

Pub Date:	09 Sep 2016	Publication:	The Hindu Business Line	Edition:	New Delhi
Journalist:	Bureau	Language:	English	Page No.:	13
CCM:	51.03	MAV:	78592.97	Circulation	13046

First InvITs set to enter market thanks to IRB Infra

Company files draft prospectus with SEBI to raise ₹4,300 crore

OUR BUREAU

Mumbai, September 8

IRB Infrastructure Developers will be raising at least ₹4,300 crore through Infrastructure Investment Trusts (InvITs), making it the first company to launch the product in the market. IRB filed its draft offer documents for the fund-raising plans with capital market regulator SEBI on Wednesday.

SEBI introduced regulations for InvITs back in 2014, an instrument meant to encourage broader participation in infrastructure investment.

InvITs will be structured sim-

ilarly to mutual funds, issuing units to investors, but will invest in infrastructure projects instead of listed equity or debt.

Since the introduction, however, no company had come forward to use this platform to raise capital.

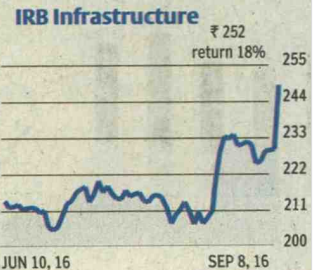
In a bid to push things forward, SEBI eased rules in May this year changing the allocation limits to different classes of investors, new norms on disclosures, filing of draft papers and appointment of merchant bankers.

According to the current offer document, IRB Infrastructure

Developers will be the sponsor of the IRB InvIT Fund (the "Trust"), an infrastructure investment trust registered with SEBI. IRB Infrastructure Pvt Ltd, a wholly-owned subsidiary of IRB Infra Developers, will be the investment manager.

Fresh issue, OFS

The InvITs public offer consists of a fresh issue of units aggregating to ₹4,300 crore and an offer-for-sale of units by IRB Infra Developers and subsidiaries, namely Modern Road Makers, Aryan Toll Road, ATR Infrastructure and Ideal Road Builders. According to news reports, IRB intends to bundle together revenue-generating road assets for the InvIT.



After the public offer, the company retains the right to reserve oversubscription of up to 25 per cent of the issue size in accordance with the InvIT regulations.

IDFC Bank, Credit Suisse, ICICI Securities and IIFL Holdings are the merchant bankers to the issue.