

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6927
ANSWERED ON:07.05.2010
COMPETITIVE BIDDING
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Will the Minister of FINANCE be pleased to state:

- (a) The reasons for not opting for public auction or inviting bids through a system of global competitive bidding while off loading shares in public institution like Unit Trust of India;
- (b) whether any other financial institution has done the same; and
- (c) if so, the details and the reasons for such actions?

Answer

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

(a): The process of selecting a strategic partner for UTI Asset Management Company(UTI AMC) was as per the decisions taken by the four shareholders viz. State Bank of India, Life insurance Corporation of India, Bank of Baroda and Punjab National Bank. As reported by UTI AMC, the process followed is in keeping with the prevailing practice in financial firms.

(b) & (c): Information is being collected and shall be laid on the table of the House.