

(b) Similar and bigger crash fire tenders are in use at a number of international airports in other countries. All machines before acceptance will be subjected to the prescribed performance tests and quality control checks.

the supply of power, coal, transport facilities etc. so as to removed the bottlenecks which currently tend to inhibit production.

Curbs on Credit

Steps to Check Inflation

3540. SHRI MOHINDER SINGH GILL: Will the Minister of FINANCE be pleased to state:

(a) whether in order to step up the drive against inflation and also after having taken certain fiscal measures, now greater attention will be focussed on increased production and effective distribution steps; and

(b) if so, what measures are now being proposed to be taken in this direction?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): (a) and (b), In the ultimate analysis it is only increased production that can successfully contain inflationary pressures and the successive Five Year Plans have been geared to this objective. Even though certain measures have recently been taken to restrict demand and check speculative activities, steps aiming at increased production and effective distribution of essential commodities always continue to receive Government's attention. For example, in order to compensate for the shortfall in this year's kharif crop, an intensive drive for the rabi season has been launched. This envisages, *inter alia*, more adequate and timely supplies of agricultural inputs. The distribution system for foodgrains is being streamlined and a Central Civil Supplies Department has been set up to provide necessary support to the state civil supplies organisations in coordinating their activities and in securing and transporting the necessary supplies on a more effective basis. In the industrial sector steps are being taken to rapidly improve

3550. SARDAR SWARAN SINGH SOKHI: Will the Minister of FINANCE be pleased to state:

(a) whether curbs on credit will hit production in the country; and

(b) whether the country was losing between Rs. 1,000 crores to 2,000 crores per annum on production front as a result thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): (a) and (b). Curbs on credit are intended to contain inflationary pressures by discouraging speculative activities, including the building up of abnormally high inventories. To the extent that these objectives are achieved, there would be a healthy impact on production. The genuine requirements of trade and industry are fully kept in mind by the Reserve Bank while framing the credit policy of the country. Thus, the new busy season policy is based on the assumption that the situation calls for a continuation of the restraints on credit creation, while at the same time providing selectively for the development of credit for sustaining investment, augmenting production and facilitating distribution of essential commodities.

India's Foreign Exchange Reserves

3551. SARDAR SWARAN SINGH SOKHI: Will the Minister of FINANCE be pleased to state:

(a) whether, the foreign exchange position is becoming tighter and tighter day by day; and