

# REITs managing assets worth ₹1.63 lakh crore

Unit holders got ₹6,070 cr last fiscal, 13% more over previous year

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Real estate investment trust (REIT) returns have been showing improvement since their introduction as an investment instrument in the built-up property market.

REITs collectively distributed ₹6,070 crore to unit holders in the last fiscal year, registering a 13 per cent year-on-year (YoY) increase, according to the REITs industry body Indian REITs Association (IRA).

The four listed REITs in the country - Brookfield India Real Estate Trust, Embassy Office Parks REIT, Mindspace Business Parks REIT, and Nexus Select Trust - continue to demonstrate the resilience and long-term value creation.

These four REITs collectively distributed over ₹1,553 crore to more than 2.64 lakh unit holders during the March quarter, marking around a 13 per cent increase compared to ₹1,377 crore distributed in the same quarter of the financial year ended March 31, 2024.

A fifth REIT, Knowledge Realty Trust by Blackstone and Sattva Developers, has now announced a ₹4,800 crore initial public offering, which opens on August 5.

Since their respective

## INVESTMENT CHANNEL

**FOUR LISTED REITs** in the country continue to demonstrate resilience and long-term value creation.



REITs distributed over **₹1,553 cr** to more than 2.64 lakh unitholders during March quarter.

**SINCE THEIR** respective inceptions, listed REITs distributed over ₹22,800 crore to unitholders.

**A FIFTH REIT,** Knowledge Realty Trust, announces ₹4,800 cr IPO.

**IN HYBRID** category schemes, MFs invest residual portion in REITs and InvITs, except for dynamic asset allocation and arbitrage funds.

**Four REITs collectively operate more than 128.9 msf of Grade A office and retail real estate across India.**

**SEBI proposes broadening investment in REITs along with InvITs by mutual funds, by allowing several new fund categories.**

**SEBI PLANS** to allow REIT investment by solutions category schemes as well as some hybrid categories.

inceptions, the four listed REITs have distributed a cumulative total of over ₹22,800 crore to the unitholders.

India's REIT market manages gross assets under management exceeding ₹1.63 lakh crore, with a combined market capitalisation of over ₹98,000 crore as of May 14.

The four REITs collectively operate more than 128.9 million square feet of Grade A office and retail real estate across India's key urban centres.

The market regulator Securities and Exchange Board of India (Sebi) has

proposed broadening investment in REITs along with infrastructure investment trusts (InvITs) by mutual funds (MFs), by allowing several new fund categories.

Once approved, these changes would make these instruments more attractive.

Last month, a Sebi concept paper said, "In the equity schemes, mutual funds shall be permitted to invest the residual portion in gold, silver, REITs, and InvITs, subject to the ceilings laid out in MF regulations. Mutual funds may invest in REITs and InvITs in all debt category

schemes, except for schemes with shorter durations (e.g., overnight fund, liquid fund, ultra-short duration fund, low duration fund, and money market fund), subject to the ceilings laid out in MF regulations with respect to the asset."

Sebi also plans to allow REIT investment by solutions category schemes as well as some hybrid categories.

In hybrid category schemes, MFs may invest the residual portion in REITs and InvITs, except for dynamic asset allocation and arbitrage funds.

