

# Shiva Cement scales 9-year high on promoters exit, open offer

Shares of [Shiva Cement](#) [BSE 3.36 %](#) scaled a 9-year high in trade on Wednesday after promoters sealed a deal with [JSW Cement](#) to offload 35.62 per cent stake in the company to [JSW Cement](#), thus triggering an open offer by the latter on the stock exchanges.

The open offer price at Rs 14 apiece was 7 per cent higher than Tuesday's closing price of Rs 13.08 on [BSE](#).

Following the development, the stock jumped 4.96 per cent to hit a 9-year high of Rs 13.73 on the exchange.

Promoters held 37.15 per cent stake in the company as of September 30. Sebi rules ask any acquirer buying 25 per cent or more stake in a company to make an offer to public for a minimum of 26 per cent stake via open market purchases.

The deal is expected to help [JSW Cement](#) to expand its production capacity and give access to new markets. [ACC](#) [BSE 2.07 %](#) holds 12 per cent stake in [Shiva Cement](#), which is likely to exit as part of deal.

ET NOW was first to report about the [JSW-Shiva Cement](#) deal on Oct 24, 2016.

[JSW Cement](#) together with [Sun Investments](#) and [Reynold Traders](#), proposed "to acquire up to 62,400,000 fully paid-up equity shares of face value of Rs 2 each of [Shiva Cement](#), constituting 32 per cent of the total fully diluted voting equity share capital expected as of the 10th working day from the closure of the tendering period at a price of Rs 14 per offer share aggregating to total consideration of Rs 87.36 crore, in cash, subject to the terms and conditions mentioned in this public announcement," the company told exchanges.

Here is a look at selling shareholders:

Name of the selling shareholders	Part of promoter group (Yes/No)	Details of shares/v	
		Pre Transaction	
		Number of shares	% of Emerging Share Capital

Unicon Merchants Private Limited	Yes	20,617,021	10.57
RP Gupta	Yes	75,08,109	3.85
RP Gupta (HUF)	Yes	16,52,293	0.85
Vikash Gupta	Yes	80,42,672	4.12
Sonu Gupta	Yes	38,89,631	1.99
Shilpi Gupta	Yes	22,78,027	1.17
Preeti Gupta	Yes	92,01,500	4.72
Anubha Gupta	Yes	52,75,120	2.71
Akash Gupta	Yes	10,989,444	5.64
<b>Total</b>		<b>69,453,817</b>	<b>35.62%</b>