

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3016
ANSWERED ON:02.08.2002
UTI STAKE IN ITC
VINAY KUMAR SORAKE

Will the Minister of FINANCE be pleased to state:

- (a) whether the Unit Trust of India has proposed to disinvest its stake in tobacco giant ITC to liquidate its portfolio;
- (b) if so, the details thereof; c) whether the International Tobacco Giant BAT has evinced interest in bidding for the UTIs stake;
- (d) whether ITC is forcing upon the UTI some unviable options to outsmart the BAT bid; and
- (e) if so, the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANT G. GEETE)

- (a) & (b): Investment/ dis-investment decisions are made by UTI on basis of its own commercial judgement. UTI has intimated that details of specific moves cannot be disclosed in advance since this can adversely affected investors interest.
- (c) UTI has intimated that it is not aware of any such information.
- (d) According to UTI, ITC or anyone else cannot force unviable options on UTI.
- (e) UTI is not required to seek approval of Government for its investment (dis-investment decisions.