

(a) the name of the public sector steel plants which are earning profit at present;

(b) the amount of profit earned by each steel plant during last five years (year-wise); and

(c) the steps taken to check the losses of other steel plants, alongwith details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) and (b) The Bhilai Steel Plant (BSP) and Bokaro Steel Plant (BSL) of Steel Authority of India Limited (SAIL) are earning profits. The amount of profits earned by these steel plants during the last five years is as under:—

(Rs. in Crores)

Plant	1997-98 Prov.	1996-97	1995-96	1994-95	1993-94
BSP	701	684	819	639	368
BSL	367	357	806	662	468

(c) SAIL has taken number of steps to improve the performance, which inter-alia include reduction in cost by improving the techno-economic parameters, demand oriented production, improving quality of products, and increasing sales through aggressive and customer oriented marketing, etc.

The Indian Iron & Steel Company Ltd. (IISCO), which a loss making Public Sector Steel Plant, was referred to BIFR in June, 1994 for its revival/modernisation will have to be in accordance with the orders of the BIFR in this regard.

The steps taken by the Rashtriya Ispat Nigam Ltd. (RINL) [Visakhapatnam Steel Plant (VSP)] to improve its performance include introduction of appropriate technologies in critical areas to remove production bottlenecks and improvement in the product-mix, etc.

Profit of SAIL

4414. SHRI RAMDAS AGARWAL: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the net profit of SAIL has plummeted by 74%, if so, whether the reason for reduction in profits for 1997-98 can be attributed to "over" capital section of modernised units;

(b) whether export turn over of SAIL in the fiscal year 1997-98 was as per target fixed; and

(c) if not, what remedial measures SAIL is taking to increase export in the current financial year?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) The profit (before tax) of Steel Authority of India Limited (SAIL) for the year 1997-98 was approx. Rs. 149 crores (subject to CAG Audit) against Rs. 588 crores in 1996-97. Profits were lower in 1997-98 because of slow down in demand for steel, greater competition from imports, and enhancement in supplies in domestic market. Further, the profits were adversely affected by increase in input prices primarily of coking coal, petroleum products, power, transportation and higher interest cost which could not be fully neutralised by better techno-economic parameters, cost reduction measures and increase in the prices of steel, etc. Increase in capital related charges, on account of part capitalisation of the expenditure incurred on modernisation of SAIL plants, has also contributed to the decline in profits. However, Capitalisation is as per actual expenditure and in line with normal accounting policy/practice.

(b) The export turnover of SAIL in the fiscal year 1997-98 was above the Memorandum of Understanding (MOU) target.

(c) Does not arise in view of (b) above.

Re-settlement of Slums in the City

4415. SHRI KRISHNA KUMAR BIRLA: Will the MINISTER OF URBAN AFFAIRS AND EMPLOYMENT be pleased to state:

(a) what is the estimated expenditure incurred annually by government on the improvement of slums in the city;

(b) what is the nature of improvements carried out in the slums;