
NMDC gets nod to merge Sponge Iron India

Saturday, 06 Jun, 2009

It is reported that NMDC has unsecured creditors and equity shareholders have finally sanctioned the scheme of merger of Public sector owned Sponge Iron India Limited with NMDC, in a meeting held on May 22nd 2009. The amalgamation was approved by the union cabinet last year.

According to company officials, the merger will ensure in house supply of desired quality and quantity of iron ore for SIIL's sponge iron plant at Paloncha in Andhra Pradesh's Khamman district.

In addition, the decision will also help implement the proposed sponge iron plant expansion project at Paloncha by utilizing surplus land and manpower of SIIL and financial resources available with NMDC.

Besides the positive announcement, the scrip of NMDC settled the day at INR 433, down 5% compared to its previous close.

(Sourced from topnews.in)

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