

(a) whether the Unit Trust of India (UTI) is finally set to launch the India Fund in the U.S. in collaboration with Merrill Lynch, one of America's investment banks;

(b) if so, the objective of the Fund, its management utilisation, investment in Indian equities and terms of agreement;

(c) whether a similar fund floated by the UTI-Merrill Lynch in the U.K. was heavily over-subscribed but its performance so far has not been upto the expectations; the fund's shares being quoted at below par; and

(d) whether in view of the poor performance of the India fund in the U.K., Government propose to re-consider their plan to launch the new Fund in the U.S.?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Government have recently permitted the Unit Trust of India (UTI) to launch the India Growth Fund (IGF) in the US. Merrill Lynch is the lead manager for the issue of shares of the Fund.

(b) The resources of the Fund will be invested in equity securities of the Indian Companies both in the primary and secondary markets. Fund will be managed by a Board of Directors. The Investment Advisor for the IGF will be Unit Trust Investment Advisory Services Ltd., a wholly-owned Indian subsidiary company of the UTI. The major part of the net proceeds of the Fund will be invested in units of a special scheme of the UTI, which in turn will be invested primarily in a diversified portfolio of Indian equity shares and other securities of Indian companies in the primary and secondary markets. The investment Advisor and the UTI will receive a fee for the advisory and management services to be provided to the Fund.

(c) A similar Fund launched abroad by the UTI in July, 1986 was over-subscribed. The performance of the Fund so far has been broadly satisfactory. During 1988, the market price of the shares of the Fund has fluctuated and has remained both above and below par.

(d) Does not arise in view of reply to (c) above.

### **Steps to Boost Exports to Japan**

2642. PROF. P.J. KURIEN: Will the Minister of COMMERCE be pleased to state:

(a) the percentage of India's trade with Japan;

(b) whether some specific steps have been taken to boost our exports to Japan;

(c) if so, the details and the result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) India's trade with Japan constituted 9.8% of its total global trade in 1987-88.

(b) Yes, Sir.

(c) The steps to boost out exports to Japan include regular inter action with the Japanese at political, official and business levels; holding of exclusive Indian fairs and participation in fairs/exhibitions in Japan; undertaking specific product and market development programmes with Japanese assistance exchange of delegations etc. As a result of these efforts export to Japan increased to Rs. 1614.89 crores (provisional figures) in 1987-88 as compared to Rs. 1343.64 crores in 1986-87.