

**Title:** Demanded attention of the Minister for Heavy Industries and Public Sector Undertakings to stop fraudulent practices of SAIL, VSP and Indian Iron and Steel Company.

DR. (SHRIMATI) CH. SUGUNA KUMARI (PEDDAPALLI): Mr. Speaker, Sir, I thank you for giving this opportunity to me.

Sir, I draw your attention and the attention of this august House to the fraudulent deals of SAIL, VSP, Indian Iron and Steel Company, which are causing loss of hundreds of crores of rupees to both the Union Government and the Government of Andhra Pradesh.

Sir, the *modus operandi* is like this:

The scrap steel is purchased and re-rolled in local mills. This steel is fraudulently invoiced with ISI certification in the names of Central Public Sector Undertakings, that is, Indian Iron Steel Company, VSP, SAIL.

This steel which is of low quality and low price is sold to the Andhra Pradesh Housing Development Corporation year after year. Officials of these PSUs are hand in glove with the local traders in the scam. As a result, the PSUs are losing the market and their credibility. The Government of Andhra Pradesh is paying high price for the local re-rolled steel.

Sir, I would like to draw the attention of the hon. Minister for Heavy Industries and Public Sector Undertakings to look into the matter and act immediately to stop all these fraudulent practices of these PSUs so that further loss to the Andhra Pradesh Government is prevented.