



Strategic Divestment of Alloy Steel Plant as a result of the Concerted effect of Liberalisation, Privatization and Globalisation: A Sociological Exploration

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Alloy Steel Plant (ASP), one of renowned still making company, was established in India within 'Navaratna' community of heavy industries in 1965 to accelerate the production of alloy steel in absence of any private initiatives in this special steel production. After independence emphasis was given to establishment of heavy industries for production of Steel and many Public Sector Undertakings (PSU) were established through various industrial policy resolutions for economic development of the country. It was thought that Navaratna companies were our prestige in the context of industrialisation. Apart from industrial development and long term economic growth through the process of industrialization the other aim of establishing this Navaratna companies were employment generation which was essential to control alarming unemployment after independence. But with the high tide of liberalisation, Indian economy had to change its welfare concept and accepted the nation of market economy. After 1990 there was a radical change in the industrial policy and the condition of ASP was gradually become critical after the introduction of new economic policy in 1991. The condition of ASP became worsen due to continuous loss and was declared as sick in 2010. Although the company somehow manage to survive till 2015 with all round support from workers managers and union leaders but ultimately it was unable to manage profit with shortage of workforce and in 2017 government took the decision of strategic divestment. This sociological enquiry is aimed at finding the causes of these terrible consequences of an internationally renowned industry like ASP. The main focus of this sociological study is to find out the root causes behind the fall of ASP. This paper attempts to discuss and analyse such issues with reference to the experience workers, trade union leaders and managers of ASP.

Key words: Divestment, Trade union, LPG, ASP, Economic Reforms, PSU, Industrial relations