

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

UNSTARRED QUESTION NO:4877  
ANSWERED ON:20.12.2002  
CITY BANK GROUP  
DR. KIRIT SOMAIYA

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

- (a) whether the Government have taken note that City Bank Group is bypassing guidelines regarding FIPB and take over code of SEBI to acquire Sriram Transport Ltd. and Sriram Investment Ltd.;
- (b) if so, the details thereof; and
- (c) the action taken by the RBI, SEBI and FIPB in this regard?

**Answer**

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

(a), (b) & (c) : The Securities & Exchange Board of India (SEBI) have intimated that a reference was received by them regarding acquisition of 14.99% of Shriram Transport Finance Co. Ltd. and Shriram Investment Ltd. by Citibank to bypass open offer and other conditions. SEBI has sought relevant details from Shriram Transport Finance Co. Ltd. and Shriram Investment Ltd. on December 9 2002 to examine the extent of compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 by Citi Group.