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POWER SHORTAGE WILL NOT AFFECT PERWAJA'S PERFORMANCE

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GURUN (KEDAH) Feb 20 (Bernama) -- The current shortage of electricity in the country will not affect the performance of Perwaja Steel Sdn Bhd, prime minister Datuk Seri Dr Mahathir Mohamad said today.

Speaking to reporters after opening Perwaja's steel wire rods and round bars plant here, he said the company has a contingency plan to meet any eventualities.

For example, he said if electricity supply was cut, Perwaja Steel has enough water supply to cool down the steel to prevent fires.

The hi-tech plant, which costs RM400 million to build, has an annual production capacity of 450,000 tonnes of steel wire rods and round bars.

Perwaja Steel also has another plant in Kemaman, Terengganu, producing steel billets.

The federal government has an 81 percent stake in Perwaja Steel and the balance is held by the Terengganu state government.

When asked on the possibility of the federal government selling its stake in Perwaja Steel, Dr Mahathir said Perwaja Steel would be listed on the stock exchange in the future and anyone can buy the company then.

Perwaja Steel was earlier reported to have decided on seeking a listing in about two years.

Its plant here uses modern machinery from a renowned firm, Danieli and C. SPA of Italy, to produce the high quality and high grade steel wire rods and bars.

The products produced by the plant here will only be used as raw materials to be further processed into downstream products like springs, ball-bearings and hydraulic couplings which needed special quality steel.--

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