

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:6274  
ANSWERED ON:05.05.2000  
RELAXATION IN INITIAL PUBLIC OFFERING NORMS BY SEBI  
JASWANT SINGH YADAV

**Will the Minister of FINANCE be pleased to state:**

- (a) whether SEBI has relaxed Initial Public Offering norms for entertainment, telecom and media sectors;
- (b) if so, the details thereof;
- (c) whether any condition has been laid down for granting relaxation; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MENISTRY OF FINANCE

( SHRI BALASAHEB VIKHE PATIL)

(a) & (b) SEBI has eased the Initial Public Offering (IPOs) norms for companies in the media, entertainment and telecommunication sectors by relaxing the mandatory minimum public offer of 25% of the capital. The relaxation provided to them is that an IPO may be at least 10% of the post issue capital.

(c) & (d) This relaxation is subject to the following:

- (i) the issue should comprise a minimum of 20 lakh securities, to be offered to the public;
- (ii) the size of the net offer to the public (i.e., the offer price multiplied by the number of securities offered to the public excluding all reservations and firm allotment) should not be less than Rs. 50 crore.
- (iii) sources of revenue and profit (not less than 75%) shall emanate from these sectors; and
- (iv) Sector-wise income, revenue and asset position will also have to be disclosed in the offer document.