

Blackstone to hike stake in Nagarjuna Constructions

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NEW DELHI

U S-BASED private equity Blackstone is all set to raise its stake in Nagarjuna Constructions from 9% to 12.2%. The company has got the Foreign Investment Promotion Board (FIPB) clearance for investing in the Hyderabad-based infrastructure firm.

Blackstone had bought 9% stake in Nagarjuna Constructions in July 2007. The Hyderabad-based company raised \$180 million (Rs 730 crore) through the sale of fresh shares to financial institutions.

"Blackstone has told us that it has got the FIPB approval for investing \$50 million in Nagarjuna. We would issue convertible warrants to Blackstone in lieu of investments. Once these warrants turn into shares Blackstone's total holding in Nagarjuna would go up to 12.2%," Nagarjuna Construction vice-president (finance) YD Murthy said.

In March 2007, the company had informed the BSE that it would be doing a placement to institutional shareholders at a premium of Rs 215 per share of Rs 2 paid-up value. The company had simultaneously taken the approval of shareholders for the issue of 25 lakh warrants to an investment company, AVSR Holdings, belonging to the promoters, also at the same price of Rs 217.

At the end of March 2007, the foreign fund holding in the company stood at 30.2%. The promoters hold 24.5% stake in the company.



CREEPING UP

Nagarjuna Construction said it has secured three new orders aggregating Rs 424 crore. These projects, which include Rs 266 crore order to construct a sewage system in Indore, are likely to be completed in the next 36 months.

Private equity firms such as 3i, ICICI Venture, IDFC and Blackstone are betting big on infra projects and plan

to either directly partner developers by jointly bidding for the projects or pick up stake in infrastructure firms. "We are raising \$5 billion in the next 12 months, a substantial part of which would go to infrastructure sector, including highways," ICICI Venture director (investments) Shailesh Pathak said.

Geokosmos plans liaison office here

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NEW DELHI

GEOKOSMOS International, a leader in the topographical survey market of Europe, is all set to foray into India. It is planning to set up a liaison office in Delhi to primarily engage in general business development within the aerial photography and mapping industry. "India is a potential market and we too are looking forward to building relations with business partners and clients there," said Geokosmos vice-president, International Business Development, Peter Goellner.

The company is awaiting RBI approval to set up its office here. "It's in the final stages. Once we get the approval from the Indian authorities, we will launch our liaison office and provide technology for aerial photography that in turn will speed up infrastructure projects," Mr Goellner said.

Generally companies set up liaison offices to get the feel of the market to understand business prospects and condition before incorporating companies in India in the form of wholly-owned subsidiaries or JV companies with local partners.

"In India, aerial photography is restricted as it mostly carried out by government entities. With the boom in infrastructure, the regulations will be eased and private players will be given a fair chance," Mr Goellner said. Aerial photography will help boost transportation and infrastructural projects in India.

Earlier Geokosmos participated in Map India 2008, which was held in Greater Noida between February 6 and 8. Geokosmos' operations cover all aspects of project management, LiDAR surveying, aerial photography, GIS photogrammetry, cartography, image mapping, and research and development of mapping technology.

N M Tyres to set up Rs 400-cr plant in TN

Hemamalini Venkatraman
CHENNAI

N M Tyres, a sister concern of Israel's Alliance Tire Company, proposes to set up a greenfield project in Tamil Nadu for production of bias and radial off highway tyres, predominantly meant for exports to customers in Europe, North and South America and Australasia.

The plant, with an installed capacity of 42,000 tpa, envisages

