

(iii) introduction of air taxi service.

DA to Government Employees and Pensioners

731. SHRI MADAN LAL KHURANA: Will the Minister of FINANCE be pleased to state:

(a) the consumer price index as on 30 June, 1989 and how did it compare with that as on 31 December, 1988;

(b) at what rate of increase in consumer price index was the instalment of D.A. released to Government employees and pensioners from 1 July, 1989;

(c) whether the employees/pensioners were not give 100 per cent compensation on account of increase in prices; and

(d) if so, reasons therefor?

THE MINISTER OF FINANCE (PROF. MADHU DANDEVATE): (a) The Consumer Price Index as on 30th June, 1989 was 838 (Base 1960-100) as against 818 as on 31st December, 1988.

(b) The instalment of Dearness Allowance/Dearness Relief effective from 1.7.1989 was released on the basis of 34.42% increase in the twelve monthly average of Consumer Price Index over the index average of 608.

(c) As per the recommendations of the 4th Pay Commission, as accepted by the Government, the employees drawing basic pay upto Rs. 3500/-, and pensioners drawing pension upto Rs. 1750/- were given 100% neutralisation. Those drawing basic pay between Rs. 3501/- and Rs. 6000/- and pension between Rs. 1751/- and Rs. 3000/- were given 75% neutralisation and those

drawing basic pay above Rs. 6000/- and pension above Rs. 3000/- were given 65% neutralisation.

(d) Does not arise.

Floating of Bonds by Maharashtra Government

732. SHRIMATI JAYAWANTI NAV-INCHANDRA MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether Union Government are considering the Proposal of Maharashtra Government to float their bonds for better rail communication in Marathwada, Konkan and Mankhurd-Belapur region; and

(b) if so, by what time the decision regarding these important developmental Projects is likely to be taken?

THE MINISTER FINANCE (PROF. MADHU DANDEVATE): (a) and (b). The matter regarding issue of Bonds by the Maharashtra Government for the railway projects in the Marathwada region has been taken up with the Reserve Bank of India who have not favoured separate market borrowings for such purposes over and above the limits fixed for the Centre and the States. The Railway Ministry have therefore been advised to take up with the Planning Commission the question of Providing adequate funds for these projects within the overall outlay as may be finally approved for the Railways for the Eighth Plan.

While no proposal for issue of bonds separately for the Konkan lines has so far been received in the Ministry of Finance, for the Mankhurd-Belapur railway project the Maharashtra Government has already been given the required market borrowing allocation.