## Statement

12888.46	12,35,43.91
10610.45	8,78,26.80
8159.66	9,66,57.00
i.	
7594.76	4,23,54 2 5
10891.88	11,05,50,06
12922.87	17,15,70.11
	10610.45 8159.66 7594.76 10891.88

## Reduction in Non-Plan Expenditure

- \*372. SHRI SHARAD DIGHE: Will the Minister of FINANCE be pleased to state:
- (a) whether the instruction which was issued to all Ministries and Departments in mid-September, 1985 was to reduce non-Plan expenditure by five per cent;
  - (b) if so, the result thereof; and
- (c) whether the reduction will apply to expenditure subsidies on foodgrains, fertilisers and imports of sugar and edible oil which involve most of the non-plan expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) Yes, Sir.

(b) and (c). The reductions will be reflected in the Revised Estimates for the current year to be presented alongwith the Budget for 1986-87. It is expected that as a result of various measures so far taken, a saving of Rs. 800 crores over the expenditure already voted by Parliament will be effected. Subsidies account for about 12.8% of the total non-Plan expenditure in Budget Estimates 1985-86. Efforts are being made to reduce overheads and non-essential expenditure.

## Loss Incurred by Indian Iron and Steel Co. (IISCO)

\*373. SHRI SANAT KUMAR MANDAL: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the future of nearly 40,000 people employed in the Indian Iron and Steel Co. (IISCO), wholly owned by SAIL subsidiary is quite uncertain;

Written Answers

- (b) the net loss incurred by this steel plant;
- (c) the factors responsible for the present plight of this Company;
- (d) the steps Government propose to take to make it a viable unit by currying out necessary modernisation of its plant and machinery;
- (e) whether SAVE IISCO meet was held in Burnpur on 17th November, 1985; and
- (f) if so, whether Government propose to secure the future of these 40,000 employees by running the plant;

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT): (a) No, Sir.

(b) The net loss incurred by IISCO during the last three years is given below:

	(Profit (+)/Loss(-)	
	(Rupees in crores)	
1982-83	<b>(—)</b> 71.05	
1683-84	(—) 24.06	
1984-85	( <del>-</del> ) 81.60	

The accumulated loss upto the end of 1984-85 amounts to Rs. 335 81 crores.

- (c) The major factors responsible for the present state of IISCO are the low production and low capacity utilisation due to ageing of Plant and equipment, obsolete technology and inadequate raw material and of the right quality.
- (d) The VII Plan makes no provision for modernisation of IISCO; however, funds have been provided for its maintenance and improvement and efforts are being made to improve its performance within the available resources.
  - (e) Yes, Sir.
  - (f) The plant is in operation.