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## **CPI opposes RINL equity dilution move**

*Wednesday, 26 Dec, 2007*

The move to dilute the equity of Rashtriya Ispat Nigam by 25% came in for widespread criticism at a roundtable conference at a recent Visakhapatnam journalists' forum.

Mr MVS Sarma member of CPI-M said that it was regrettable that the union government and the board had decided to sell off 25% of the shares when the plant has finally turned around and has been earning profits for the few years.

He said that "When the plant was in dire straits in the late nineties, the union government was very reluctant to go to its rescue. Now that the VSP is doing well and is in a position to expand the capacity on its own, the government is doing everything possible to weaken the plant. It is nothing but a blatant attempt to destroy a PSU steel unit."

Mr Sarma said that the people of the state had agitated for the steel plant and got it finally after making great sacrifices. He found fault with the state government for allotting Obulapuram iron ore mines to the newly floated Brahmani steels in Kadapa district while ignoring the claims of the VSP.

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