

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5184
ANSWERED ON:10.12.2010
ISSUE OF OFFER BY COMPANIES
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Will the Minister of FINANCE be pleased to state:

- (a) the details of companies / groups given approval / rejected for launching open offer by the Securities Exchange Board of India (SEBI) during the last three months alongwith the reasons for giving approval company-wise;
- (b) whether such approvals have been accorded on the basis of necessary statement from Income Tax Department. Ministry of Petroleum and Natural Gas, Reserve Bank of India and Company Law Board;
- (c) if so. the details of applications approved alongwith date of issue of offer, company-wise;and
- (d) the steps taken or proposed to be taken to ensure transparency in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMONARAIN MEENA)

- (a): SEBI does not approve or reject open offers. It examines offers and offer documents with reference to the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 with a view to assessing conformity with existing provisions. During the period from September 01, 2010 to December 02, 2010, SEBI had issued observation letters based on such assessments in 33 cases.
- (b): As apart of its process, SEBI seeks comments of Reserve Bank of India (RBI), if the target company, acquirers or persons acting in concert with acquirer, are entities regulated by RBI. RBI's comments are appropriately included by SEBI in the observation letters. If SEBI receives any reference / complaint from any other authority or source, the same is also taken cognizance of while issuing observation letters.
- (c): Not applicable in view of reply to (a) above.
- (d): Transparency in the process is ensured by uploading the status of the draft offer documents filed with SEBI on its website.