

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI PATTABHI RAMA RAO) : (a) to (c) Some of the industries which included steel, textiles and engineering goods industries suffered from slack demand due to a variety of reasons including constraints of finance with major purchasers in case of some of the engineering industries.

According to available information, there has been reduction in the opening stocks of steel from 1.54 million tonnes on 1.4.1983 to 0.8 million tonnes on 1.4.84; per capita consumption of textiles has increased compared to the previous year. The production of engineering goods has shown further improvement in 1983.

**Loss Likely to be Suffered by SAIL**

8110. SHRI MADHAVRAO SCIN-

DIA : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether it is a fact that the Steel Authority of India Limited is likely to suffer a loss during the current year;

(b) if so, the estimated extent of loss likely to be suffered by SAIL during this year and how it compares with the corresponding figures for 1981-82 and 1982-83; and

(c) to what major reasons the losses are attributable ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL AND MINES (SHRI N. K. P. SALVE) : (a) Yes, Sir.

(b) and (c) SAIL's profit/loss position in the last three years is as follows :

(All figures in Rs. crores)

Years	Profit (+)/Loss (-)	Increase in costs less increase in net realisation over the previous year
1980-81	+ 1.01	45
1981-82	+ 39.17	- 15
1982-83	-105.76	115

The main reason for the losses of SAIL is the net realisation continues to be lower than the increase in costs as set in the following table :

(All figures in Rs. crores)

	1980-81	1981-82	1982-83
1	2	3	41
Estimated increase in sales realisation of SAIL over the previous year. (steel and pig iron)	125	319	231

1	2	3	4
Increase in costs over the previous year			
—raw materials, stores, spares, power	124	232	199
—salaries & wages	29	42	57
—maintenance	3	10	3
—depreciation	—1	9	9
—interest	15	11	78
Total increase in costs over the previous year of the above items	170	304	346

The profit and loss position of SAIL plants in 1983-84 will be known only after the accounts for the year have been closed.

In order to reduce the losses and improve performance, SAIL is making every effort to diversify its product-mix to better match demand, accelerate sales by adoption of an aggressive marketing strategy and thereby reduce stocks of finished goods, raw materials, stores and spares and export surplus production. Special measures to achieve cost reduction by improving technological processes, better maintenance to maximise the availability of equipment by timely repairs, minimisation of purchases of stores and spares and restriction of expenditure in all possible ways, have been adopted.

**Setting up of a Cine Colour Film Plant near Nainital**

8111. SHRI MADHAVRAO SCINDIA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the proposal for setting up of Rs. 160 crores cine colour film plant near Nainital in U. P. has been dropped;

(b) if so, the reasons for abandoning the proposal;

(c) the quantum and cost of cine colour films imported during 1982 and 1983; and

(d) the estimated annual requirements of such films in the country ?

THE MINISTER OF STATE IN  
THE MINISTRY OF INDUSTRY  
(SHRI PATTABHI RAMA RAO) : (a)  
No, Sir.

(b) Does not arise.

(c) and (d) As per information received from National Film Development Corporation, 37926 rolls worth Rs. 5.95 crores of colour cine films were imported from April, 1983 till end January, 1984. 72840 rolls worth Rs. 8.00 crores were imported from April, 1982 till end March, 1983.

The estimated annual requirement of raw cine colour film is 63727 rolls worth Rs. 11.50 crores.