

# Govt garners ₹600 cr via SUUTI stake sale in Axis Bank +

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**T**he central government has sold nearly one crore shares of Axis Bank worth around ₹600 crore in the last two weeks held through the Specified Undertaking of the Unit Trust of India (SUUTI).

SUUTI took advantage of the buoyancy in the equity market and sold 61.43 lakh shares of Axis Bank between 2 and 4 December, fetching the gov-

ernment ₹374.21 crore, according to stock exchange filings. Between 26 November and 27 November, it sold 36.25 lakh shares for ₹221.47 crore.

SUUTI held a 4.33% stake in the bank as of 30 September, according to exchange filings. However, its shareholding in the lender is down to 3.92% following these trades.

Parliament bifurcated UTI in

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2002 after the company's US-64 investment plan ran into trouble, creating SUUTI and

UTI Asset Management Co. Pvt. Ltd. The former holds the assured-return investment plans of UTI and the latter oversees the market-linked plans.

SUUTI has minority stakes in

several listed and unlisted companies, with most of its value locked in Axis Bank Ltd (11.53%

stake), hotels-to-personal care conglomerate ITC Ltd (7.93%), and construction engineering company Larsen & Toubro Ltd (1.8%). It had earlier pared down its minority stakes in Axis Bank and ITC and sold off most of its stake in L&T.

The government has set a disinvestment target of ₹2.1 trillion for FY21, including the privatization of Air India and Bharat Petroleum Corporation Ltd (BPCL). So far this year, the government has received ₹6,734 crore through minority stake sales and an initial public

offering of Mazagon Dock Shipbuilders Ltd. It is, however, yet to carry out any strategic disinvestments this fiscal.

The government is confident of closing the BPCL deal this fiscal with three parties expressing interest in the company. The finance ministry had missed the disinvestment target of ₹65,000 crore for FY20 by ₹14,701 crore and is likely to miss the target again because of the economic downturn that has resulted from the covid-19 pandemic.

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