

being collected and will be laid on the Table of the House.

Trade Agreement with China

3760. SHRI MANORANJAN BHAKATA:

SHRI P. NARSA REDDY:

Will the Minister of COMMERCE be pleased to state:

(a) whether any agreement has been signed with China recently for improving bilateral trade and co-operation in various fields; and

(b) if so, the salient features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI ARANGIL SHREEDHARAN): (a) No, Sir. However, on the conclusion of the first meeting of the Ministerial India-China Joint Group on Economic Co-operation and Trade, Science and Technology on 20th September '89, a Trade Protocol was signed.

(b) The Protocol lists items of export interest to both the countries. Iron ore, chrome ore, chemicals, engineering products figure as items of export interest to India. Raw silk, pulses, pig iron are among items of export interest to China.

Mutual Funds

3761. SHRI SANT KUMAR MANDAL:

SHRI SHANTARAM POIDUKHE:

Will the Minister of FINANCE be pleased to state:

(a) whether there has recently been a mushrooming of mutual funds;

(b) if so, the impact of these funds on the money market;

(c) whether Government exercise any control on these funds, if so, the nature thereof;

(d) whether mutual funds in general and offshore funds in particular face a daunting task of identifying new investments in the coming months; and

(e) if so, how these banks operating these mutual funds propose to face the tough tasks ahead?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE):

(a) to (e) including the UTI there are only seven mutual funds operating as of today.

Government have issued guidelines relating to Mutual Funds in June, 1990. These guidelines cover, *inter alia*, establishment, management and investment objectives and policies of the Mutual Funds. The guidelines also provide for registration of Mutual Funds with the Securities and Exchange Board of India. According to the guidelines issued by the Government investments in money market instruments by the Mutual Funds should normally be limited to 25% of their assets for their short-term liquidity requirement. The responsibility of identifying new investment opportunities and managing the tasks involved therein vest with these Funds.

Dearness Allowance/Relief to Government Employees and Pensioners

3762. SHRI S. C. VARMA: Will the Minister of FINANCE be pleased to state:

(a) the extent (percentage) to which dearness is sought to be neutralized through grant of additional dearness allowance/relief at different levels of pay/pensions to the Central Government employees and the pensioners;

(b) whether there is a difference in the extent of neutralization in dearness at identical levels of pay and pension, if so, how Government expect the pensioners to bear the burden of rising prices; and

(c) whether Government propose to take any action to do away with the prevailing anomaly, if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) The extent to which neutralisation for price

rise is given to the Central Government employees and pensioners, subject to marginal adjustments, is indicated below:—

<i>Serving employees</i>		<i>Pensioners</i>	
<i>Pay range (Basic Pay) P.M.</i>	<i>Percentage neutralisation</i>	<i>Pension range P.M.</i>	<i>Percentage neutralisation</i>
Upto Rs. 3500 . . .	100 %	Upto Rs. 1750 . . .	100 %
Rs. 3501 to Rs. 6000 . . .	75 %	Rs. 1751 to Rs. 3000 . . .	75 %
Above Rs. 6000 . . .	65 %	Above Rs. 3000 . . .	65 %

(b) and (c) The percentage neutralisation for serving employees as well as pensioners is based on the recommendations of Fourth Central Pay Commission and provides to the pensioners the same percentage relief as dearness allowance to serving employees drawing pay equivalent to that drawn by such pensioners while in service with marginal adjustments. Pension is granted at 50% of pay for full pensionable service so that a serving employee, when he retires, gets dearness relief at the same percentage at which he used to get dearness allowance on pay, and as such there is no anomaly.

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) The Banks are expected to provide pre-recruitment and pre-promotion training to SCs and STs candidates depending upon the infrastructural facilities available with them and as such the minimum or maximum number of candidates to be included in one class has not been prescribed.

(b) The duration of the training programme for pre-recruitment is six days. There are no specific instructions of the Government regarding the duration of pre-promotion training programmes.

Pre-Recruitment Trainings To SCs/STs in Banks

(c) No. Sir.

3763. SHRI ANADI CHARAN DAS: Will the Minister of FINANCE be pleased to state:

Procurement of Bristles by DGS&D

(a) The average number of students included in one class in pre-recruitment and pre-promotion trainings given to Scheduled Castes and Scheduled Tribes in various nationalised Banks;

3764. SHRI V. SREENIVASA PRASAD: Will the Minister of COMMERCE be pleased to refer to the reply given on 4th May, 1990 to Unstarred Question No. 7557 regarding procurement of Bristles by DGS & D and state :

(b) the duration of such trainings; and

(a) whether the larger share of these procurement is still given to the private sector and public sector units are not given the benefits of price preference @ 10 per cent wherever necessary;

(c) whether there is any proposal to extend the period of training to provide more meaningful pre-recruitment and pre-promotion training to SCs and STs by these Banks?

(b) if so, the facts thereof; and