

(c) Hindi books are purchased on the recommendations of the Officers of the Ministry of Education, particularly those in the Hindi Division. Suggestions from the readers are also invited and implemented after the approval of the Officers concerned. Orders are placed with the local dealers in Hindi books.]

#### CAPITAL REQUIRED FOR THE STEEL PROJECTS

151. SHRI BABUBHAI M. CHINAI: Will the Minister of STEEL, MINES AND FUEL be pleased to state:

(a) the latest estimate of the capital required for the establishment of each of the Bhilai, Rourkela and Durgapur Steel Projects; and

(b) the estimates of break-up of capital of each project under the following headings: —

- (i) Total Gross Block;
- (ii) Plant and Machinery (Gross);
- (iii) Land and Buildings and others (Gross);
- (iv) Percentage of Plant and Machinery to total Gross Block;
- (v) Percentage of Land and Buildings and others to total Gross Block;
- (vi) Total net Block;
- (vii) Plant and Machinery (Net);
- (viii) Land and Buildings and others (Net);
- (ix) Percentage of Plant and Machinery to total Net Block;
- (x) Percentage of Land and Buildings and others to total Net Block?

THE MINISTER OF STEEL, MINES AND FUEL (SARDAR SWARAN SINGH) : (a) The estimates of cost of the three steel projects remain unchanged. They are—

Rourkela	Rs. 170 crores
Bhilai	.. Rs. 131 crores
Durgapur	.. Rs. 138 crores

As has been explained on previous occasions these estimates do not include the cost of townships, or mines and quarries, fees to consultants, land, works outside the perimeter of the plant, customs duty and such other ancillary expenditure.

The cost of these excluded items is estimated at Rs. 120 crores for the three projects together. In none of these estimates has any provision been made for likely increases in costs on account of "Escalation". These are difficult to determine particularly in the present context when after a series of increases there is a tendency for some prices to fall.

(b) 'Gross block' and \*net block\* are specialised terms used in company accounts in referring to the total of all assets of any one particular industrial unit and to the depreciated value of those assets as on any one date. In that sense, as the three steel plants are still under construction, it would only be the gross block which would be of immediate interest and of which an idea could be given at this stage. It is not usual to include the cost of townships in the gross block. Excluding the cost of townships the estimates for the three steel projects and their ancillaries which could be taken, at this stage, as the gross block would be Rs. 517 crores as follows: —

Rourkela	..	Rs. 200 crores
Bhilai	..	Rs. 164 crores
Durgapur	..	Rs. 153 crores

It is again difficult to separate land and buildings and others from plant and machinery. A number of common services like erection charges, fees to consultants, management expenses during construction *etc.*, are being incurred for each of the projects as a whole. It is only when

construction is completed would it be possible to allocate these common expenses to plant and machinery and to land and buildings separately. The cost of plant and machinery exclusive of the cost of erection etc. is estimated at—

Rourkela	..	Rs. 125 crores
Bhilai	..	Rs. 90 crores
Durgapur	..	Rs. 100 crores

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**STATEMENT REGARDING STARRED QUESTION NO. 177, ANSWERED ON THE 1ST DECEMBER, 1958**

**DIRECT LOANS TO PRIVATE FIRMS IN INDIA BY U.S. EXPORT-IMPORT BANK**

THE MINISTER OF FINANCE (SHRI MORARJI R. DESAI) : With your permission, Sir, I should like to correct a statement made by me in the course of my replies to the supplementaries to Starred Question No. 177 by Shri Perath Narayanan Nair about direct loans from U. S. Export-Import Bank to Indian private firms which was answered on 1st December 1958.

I mentioned in reply to a question by the hon. Member, Shri Bhupesh Gupta, that there was no specific negotiation with the Export-Import Bank by any member of the Birla Mission at the time of its visit to U. S. A. My attention has since been drawn to the fact that members of the Mission did hold discussions with the Bank on the subject of loans to industry in India and that subsequently the Bank agreed in principle to extend a loan to the National Rayon Corporation Ltd. to finance to the extent of \$ 1'8 million the import of plant and machinery for manufacture of rayon tyre cord yarn. This was in the last quarter of 1957 and the transaction, I understand, received the approval of the Government on 2nd January 1958, which was before my association began with the Finance Ministry. I was not aware of these facts.

j With reference to a supplementary  
1 by the hon. Member, Shri V. Prasad  
! Rao, I mentioned that no applications  
were received so far by the Finance  
Ministry to avail of the loan. The  
supplementary question was not clear.  
If it referred to applications to avail  
of direct loans, it is the practice for  
the private sector to approach the  
Bank directly and it is only after  
some measure of agreement has been  
reached between the Bank and the  
borrower that Government is  
approached for permission to accept the loan.  
However, if it referred to applications for  
using the \$ 150 million loan, I may say that  
several applications have been received by  
the Ministry of Commerce and Industry in  
response to the Public Notices issued by that  
Ministry earlier this year. Several  
applications have already been approved and  
licences have also been issued.

SHRI BHUPESH GUPTA (West Bengal):  
Sir, I would like to make one request to you  
here. I am very grateful to the hon. Minister  
that some more information has been given. I  
think, Sir, you will be good enough to permit  
half an hour's discussion on this particular  
question, in view of the replies that have now  
been given by the hon. Minister.

**PAPERS LAID ON THE TABLE**

**REPORT ON THE WORKING OF THE MANI- PUR  
STATE BANK LIMITED, IMPHAL FOR THE  
YEAR 1957 AND OTHER RELATED PAPERS**

THE DEPUTY MINISTER OF FINANCE  
(SHRI B. R. BHAGAT): Sir, I beg to lay on the  
Table, under subsection (1) of section 639 of  
the Companies Act, 1956, a copy each of the  
following papers:—

- (i) Report on the working of the Manipur State  
Bank Limited, Imphal, during the year