

JSW makes takeover bid for Shiva Cement

Indian cement producer, JSW Cement, a part of the US\$11 billion JSW Group, is to buy the entire 35.62% stake held by the promoters of Shiva Cement. It will also launch an open offer to buy an additional 32% stake in the Odisha-based company.

The Shiva Cement board approved the share purchase agreement for the sale of the shares held by the promoters of the company at a meeting on 10 January.

JSW Cement – together with Sun Investments Private Ltd and Reynold Traders Private Ltd – also made an open offer to Shiva

shareholders to acquire up to 62.4 million additional shares. At INR14 per share, the three companies would pay INR873.6 million for the stake.

If the open offer is successful, JSW Cement would hold a 67.62% stake in Shiva Cement.

The move is the latest in a string of cement sector deals that were a feature of the second half of 2016. The largest of these saw UltraTech Cement agree to buy Jaypee Group's cement assets in Uttar Pradesh, Madhya Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh.