

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1123  
ANSWERED ON:23.11.2001  
REDEMPTION APPLICATION FOR US SCHEMES  
VILAS BABURAO MUTTEMWAR

**Will the Minister of FINANCE be pleased to state:**

- (a) whether a large number of redemption applications have been received by UTI under the US-64 scheme;
- (b) if so, the total amount settled by the UTI under this scheme till the end of October, 2001 as against the demand for redemption;
- (c) the reasons for not releasing the entire redemption sought;
- (d) whether any comprehensive proposals have been finalised for the restructuring the UTI; and
- (e) if so, the details thereof?

**Answer**

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

(a) Unit Trust of India (UTI) has intimated that they have received 2,43,544 applications(provisional) under US-64 during 1st August, 2001 to 31st October, 2001 considering the total number of unitholding accounts (1.89 crore approximately) the number of repurchase cases is not significant.

(b) and (c) UTI paid Rs. 294.15 crores (provisional) towards repurchase value of units from 1st August, 2001 to 31st October, 2001. All the valid repurchase applications have been processed subject to the limit of 3000 units per unitholder under limited repurchase package as approved by the Board of Trustees at its meeting held on 15th July, 2001.

(d) and (e) The Corporate Positioning Committee constituted by UTI under the chairmanship of Shri Y.H. Malegam in July, 2000 has submitted its report to the UTI in October, 2001. The Committee has recommended, inter-alia, that the structure of UTI should be in line with SEBI (Mutual Fund) Regulations. Accordingly, there would be

(i) a sponsor, (ii) a Trustee Company, and (iii) an Asset Management Company. The Board of Trustees of the UTI have in its meeting held on 30th October, 2001 decided to make the report public to elicit the views of all stake holders.