

World Bank Aid to U.P.

899. SHRI SURENDRA PAL PATHAK: Will the Minister of URBAN DEVELOPMENT be please to state:

(a) whether the Uttar Pradesh Government has prepared the Uttar Pradesh Urban Development Project for the development of the important towns of the State to get aid from the World Bank;

(b) if so, the details thereof;

(c) whether the Uttar Pradesh Government has prepared any other project with International Development Assistance (IDA) etc. for the development and for improving the facilities in the slums; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT (SHRI P.K. THUNGON): (a) Yes, Sir.

(b) The proposal sent by the Uttar Pradesh Government which is in the form of an approach document, contains the following components : shelter, municipal services, water supply and sanitation, traffic and transportation, technical assistance and training etc. The estimated cost of the Project is Rs. 600 crores. The Project is proposed to be completed in 6 years. The Project was discussed by the Ministry of Urban Affairs and Employment with the officials of the World Bank. However, since a rethinking is going on at the Bank at present regarding the funding of urban sector projects, it is not possible to comment as to when the project is going to be considered by the World Bank.

(c) No, Sir.

(d) Does not arise.

[English]

Visakhapatnam Steel Plant

900. SHRI PARAS RAM BHARDWAJ: Will the Minister of STEEL be please to state:

(a) whether mounting losses incurred by the Visakhapatnam Steel Plant of Rashtriya Ispat Nigam Limited is seriously affecting the very financial viability of the public sector giant;

(b) if so, the factors responsible for mounting losses in VSP; and

(c) the steps taken by the Government to bring VSP out from the red?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) and (b) The Company is expected to turn around and attain 100 percent capacity utilisation by the year 1996-97 and earn net profit by the year 1997-98. The Company has not been able to achieve this target so far due to the following reasons:—

(i) Heavy capital related charges towards interest and depreciation.

(ii) Initial gestation period.

(iii) Increase in cost of inputs.

(iv) Recessionary market trends.

(v) Problems faced in the stabilisation of production in the Steel Melt Shop and continuous Casting Machines due to certain unanticipated logistics problems, skill gaps, inadequate automation and requirement of additional facilities subsequent to commencement of operation.

(c) For making the Company financially viable, Government of India approved in July, 1993 the proposal for restructuring the capital base of the Company. With this, the Company received a relief of over Rs. 350 crores per year on interest payment due to conversion of outstanding Government loans partially into equity and partially into 7% Non-Cumulative Preference Shares. Further, the Company has also taken up modifications as well as installation of additional facilities in the Steel Melt Shop and Continuous Casting Machines and obtaining necessary technological assistance from reputed foreign firm in order to achieve the target.

[Translation]

Coal Based Power Stations in M.P.

901. SHRI SUSHIL CHANDRA VERMA: Will the Minister of POWER be pleased to state:

(a) the details of proposals under consideration to set up coal based power houses through private sector in Madhya Pradesh;

(b) the locations and the capacity thereof;

(c) the quantum of coal required each year for each power station; and

(d) whether assent of Coal India Limited has been received in regard to meet the requirement of coal in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILABEN CHIMANBHAI PATEL): (a) and (b) The details of proposals under consideration to set up coal based power houses through private sector in M.P. are as under:—

S.N.	Name of the Project	Location (Dist.)	Capacity (Proposed)
1.	Pench TPS	Chhindwara	500 MW
2.	Bhilai TPS	Durg	500 MW
3.	Korba West Extn. TPS	Bilaspur	420 MW
4.	Korba West TPS	Bilaspur	500 MW
5.	Bina TPS	Sagar	1000 MW
6.	Birsinghpur TPS	Shahdol	500 MW
7.	Korba East TPS	Bilaspur	500 MW
8.	Raigarh TPS	Raigarh	1000 MW