

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2073
ANSWERED ON:15.03.2002
TARAPORE COMMITTEE ON UTI
SULTAN SALAHUDDIN OWAISI

Will the Minister of FINANCE be pleased to state:

- (a) whether the S.S. Tarapore Committee appointed to investigate the functioning of UTI has favoured only limited privatisation of Rs. 58,000 crore mutual fund;
- (b) if so, the details thereof;
- (c) whether this recommendation of the committee is contrary to the Y.H. Malegam Committee suggestion to disinvest 60% of the share capital of the sponsoring company; and
- (d) if so, the decision taken or being taken by the Government on the recommendation of the Tarapore Committee so far?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

- (a) and (b) Tarapore committee has recommended inter-alia, that the UTI Bank could hold 49 per cent of the capital of the three Asset Management Companies
- (c) The Malagam Committee has recommended, inter alia, that the UTI Act should be repealed. Further, it should be ensured that Government is distanced from UTI.
- (d) Government announced a financial package for US-64 on 28.12.2001. As a part of the financial package, UTI has been asked to implement time-bound reforms based on the recommendations of the various expert committees including the Tarapore Committee.