

Name of the person/entity proposing comments		Indian Association of Investment Professionals (CFA Society India)		
Category (Listed Entity / MII / Market Intermediary / Professional)		Association of Investment Professionals		
Email id		advocacy@iaipirc.org		
Contact no.		91 99021 17087 (Ravi Gautham, CFA)		
Sr. No.	Proposal	Confirmity to Proposal	Comments	Rationale
1	<p>Consultation 1: Revision of timelines for distribution to five working days from declaration Kindly provide your comments separately for each of the below items along with supporting rationale:</p> <p>1) Whether the proposed timeline of five working days from declaration for completion of the distribution to the unitholders of REIT/InvIT is appropriate and adequate? 2) Whether the proposed time period of minimum two working days for intimation of the record date to stock exchange by the manager/ investment manager of REIT/InvIT is appropriate and adequate?</p>	No comments		
2	<p>Consultation 2: Allowing Unitholders Meeting with Shorter Notice Kindly provide your comments separately for each of the below items along with supporting rationale:</p> <p>1) Whether the proposed condition for calling a unitholders' meeting with shorter notice subject to receiving consent from not less than ninety-five per cent of unitholders entitled to vote is appropriate and adequate?</p>	No comments		
3	<p>Consultation 3: Disclosure and Review of Statement of Investor Complaints Kindly provide your comments separately for each of the below items along with supporting rationale:</p> <p>1) Whether the above proposal of aligning the provisions for submission and review of statement of investor complaints with LODR Regulations is appropriate and adequate?</p>	No comments		
4	<p>Consultation 4: Disclosure of Statement of Deviation(s) Alongside Financial Results Kindly provide your comments separately for each of the below items along with supporting rationale:</p> <p>1) Whether the proposed provision that the submission of the statement of deviation(s) and variation(s) to coincide with the date of publication of the quarterly results is appropriate and adequate?</p>	No comments		

5	<p>Consultation 5: Clarification on Voting Thresholds in terms of percentage, and providing electronic meeting and e-voting option to unitholders</p> <p>Kindly provide your comments separately for each of the below items along with supporting rationale:</p> <p>1) Whether the proposed requirement of stating the voting count in percentage terms ('60%' or '50%') instead of proportionate terms ('one and a half times' or 'more than') is appropriate and adequate?</p> <p>2) Whether the proposed explicit clarification that the voting thresholds shall be calculated based on the persons present and voting is appropriate and adequate?</p> <p>3) Whether the proposed requirement for REITs and InvITs mandatorily providing an option to unitholders to attend the meeting through Video Conferencing or Other Audio Visual Means is appropriate and adequate?</p> <p>4) Whether the proposed requirement of providing remote e-voting facility to the unitholders for all unitholder meetings is appropriate and adequate?</p>	Agree	<p>We welcome all the proposals under consultation 5 as they enhances clarity and promotes ease of operation in the market. However, under the first proposal of this consultation we propose to set a slightly higher limit than 60% to ensure a enhanced scrutiny and governance practices, particularly in cases involving acquisitions and related party transactions.</p>	<p>1) Appropriateness and Adequacy of Stating Voting Count in Percentage Terms: The proposed requirement of stating the voting count in percentage terms, such as '60%' or '50%', instead of proportionate terms like 'one and a half times' or 'more than', is both appropriate and adequate. This shift to percentage terms provides a clearer, more tangible, and universally understandable metric. As mentioned, "putting a tangible number is always better than having a subjective number" because it enhances clarity and ease of operation in the market. Percentages are straightforward and reduce the complexity inherent in interpreting proportionate terms, thereby improving transparency and decision-making for stakeholders.</p> <p>However, we propose that the threshold should be more than 60% (incase of one and a half times count scenario) to ensure a higher level of scrutiny and governance, particularly in cases involving acquisitions and related party transactions. This is essential for promoting governance, mitigating conflicts of interest, protecting minority investors, and upholding market integrity and transparency.</p> <p>2) Appropriateness and Adequacy of Calculating Voting Thresholds Based on Persons Present and Voting: The proposed explicit clarification that the voting thresholds shall be calculated based on the persons present and voting is also appropriate and adequate. This method ensures that the decision-making process reflects the active participation of shareholders who are engaged and present during the vote, rather than including those who are absent or abstain. It aligns with the principle that those who care enough to participate should have their voices weighted more significantly. Additionally, this approach avoids the complications of interpreting whether absent votes should count, which can lead to ambiguity and manipulation. Hence, "present and voting" is a better approach reinforcing that active participation is key to legitimate and representative decision-making.</p>
6	<p>Consultation 6: Allowing Maintenance of Records In Electronic Form Along With Backup And Disaster Recovery Norms For Such Records</p> <p>Kindly provide your comments for the below item along with supporting rationale:</p> <p>1) Whether the proposed amendment to allow the maintenance of records in electronic form for both manager as well as trustee is appropriate and adequate?</p> <p>2) Whether the proposed norms for data backup and disaster recovery for records maintained in electronic form are appropriate and adequate?</p>	No comments		
7	<p>Consultation 7: Reduction of Trading Lot for Privately Placed InvITs</p> <p>Kindly provide your comments separately for each of the below items along with supporting rationale:</p> <p>1) Whether the proposed lot size of rupees twenty-five lakhs for the purpose of trading of units of privately placed InvITs is appropriate and adequate?</p>	Agree	<p>We welcome the the proposal by SEBI to lower the traded lot size from Rs 1 crore to enhance market liquidity and participation. The proposed threshold of Rs. 25 lakhs is seen as beneficial but could be reconsidered to slightly higher amounts to strike a balance between accessibility and investor protection.</p>	<p>1) Improved Liquidity: Reducing the lot size from Rs. 1 crore to a lower threshold is expected to increase liquidity by allowing a broader base of investors to participate, thereby promoting diversification of investment portfolios and better risk management.</p> <p>2) Access to Diversified Assets: Allowing smaller lot sizes would enable investors to access a wider range of infrastructure projects, including those not currently available in publicly listed InvITs. This diversification can help reduce overall investment risk.</p> <p>However, minimum investment thresholds should be fixed while accounting for protection of less sophisticated investors too. Hence, while a lower threshold is a good proposal but there must be a balance to avoid excessive market entry by unsophisticated investors which could lead to market instability or undue risks for retail investors. A balanced threshold should be set to ensure that only investors with adequate understanding and risk tolerance participate in such investments.</p>

8	<p>Consultation 8: Aligning provision related to Change in Sponsor for InvIT Regulations with REIT Regulations</p> <p>Kindly provide your comments for the below item along with supporting rationale:</p> <p>1) Whether the proposed revision to the InvIT Regulations clarifying that changes in sponsor or inducted sponsor can occur on account of either the entry of a new sponsor or the exit of existing sponsors is appropriate and adequate?</p>	No comments		
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