

THE MINISTER OF FINANCE
(SHRI R. VENKATARAMAN) :

(a) and (b). It is expected that because of the rise in import prices of crude oil and petroleum products and the continuing international inflation affecting the cost of other essential imports, the country's balance of payments position in the short and medium term will come under considerable pressure. In order to meet the financing requirements of the balance of payments, it will be necessary to resort to external financing to a greater extent than in the past. However, the extent and composition of such financing will be strictly within the limits of prudent debt management.

2. The Government has been taking various measures to help reduce the dependence on foreign loans. These include :—

(a) Efforts at effective import substitution in the short and medium term through full utilisation of existing capacity in key areas such as steel, cement, non-ferrous metals and fertilisers and in the long run to ensure adequate expansion of capacity in these areas ;

(b) Efforts to reduce the heavy dependence on imported oil through stepping up domestic exploration, developing alternative energy and appropriate pricing of oil and oil products ;

(c) A number of steps have been taken to bring about a much more dynamic export performance so that the country can pay for the rising import requirements of a growing and modernising economy without excessive resort to external borrowings.

Proposal to shift central silk board office from Bombay to Bangalore

2454. SHRI M.V. CHANDRASHEKARA MURTHY : Will the Minister of COMMERCE be pleased to state :

(a) whether Union Government are considering a proposal to shift the

Central Silk Board Office from Bombay to Bangalore ;

(b) if so, whether this is being done because Bangalore is top grower of silk in the country ; and

(c) when the final decision in this regard is likely to be taken ?

THE MINISTER OF STATE IN
THE MINISTRY OF COMMERCE
(SHRI KHURSHED ALAM KHAN)

(a) to (c). The proposal in question was considered but found not feasible.

Aircraft Mobilised for Third Airlines

2455. DR. KRUPASINDHU BHOI : Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state the number of aircraft mobilised for the Third Airlines 'Vayudoot' introduced recently and the area of their operation ?

THE MINISTER OF TOURISM AND CIVIL AVIATION
(SHRI A.P. SHARMA) :

Vayudoot has been taken on lease two Fokker F-27 aircraft from Indian Airlines. Presently, Vayudoot is operating in the North-Eastern Region only and the following stations have been airlinked :

1. Barapani.
2. Kailashahar
3. Rupsi
4. Kamalpur
5. Tezu
6. Dibrugarh
7. Gauhati
8. Agartala