

January 1, 2019

The Chief General Manager
Informal Guidance Scheme, 2003
Corporate finance Department
Securities and Exchange Board of India,
Sebi Bhawan, Plot C-4-A, 'G' Block
Bandra Kurla Complex,
Mumbai-400051

Dear Sir/ Madam,

Sub: Request for Informal Guidance by way of interpretative letter under the provisions of SEBI (informal guidance) Scheme, 2003 in connection with the release of locked-in shares under the proviso to Regulation 167(6) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

We submit this letter for seeking an informal guidance in the form of interpretative letter under the provisions of SEBI (informal guidance) Scheme, 2003 in connection with the release of locked-in shares under the proviso to Regulation 167(6) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

In this regard we hereby give the following details and facts pertaining to the matter:

- 1) Jindal Steel and Power Ltd. (hereinafter referred as the Company) having its Registered Office at O. P. Jindal Marg, Hisar-125005 (Haryana) is a Company listed on National Stock Exchange of India Ltd. and BSE Ltd.

Opelina Finance and Investment Limited ("Opelina") is one of the promoter/promoter group entity of the Company.

- 2) On November 10, 2017, the Company issued 4,80,00,000 warrants ("Warrants") to Opelina on Preferential Basis under the provisions of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2009 (hereinafter referred as the old regulations). The Warrants are ~~valued~~ and are



convertible into equity shares of the Company at any time before the expiry of 18 months from the date of issue of the Warrants i.e. May 9, 2019.

The entire pre-preferential allotment shareholding of Opelina is under lock-in till November 30, 2019, based on our interpretation of the then prevailing Regulation 78 (6) of the SEBI (ICDR) Regulations, 2009 (reproduced herein below)

Regulation 78(6) - The entire pre-preferential allotment shareholding of the allottees, if any, shall be locked-in from the relevant date upto a period of six months from the date of trading approval.

Our interpretation of the above regulation was based on the fact that as the warrants are unlisted, hence regulation 78(6) were to be applied assuming the trading approval of the resultant shares on conversion of the warrant, i.e. conversion and listing/trading of the resultant shares shall be on May 2019.

- 3) On September 11, 2018, SEBI amended the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and issued SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred as the amended regulations).

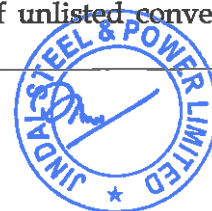
The amended regulations have come into effect on November 10, 2018.

- 4) Under the proviso to Regulation 167 (6) of the amended Regulations:

Regulation 167(6) - The entire pre-preferential allotment shareholding of the allottees, if any, shall be locked-in from the relevant date up to a period of six months from the date of trading approval:

Provided that in case of convertible securities or warrants which are not listed on stock exchanges, the entire pre-preferential allotment shareholding of the allottees, if any, shall be locked-in from the relevant date up to a period of six months from the date of allotment of such securities." (emphasis added).

- 5) We have also referred the Informal Guidance issued by your good office in the matter of Kesoram Industries Limited, PC Jewellers Limited and Balasore Alloys Limited wherein it has been clarified that the in the event of unlisted convertible



warrants/securities, the lock in of pre-preferential holding shall be for a period of six months from the date of allotment of such securities.

Guidance Sought

We therefore request you to issue guidance on the following:

- Periodicity of Lock in of pre-preferential holding of the promoters' share in the event of issue and allotment of warrants convertible into equity shares
- Whether the pre-preferential holding of the promoters, which were put under locked in, assuming the applicability of the then Regulation 78(6) of SEBI(ICDR) Regulations, 2009 can be released in view of the above SEBI informal guidance.

We are enclosing herewith a Demand Draft (No. 575299.....) dated 01/01/19 drawn on ICICI BANK.... for Rs. 25000/- towards your fee for the Guidance

Kindly oblige.

Thanking you.

Yours truly,

For Jindal Steel and Power Ltd.



Jagadish Patra

V.P. & Company Secretary

Encl.: as above