Lock-in and monitoring: what happens after the IPO?

For the teacher. Every number comes from the filing named next to it.

Part A. Who must wait before selling?

A1: the promoters' minimum contribution (18 months); they control the company, so new shareholders rely on them staying. A2: when most of the fresh-issue money, leaving out the offer for sale, is for capital expenditure.

Where: SEBI ICDR Regulations, Regulations 14, 16 and 17

Part B. Bombay Coated

B1: the first two rows: the minimum contribution and the promoters' other shares. B2: yes; the fresh issue of up to ₹183.06 crore is above ₹100 crore, and the RHP names Care Ratings Ltd.

Where: RHP dated 21 Oct 2026, Objects of the Issue

Note: which lock-in period applies depends on whether most of the money counts as capital expenditure. SEBI counts repaying loans only when they were taken for capital expenditure, so the RHP's own statement decides it.

Part B. Zepto

B1: 19.56% is just below 20%, and new shares make it a share of a bigger total. Regulation 14(1) lets some investors make up a shortfall, up to 10% of the post-issue capital. B2: yes; up to ₹8,010 crore is above the limit.

Where: UDRHP-I dated 8 Jun 2026; ICDR Regulation 14(1)

Part B. PhonePe

B1: no. The monitoring rule counts the issue size leaving out the offer for sale. PhonePe's is nil, so no IPO money reaches PhonePe to check. B2: the two promoter rows; the longer capital expenditure periods cannot arise without a fresh issue.

Where: UDRHP-I dated 21 Jan 2026; ICDR Regulations 16 and 41

Part C. Who checks the money?

C1: the company's website and the stock exchanges where its shares are listed (Regulation 41(4)). C2: any sensible reason, for example that small changes happen in any plan, but large ones need shareholders to know and agree.

Exit ticket

1: a period after the IPO when certain shares cannot be sold or transferred. 2: whether the IPO money is used as the offer document said; every quarter, until it is all used. 3: it has no fresh issue,

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so PhonePe receives no IPO money.

Notes

- Regulation 59 and Schedule XX: after a change of objects, promoters or controlling shareholders must make an exit offer to those who voted against it. Two conditions apply: at least 10% of the shareholders who voted dissented, and less than 75% of the amount raised went to the stated objects.
- Regulation 17 has exceptions, such as shares from employee stock option schemes. Shares of some venture capital and alternative investment funds are locked in for at least 6 months from their purchase.
- The Zepto and PhonePe cases read SEBI's rules against facts in drafts (UDRHP-I). Each offer document states its own lock-in details; use those when a student asks for the exact terms.

Sources

1. S1: Bombay Coated and Special Steels Limited Red Herring Prospectus, dated 21 Oct 2026, Bombay Coated and Special Steels Limited (offer document filed with RoC; company IPO-documents page), 21 Oct 2026. https://cdn.prod.website-files.com/66dae2d0a835d8d76717f6ea/6ad9ce8b73ad22c98ba71e48_RHP.pdf
2. S2: Zepto Limited - Updated Draft Red Herring Prospectus I (UDRHP-I), dated 8 Jun 2026, SEBI (filed by Zepto Limited), 9 Jun 2026. https://www.sebi.gov.in/sebi_data/attachdocs/jun-2026/1780983427091.pdf
3. S3: PhonePe Limited Updated Draft Red Herring Prospectus - I (UDRHP-I), dated 21 Jan 2026, SEBI (offer document filed by PhonePe Limited), 23 Jan 2026. https://www.sebi.gov.in/sebi_data/attachdocs/jan-2026/1769161833282.pdf
4. S4: Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, amended up to 21 Mar 2026, Securities and Exchange Board of India (sebi.gov.in), 21 Mar 2026. https://www.sebi.gov.in/legal/regulations/mar-2026/securities-and-exchange-board-of-india-issue-of-capital-and-disclosure-requirements-regulations-2018-last-amended-on-march-21-2026-_100581.html

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