

By personal delivery

September 18, 2023

Chief General Manager,
Corporate Finance Department,
The Securities and Exchange Board of India,
Plot No.C4-A, 'G' Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400051

Reference: Regulation 163(3) and 167(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

Subject: Request for informal guidance by way of interpretive letter under the SEBI (Informal Guidance) Scheme, 2003

Dear Sir,

We submit this request letter for an informal guidance by way of interpretive letter under the SEBI (Informal Guidance) Scheme, 2003 ("Informal Guidance Scheme") in connection with Regulation 163(3) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") substituted by the SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 with effect from January 15, 2022.

1. Background of the Applicant:

1.1 Jain Irrigation Systems Limited ("JISL" or the "Company") is a public limited company incorporated under the erstwhile Companies Act, 1956 with its registered office at Jain Plastic Park, N. H. No. 6, Bambhori, Jalgaon 425001. Presently, the Ordinary equity shares of the Company are listed on BSE Limited and the Nation Stock Exchange of India Limited.

1.2 The Company is engaged in various businesses such as manufacture and dealing in micro-irrigation, plastic pipes, etc. in India and globally

2. Allotment of equity share warrants and ordinary equity shares consequent to exercise of such share warrants and related provisions (please note that all references to equity shares here relate to Ordinary equity shares of the company):

2.1 JISL had allotted equity share warrants to the following allottees after taking due approvals of the Board of Directors, shareholders, etc. and also against receipt of 25% amount of the issue price of the equity shares in accordance with the requirements of the ICDR Regulations. Thereafter, before the end of 18 months of allotment of share warrants, the allottees paid the remaining 75% of the issue price and duly exercised the Share Warrants. The Board of Directors of the Company duly allotted the shares.

The following were the allottees relevant to the current application:

Table 1

Sr. No	Name of Allottee	No. of Ordinary Equity Warrants/ shares to be allotted	Share equity
1.	Subhkam Ventures (I) Private Limited	300,00,000	
2.	Shantakaram Financial Advisory Services Private Limited	300,00,000	

The following is the summarised timeline of the relevant steps in the matter:

Table 2

Relevant action/step	Date
Date of general meeting to approve issue of Share Warrants and consequent issue and allotment of equity shares.	September 29, 2021
Receipt of In-principal approval of Stock Exchanges.	January 7, 2022
Date of Board meeting to allot the equity share warrants to the aforesaid allottees against payment of 25% of the issue price.	January 20, 2022
Date when the amendments to relevant provisions of the SEBI ICDR Regulations were brought into effect	January 15, 2022.
Date of meetings of Committee authorised by Board to allot the equity shares to Subhkam Ventures (I) Private Limited	May 2, 2023, June 23, 2023 and July 18, 2023 where in each of such respective meeting, 1,00,00,000 equity



	shares were allotted
Date of meeting of Committee authorised by Board to allot the equity shares to Shantakaram Financial Advisory Services Private Limited	7th July 2023, 11th July 2023, and 19th July 2023 where in each of such respective meeting, 1,00,00,000 equity shares

We humbly submit that the aforesaid equity shares allotted would be covered by the amended provisions of Regulation 167 of the ICDR Regulations.

It is clarified that the aforesaid allottees are persons other than Promoters of JISL. Attached notice of the general meeting for allotment of Share Warrants/equity shares may be also referred to for more details.

Accordingly, we submit that the equity shares as allotted shall entail a lock-in period of six (6) months from the date of trading approval. Regulation 167(2) of the SEBI ICDR Regulations, as duly amended provides for lock-in requirements for non-promoters/promoter group, as follows (emphasis provided) :

(2) The specified securities allotted on a preferential basis to persons other than the promoters and promoter group and the equity shares allotted pursuant to exercise of options attached to warrants issued on preferential basis to such persons shall be locked-in for a period of six from the date of trading approval.

We also draw attention to the clauses in the notification dated 14th January 2022 titled Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, wherein the date when relevant amendments will come into effect have been specified. As can be seen, while certain amendments were brought into effect from a future date as specified, the amendments to Regulations 167 of the ICDR Regulations have been given immediate effect, i.e., from 15th January 2022, the day when the notification was published in the official gazette (emphasis provided)

"1. These regulations may be called the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022.

2. They shall come into force on the date of their publication in the Official Gazette:

Provided that the amendments to sub-regulation (3A) of regulation 32, regulation 49, regulation 129, regulation 145, clause (10) and clause (15) of Part A of Schedule XIII and Schedule XIV shall come into force from April 1, 2022, for issues opening on or after April 1, 2022."

We also refer to a recent informal guidance raising identical query as the present one has been replied to by SEBI on 23rd May 2023 (Reference number SEBI/HO/CFD/CFD-POD-2/OW/P/2023/20934/1). We particularly draw



SEBI/HO/CFD/CFD-POD-2/OW/P/2023/20934/1). We particularly draw attention to paragraph 4(b) of such reply which is reproduced below for ready reference:

"That the provisions of Regulation 167(2) of the SEBI ICDR Regulations will be applicable to the proposed issue of equity shares adjusting the money payments to be made to the aircraft lessors who will be the allottees of these new equity shares, and the lock-in period for such aircraft lessors will be six (6) months from the date of trading approval only."

3. Guidance requested:

3.1 In terms of para 5(ii) of the Informal Guidance Scheme, we request your good office to kindly issue an interpretive letter with your guidance as to:

- a. that the ICDR Regulations as amended by the amendment made effective from January 14th, 2022 shall be applicable to the equity shares as allotted on various dates as per table 2 above.
- b. That the said equity shares as so issued and allotted on subject to a lock-in period of six months from the date of trading approval received from the stock exchanges (which is yet to be received).

4. Compliance with the Informal Guidance Scheme:

4.1 To the best of our knowledge and belief, all material facts, documents and legal provisions required for purpose of determination of this request, have been provided herewith.

4.2 In terms of para 6(ii) of the Informal Guidance Scheme, the application fee of Rs. 29,500 (including GST) has been duly remitted online through the relevant portal of SEBI for payments online (copy of receipt enclosed).

In case of any queries / clarifications the under-mentioned official may be contacted:

Name & Designation of Contact Person : Mr. A. V. Ghodgaonkar, Company Secretary

Telephone Nos. (landline & mobile)

Landline - +91-0257-3506947

Mobile - +91-9422776704

Email: ghodgaonkar.avdhut@jains.com




We would be pleased to furnish any additional information/documents as may be required in support of this letter seeking an informal guidance by way of interpretative letter.

Thanking you.

Yours Sincerely, ,

For Jain Irrigation Systems Limited


(Mr. A. V. Ghodgaonkar)
Company Secretary

Encl.: As above

1. Notice of EGM dated September 7, 2021
2. Receipt of payment of Application fee online.
3. Informal guidance of SEBI in the matter of Spicejet Limited of 23rd May 2023.

