

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5868  
ANSWERED ON:30.04.2010  
SELLING OF UTI STAKES  
Raghavan Shri M. K.

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

- (a) whether UTI-AMC sold its stake to M/s T.Rowe Price Global Investment Services Ltd.;
- (b) if so, the reasons therefor and the rate at which the stakes was sold;
- (c) the details of consultation held before taking the decision;
- (d) whether the Government has initiated any inquiry in this regard; and
- (e) if so, the details thereof and if not, the reasons therefor?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

- (a) The four shareholders/sponsors of UTI Asset Management Co.1 Ltd. (UTI AMC) viz., State Bank of India, Life Insurance Corporation of India, Bank of Baroda and Punjab National Bank sold 26% of their total stake in equal proportion in UTI AMC Ltd. (6.5 per cent each) to M/s T. Rowe Price Global Investment Services Ltd.
- (b) The shareholder of UTI AMC had decided to induct a strategic partner. Accordingly, as reported by UTI AMC, the shares were sold to M/s T. Rowe Price Global Investment Services Ltd. at a price of Rs. 200/- per share; which was decided by the shareholders after a series of independent financial due diligence carried out by the investment bankers.
- (c) As reported by UTI AMC, all the shareholders, after having completed their independent due diligence and after obtaining the required approval of their respective Boards for inducting M/s T. Rowe Price as the strategic partner, the transactions were completed with clearance from independent legal advisors and approval from the Securities Exchange Board of India (SEBI), Reserve Bank of India (RBI) and Foreign Investment Promotion Board (FIPB). Government of India had also earlier conveyed its no objection to the change in shareholding pattern of UTI AMC subject to specific terms & conditions.
- (d) No, Sir.
- (e) In view of reply to part (c), no such step was called for.