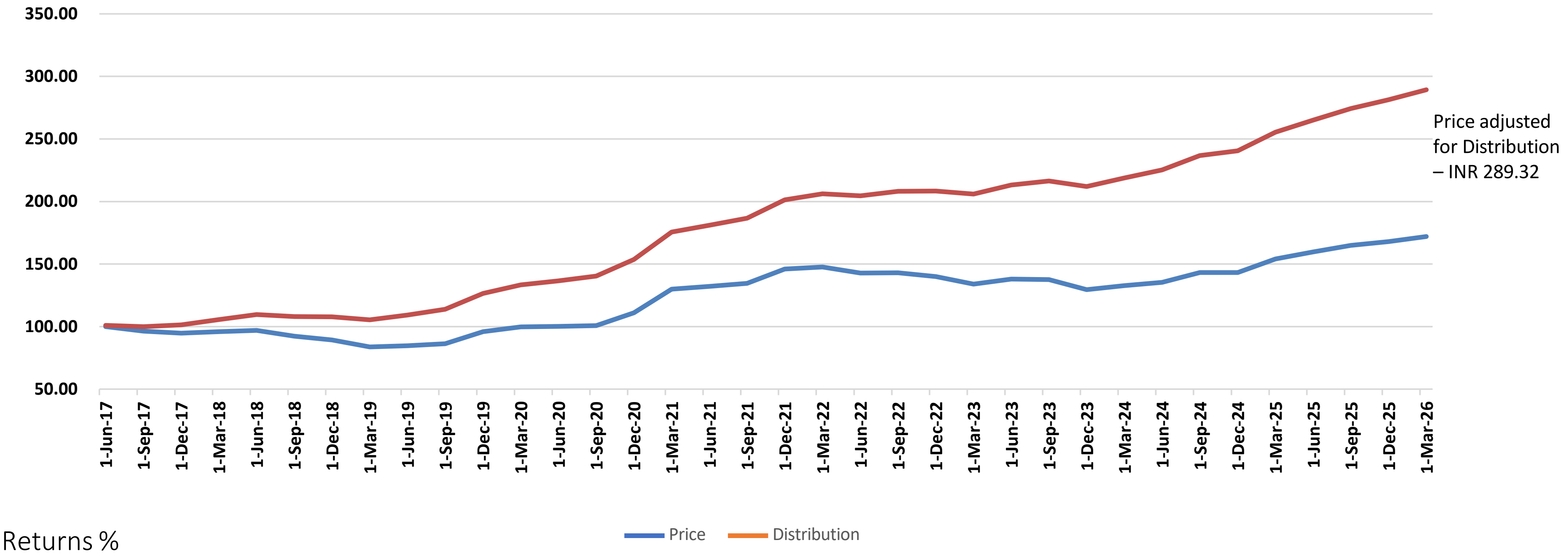
Taxation for Investor

Nature of Income	Taxation for InvIT	Taxation for Unitholders
Dividend	Exempt	Exempt[1]
Interest Income	Exempt	Taxable at applicable tax rates. With holding tax to be deducted by the InvIT (Non-residents - 5%, others - 10%)
Capital repayment	Not an income, hence not taxable	Non-taxable until the cumulative capital repayment exceeds the cost of acquisition, after which it is taxed at marginal tax rates.
Capital gain on sale of InvIT unit	NA	Taxable [2]

Notes: (1) There is no further tax on dividends in the hands of the unitholders provided the SPVs are operating under the old tax regime
(2) LTCG 12.5%, STCG 20% subject to taxability LTCG 12.5%, STCG 20% subject to taxability period

Disclaimer – Kindly consult to your tax consultant for any taxation advice

Transmission/Power Sector InvIT Case Study



Absolute Returns %

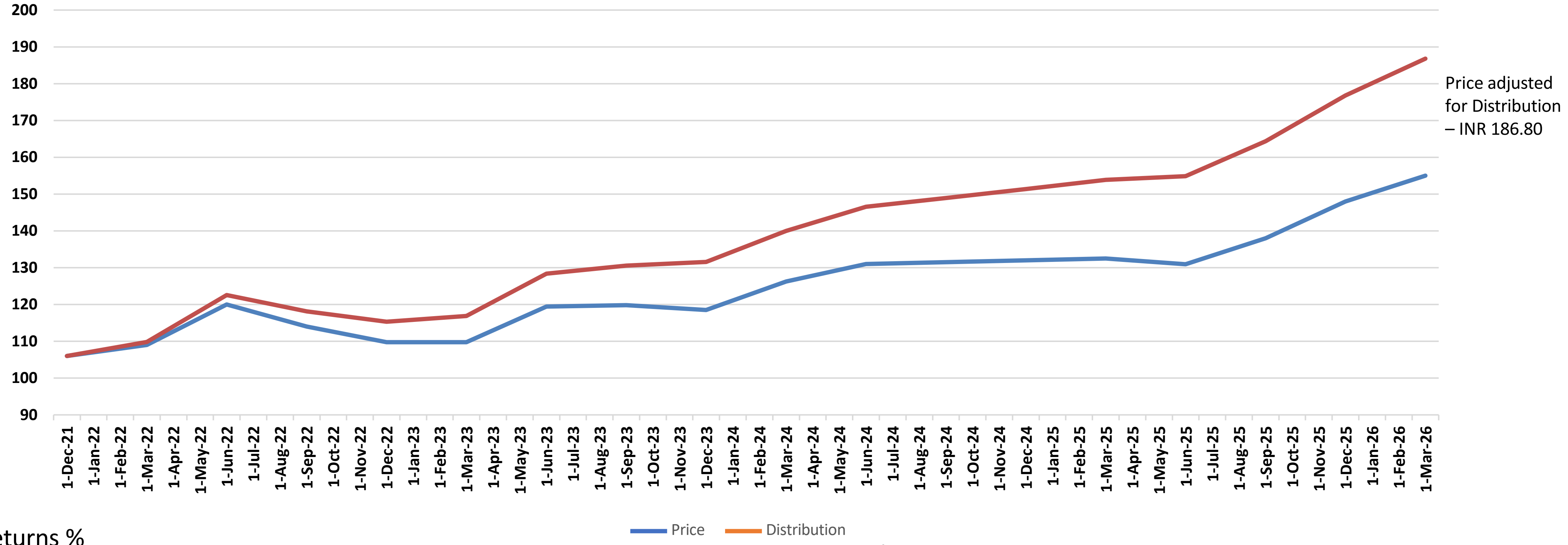
Period	From Price	From Distributions	Total Absolute Returns	XIRR
Last 1 year	11.6%	14.2%	25.7%	30.62%
Last 2 years	29.5%	23.6%	53.1%	18.73%
Last 5 years	32.4%	67.3%	99.7%	21.14%
Since Inception	72.0%	117.3%	189.3%	17.28%

Enterprise Value

Year	AUM (INR Crs)	Assets	Net Debt/ AUM
2017	3742	5	26%
2026	33815	45	57.6%

Source – Based on Distribution of the said InvIT

Road Sector InvIT Case Study



Absolute Returns %

Period	From Price	From Distributions	Total Absolute Returns	XIRR
Last 1 year	17.42%	9.40%	26.83%	22.78%
Last 2 years	30.80%	14.28%	45.09%	27.80%
Since Inception	46.23%	30%	76.22%	14.39%

Enterprise Value

Year	Enterprise Value (INR Crs)	Assets	Net Debt/ AUM
2023	11260	18	33.65%
2026	56988	26	49.62%

Source – Based on Distribution of the said InvIT

Thank You

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