
TDP opposes equity dilution in RINL

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Mr N Chandrababu Naidu president of Telugu Desam Party said that the party is opposed to the decision taken by the board recently to dilute the equity of the Rashtriya Ispat Nigam Limited to the extent of 25%. He added that the party will also oppose any move to merge RINL with SAIL.

Mr Naidu said that the Visakhapatnam steel plant had been set up as a result of the agitation of the Telugu people, with the slogan “Visakha Ukku Andhrula Hakku and therefore any move to weaken the plant is to be deplored. Equity dilution, I suspect, is a prelude to merger with the SAIL, which is not acceptable to us. Now, it has turned around and is earning profits. Therefore, there is no justification for equity dilution or merger with SAIL.”

He also found fault with the state government for allotting Obulapuram iron ore mines to the newly floated Brahmani Steels in Kadapa district, ignoring the claims of the Visakhapatnam steel plant. He said “Lack of captive mines is a serious handicap suffered by the plant and the state government has chosen to ignore this plant and grant ore mines worth INR 50,000 crore to a new company. Dr YS Rajasekhara Reddy chief minister is behind the decision as he has a covert stake in the company. It is a benami transaction.”

Mr Naidu is equally critical of the union government’s for its alleged change in the stand on merging the Bharat Heavy Plate and Vessels with BHEL.

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