

DALMIA CEMENT GETS Rs 750 CR

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Dalmia Cement (Bharat) Ltd (DCBL) and Kohlberg Kravis Roberts & Co LP (KKR) together with its affiliates have signed a definitive agreement under which KKR is planning to invest Rs 750 crore in DCBL's subsidiary.

DCBL spokesperson R Gurumoorthy said, "The proposed infusion will be in Avnija Properties Ltd, which is looking at expanding its cement capacity by 10 million tonnes from the current 14 million tonnes by 2015. It would also be used for both organic, inorganic growth and de-leveraging."

The wholly-owned unlist-

ed subsidiary of DCBL, Avnija Properties, will house post restructuring DCBL's 9 million tonnes per annum (mtpa) cement manufacturing capacity, hold DCBL's stake in OCL India Limited (5.3 mtpa capacity) along with the upcoming greenfield projects of 10 mtpa across the country.

"When we realigned our businesses in March 2010, one of our goals was to create separate pure play entities that could thrive on their own and have flexibility to raise capital. It will enable us to enhance our capacity and market share through organic as well as inorganic routes, while benefiting from KKR's global network and proven value creation capabilities," said Puneet Dalmia, managing director, Dalmia Cement.