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Title: Regarding disinvestment of Visakhapatnam Steel Plant.

SHRI LAVU SRIKRISHNA DEVARAYALU (NARASARAOPET):

The Union Government has given approval for 100% disinvestment of Vishakhapatnam Steel Plant and ignored its 20,000 direct employees and thousands of indirect workers. Vizag Steel Plant is the pride of Telugu people and was established after many sacrifices in a decade-long public agitation.

Its workers have contributed to the nation building and donated Rs 6.16 crores to PM-CARES fund from their own salaries. In 2020, the plant had exports of more than Rs 3,000 crores.

The plant turned unprofitable recently due to a negative international steel cycle and national slowdown. Instead of privatising it, the Union Government should make an effort to turn it around.

I make the following request in the matter:-

First, continue operations to build on monthly profits of Rs 200 crores in December 2020. Second, bring in a captive mine to reduce the cost of iron ore. Third, restructure debt as equity to reduce interest burden and offer bank investors an exit through stock market.