

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4659
ANSWERED ON:21.02.2014
WINDING UP OF SUUTI QUESTION
Bishnoi Shri Kuldeep

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to close Specified Undertakings of Unit Trust of India (SULTI) and transfer of its assets and liabilities to a new entity;
- (b) if so, the details thereof;
- (c) the total assets and liabilities of SUUTI at present; and
- (d) the steps taken by the Government to deal with the investment, disinvestment and other activities of SUUTI?

Answer

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

(a) & (b):- The Cabinet, in its meeting held on the 23rd March 2012, approved the proposal for winding up SUUTI and creating a new company, wholly owned by Government, to takeover all assets or properties which are in the possession, custody and control of the Administrator, SUUTI and all claims or liabilities of the SUUTI, subject to certain conditions. However, Cabinet on 9 January 2014 has decided that the decision of the Cabinet taken on the 23rd March 2012 to wind up SUUTI may be deferred. The transfer of assets and liabilities of SUUTI to the new company, as approved by the Cabinet on 23rd March 2012, has also been deferred.

(c) The total assets and liabilities of SUUTI as per the Audited Accounts as on 31st December 2013 are as given below:

Assets - Rs. 54730 crores (Market value)
Liabilities - Rs. 2000 crores

(d) The Administrator, SUUTI shall carry on the management of SUUTI for and on behalf of the Central Government in terms of the Scheme formulated u/s 20 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act 2002. Section 10 of the Repeal Act provides for various kinds of business that can be transacted by the Administrator, in relation to the specified undertaking. Further, being an entity created by an Act of Parliament, SUUTI has been empowered with certain rights and privileges in dealing with its investments and divestments like, ability to file cases as a Public Financial Institution under The Securitization and Reconstruction of Financial Assets and Enforcement of Securities Act, 2002 (SARFAESI Act) and The Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (DRT Act), certain concessions, tax exemptions, guarantees, authority to initiate legal action etc.