

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:3945
ANSWERED ON:13.12.2002
STAKE OF FIs IN LARSEN AND TUBRO
GANGASANDRA SIDDAPPA BASAVARAJ;M.A. KHARABELA SWAIN;SHEELA GAUTAM

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether investigations are under way on the role of financial institutions like Life Insurance Corporation, General Insurance Corporation, Unit Trust of India in the Reliance Group-Grasim deal on acquisition of Larsen and Tubro shares;
- (b) if so, the names of the investigation agencies;
- (c) whether financial institutions like LIC, GIC and UTI have stakes in the firm Larsen and Tubro Ltd. which is on the verge of a takeover;
- (d) if so, the details thereof; and
- (e) the time by when such investigations are likely to be completed?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

- (a) & (b) The Securities and Exchange Board of India (SEBI) is conducting an investigation regarding the possible acquisition of shares and/or control of M/s. Larsen and Toubro Ltd. to ascertain whether the provisions of the SEBI Act, 1992 or the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 have been violated.
- (c) & (d) As per the shareholding pattern filed by Larsen and Toubro with The Stock Exchange, Mumbai (BSE), the shareholding of financial institutions as on 30.9.2002 is as follows:

Name | No. of shares | % of shares

UTI	25722787	10.34
LIC	43314837	17.42
NIA	6218996	2.50
GIC	5588372	2.25
OIC	3520279	1.42
UIC	2601974	1.05
NIC	2530685	1.02

- (e) SEBI's investigation is in progress. It is difficult to indicate a precise date of completion of the investigation.

1	UTI	-	Unit Trust of India	LIC	-	Life Insurance Corporation
	NIA	-	New India Assurance	GIC	-	General Insurance Corporation
	OIC	-	Oriental Insurance Corporation	UIC	-	United Insurance Corporation
	NIC	-	National Insurance Corporation			