

## **SEBI extends special dispensations given to firms wanting to go public**

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- **The regulator has said the validity of Sebi observations for initial public offerings (IPOs) expiring between October 1, 2020 and March 31, 2021 will be extended till March 31, 2021.**

The Securities and Exchange Board of India (Sebi) has extended the special dispensations given to companies wanting to go public.

The regulator has said the validity of Sebi observations for initial public offerings (IPOs) expiring between October 1, 2020 and March 31, 2021 will be extended till March 31, 2021.

Sebi's observation for IPOs is valid for a period one year. As a result, a company which received a final Sebi observation, for instance in November, 2019, has to come out with an IPO by November 2020, otherwise it has to refile its offer document.

However, now such a company will have time till March 2021 to launch its IPO.

Also, Sebi has allowed companies to alter their fresh issue size by up to 50 per cent till March 2021 without the need for refile.

Normally, a company is allowed to increase or decrease the fresh issue component by 20 per cent. The regulator had first announced these relaxations in April to help companies tide over the disruption caused by the Covid-19 pandemic.