

**THE MINISTER OF DEFENCE (SHRI R. VENKATARAMAN):** (a) An article appeared in the 'Hindustan Times' dated 17th January, 1982 under the heading mentioned.

(b) and (c) While there is shortage of officers in the Armed Forces at present, the overall quality of officers remains high.

(d) In order to make service in the Armed Forces more attractive a comprehensive Cadre Review has been carried out which has enhanced the promotion prospects in all ranks of the Services. A large number of appointments at various levels have been upgraded. Selection Grade to a percentage of Officers of the rank of Major/Lt. Colonel and equivalent ranks in the Navy and Air Force has been introduced. There has been a significant enhancement in pensionary benefits and the facility of encashment of leave has been extended to these officers. Apart from the above Government have recently undertaken a vigorous publicity drive to highlight the attractive aspects of service in the Armed Forces. All the above-mentioned measures are expected to encourage young people to opt for a Military Career.

#### **Crisis in Tractor Industry Consequent on Credit Squeeze**

**\*394. SHRI GHULAM MOHAMMAD KHAN:** Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the tractor industry which is the World's third largest is in deep crisis due to credit squeeze;

(b) whether it is also a fact that the tractor and ancillary industries are in grip of heavy crisis which is likely to be aggravated during the ensuing season; and

(c) what instructions, if any, are proposed to be issued to the commercial banks for the restoration of liberal grant of agricultural credit?

**THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) to (c) Quick estimates for the first 8 months of the current financial year show that the gross credit expanded by Rs. 28812 crores as compared to Rs. 1540 crores in the corresponding period last year.

In the context of the need to curb inflationary pressures in the economy, the Reserve Bank had to take several measures to contain the volume of credit expansion and to reduce the liquidity in the economy. The institution-wise and sector-wise impact of these credit policy measures is continually being assessed by the R.B.I. so as to secure better planning and ensure continued flow of credit, particularly to the smaller borrowers in the priority sector and the beneficiaries under the 20-Point Programme. The flow of credit to agricultural sector for larger production is expected to improve since the banks have been asked to raise the share of agricultural sector in the aggregate credit to 16 per cent by March, 1985. The Government and the Reserve Bank are also constantly reviewing the credit policy measures keeping in view the objectives of containing inflationary pressures, ensuring growth of production and maximising the productivity of investment already made through more intensive utilisation.

Available data for 8 months of current financial year shows that credit to agricultural sector which includes credit for purchase of tractors, expanded by Rs. 866 crores compared to Rs. 529 crores in the corresponding 8 months in the last financial year and Rs. 806 crores in the whole of the last financial year.

#### **Aviation Centre of the Coast Guards at Daman**

**4184. PROF. MADHU DANDAVATE:** Will the Minister of DEFENCE be pleased to state: