

(c) if so, Government's reaction thereto and action proposed to be taken thereon?

**The Minister of Irrigation and Power (Dr. K. L. Rao):** (a) At present surveys and investigations in Nepal territory are in progress and execution of the work has not yet arisen.

(b) No, Sir.

(c) Does not arise.

#### Moratorium on Bank Loans to Industries

\*1280. **Shri S. K. Tapuria:** Will the Minister of Finance be pleased to state:

(a) whether Government propose to put a moratorium on further loans granted to the large scale industries by the banks and other financial corporations,

(b) if so, the reasons therefor; and

(c) its effect on further expansion of the industries?

**The Minister of State in the Ministry of Finance (Shri K. C. Pant):** (a) No, Sir

(b) and (c). Do not arise

#### Capital Goods Industry

\*1281. **Shri R. K. Amin:** Will the Minister of Finance be pleased to state:

(a) whether devaluation was considered to be a step to remove the excess capacity which has been built up in our capital goods industry during the course of planned economy in our country;

(b) if so, whether devaluation has helped to reduce the excess capacity; and

(c) if not, the steps Government propose to take in this regard?

**The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai):** (a) No, Sir.

(b) Does not arise.

(c) Government has permitted industrial units to diversify production to the extent of 25 per cent of the licensed capacity without the need to secure a licence under the Industries (Development and Regulation) Act. Industrial units are also being encouraged to expand exports and thereby use their capacity to a fuller extent. A special effort is being made to increase utilisation of indigenous capacity and thereby import substitution for meeting Plan requirements. The possibility of taking any other measures is under examination, to alleviate the present short term difficulties.

#### Deals with Bechtels

\*1282. **Shri Kanwar Lal Gupta:** Will the Minister of Petroleum and Chemicals be pleased to state:

(a) the number of deals with Bechtels and the details thereof;

(b) whether it is a fact that there were heavy losses to Government in these deals;

(c) whether it is also a fact that the representatives of Government did not look into the agreements properly and minutely, and

(d) whether Government have received any complaint of negligence, favouritism and corruption against any Officer regarding the deals which they made with this Company?

**The Minister of Planning, Petroleum and Chemicals and Social Welfare (Shri Asoka Mehta):** (a) (1) Agreements in 1962 between Indian Refineries Limited (since merged into the Indian Oil Corporation) and Bechtels for design and engineering management services in connection with the Gauhati-Siliguri Products Pipeline.