



Central Depository Services (India) Limited

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CDSL/OPS/RTA/CAIPO/2026/104

April 06, 2026

INCORPORATION OF LOCK-IN OF PRE-ISSUE CAPITAL DURING INITIAL PUBLIC OFFERING

This is with reference to the ICDR Regulations and subsequent amendments notified by SEBI on March 21, 2026 where, as per sub regulation (2) of regulation 17 in cases where lock-in of the specified securities cannot be created, the depositories shall upon receipt of instruction from Issuer record such securities as 'non-transferable' for duration of applicable lock-in period".

CDSL is pleased to inform the Issuers and R&T Agents (RTA) of the enhancements that have been done in its depository system to enable the Issuers and RTA to address the difficulties faced by the Issuers to incorporate lock-in for the pre-ipo capital during initial public offering for securities that are in pledge/freeze status.

The Operating Guidelines for incorporation of lock-in / marking 'non-transferability' of pre issue capital is provided in enclosed **Annexure-A**.

All Issuers and its RTA are requested to note the following while incorporating lock-in of equity shares of pre-issue capital during the IPO:

1. Issuer/RTA must ensure the total count of pre-IPO shares (Free balance + Pledged balance + Freeze balance) is fully verified at the time of filing the Red Herring Prospectus (RHP), before incorporating lock-in corporate action.
2. Issuer/RTA must ensure that pre-ipo shares that are exempt from lock-in under SEBI ICDR guidelines and OFS (Offer for Sale) shares are excluded when initiating the pre-IPO lock-in corporate action.
3. Issuer/RTA shall initiate lock-in Corporate Action for the pre-issue capital held in depository system by submitting requisite documents to CDSL latest by T-1 day (T is Issue closure date).
4. Upon receipt of instructions from the Issuer/RTA, CDSL shall mark lock-in for equity shares under free balance and restrict transferability for the equity shares under pledge/freeze balance.



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5. In view of the above, the status of records with the pledge/freeze balances shall be reported as successful in RT38 report (Success/Failure Report). It may be noted that the balances shall continue to show as pledge/safekeep in the RT02 (Benpos report) respectively.
6. Subsequent to the release / invocation of the pledge or unfreeze of the equity shares before expiry of the lock-in period, the equity shares will be automatically locked-in in the demat account of Pledgor / Pledgee / BO account respectively for the remaining lock-in period.

Post successful processing of corporate action, the RTA would need to reconcile that the entire pre-issue capital is locked-in/ transferability is restricted basis the confirmation provided by CDSL. It may be noted that Go Live date for the above-mentioned functionality shall be communicated separately.

Queries regarding this communiqué may be addressed to:

- ❑ **CDSL – Operations** on telephone numbers (022) 6234-3603, 6234-3605, 6234-3607 or 6234-3586. Emails may be sent to: caipo@cdslindia.com
- ❑ **CDSL – Helpdesk** on telephone numbers (022) 6234-3638, 6234-3639, 6234-3640, 6234-3634, 6234-3633, 6234-3637 or 6234-3636. Emails may be sent to: helpdesk@cdslindia.com

**For and on behalf of
Central Depository Services (India) Limited**

sd/-

**Vinifer T Kodia
Vice President – Operations**

Annexure-A

Operational Guidelines for incorporation of lock-in / marking 'non-transferability' of pre-issue capital during initial public offering.

Incorporation of Lock-in through Corporate Actions: -

1. Issuers / R&T Agent shall execute the incorporation of lock-in through corporate action for all equity shares in free, pledged, freeze status in CDSL system.
2. Issuer / R&T Agent shall initiate the corporate action for incorporation of lock-in/mark equity shares as non-transferable in CDSL system by submitting duly filled and signed Corporate Action Information Form. (Specimen form enclosed as **Annexure-Aa**).
3. The Corporate Action Information Form shall be accompanied by letter from R&T Agent and corporate action fee as applicable to the said corporate action.
4. Issuers / R&T Agents shall ensure that the above-mentioned documents are submitted to CDSL at the latest by T-1 day (T is issue closure date).
5. Upon receipt of instructions from the Issuer/R&T Agent, CDSL shall mark lock-in for equity shares under free balance and restrict transferability for equity shares under pledge/freeze balance.
6. Subsequent to the release / invocation of the pledge or unfreeze of the equity shares before expiry of the lock-in period, the equity shares will be automatically locked-in in the demat account of Pledgor / Pledgee / BO account respectively for the remaining lock-in period.
7. In case of multiple lock-in expiry dates for the same BO-ISIN, the system shall prioritize and apply lock in for the earliest (minimum) lock-in expiry date in respect of corresponding quantities.

Issuer compliance for marking pledged securities as “Non-Transferable” in CDSL system:-

1. The Issuers intending to undertake a public issue shall, at the time of seeking approval from its Board of Directors, take necessary steps to amend its Articles of Association (AoA) to incorporate suitable provisions to enable the following:
 - a. Equity Shares, if pledged, shall be treated as locked-in for the applicable period as specified under the ICDR Regulations.
 - b. In case of invocation of pledge, equity shares shall be locked-in, in the demat account of the pledgee for the balance period of lock-in.
 - c. In case of release of pledge, equity shares shall be locked-in, in the demat account of the pledgor for the balance period of lock-in.
2. Pursuant to the amendments in the AoA, the issuer shall issue appropriate notice to all existing lenders / pledgees informing them of the changes made in the AoA. Similar notice shall be sent at the time of filling of the draft offer document with SEBI / Stock Exchanges. Further, the aforesaid provisions of the AoA shall be prominently disclosed in the draft offer document and offer document. Such disclosure shall clearly state that any shares received by lenders / pledgees, upon invocation of the pledge will remain under lock-in for the balance period as required under the ICDR Regulations.

For Providing Details of Corporate Action (For Pre-IPO Lock-In)

Note:

1. This Form is to be forwarded on the letterhead of the Company duly signed by the authorized signatory (ies).
2. Write N.A wherever not applicable.
3. Ensure that the details/documents duly complete in all respects reach CDSL at least 2 working days prior to the date of execution of the corporate action.

To,

The Managing Director

Central Depository Services (India) Limited

Marathon Futurex, A Wing

35th Floor, Mafatlal Mills Compound

N. M. Joshi Marg, Lower Parel (E)

Mumbai – 400 013.

Dear Sir/Madam,

We wish to execute debit and credit Corporate Actions to incorporate lock-in as per the details given below:

Reason for incorporation of lock-in. (Explain the reason for incorporation of lock-in on shares clearly specifying statutory guidelines / provision).	
ISIN	
GST No. of Company (<i>mandatory</i>) (<i>If not applicable mention reason</i>)	
Security Description	

Details for incorporation of lock-in for free balance:

No. of Records in CDSL	
No. of Equity Shares in CDSL (Quantity)	
Lock-in up to date	

In respect of records where lock-in cannot be incorporated due to reasons specified below, we request CDSL to mark the equity shares as 'Non-Transferable' as per details given below:

No. of Records in CDSL	
No. of Equity Shares in CDSL (Quantity)	
Lock-in up to date	
Reason for marking equity shares as 'Non-Transferable' the demat account / ISIN / quantity	☐ Shares are under pledged status ☐ Shares are under freeze status ☐ Any other reason; please specify

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Action to be executed	☐ Marking shares as ‘Non-Transferable’

DECLARATION

I, ..., state and confirm that :

- The issuer has obtained the consent of the concerned shareholders and all necessary approvals to incorporate lock – in on shares.
- To the best of the knowledge of the Issuer the lock in up to dates are correct and all shareholders to whom this lock-in applies (promoters quota, employees quota, pre-preferential allotment or pre-IPO allotment) are covered under this corporate action for lock in of shares and that no such shareholders to whom this corporate action for lock-in of shares is applicable are left out.

Name :

Designation :

Signature :

(Company Stamp)