
TATA Steel gets shareholders approval to raise INR 5,000 crore

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TATA Steel said that it would raise INR 5,000 crore through issue of securities in the domestic market.

The company in a filing to the Bombay Stock Exchange said that shareholders at the annual general meeting held in August had approved the issuance of securities, including non-convertible debentures, shares or by way of depository receipts to eligible investors.

Earlier in August, the company had said that it intends to raise additional long-term finance by issue of securities in the domestic or international markets and utilize the proceed for capital expenditure, repayment of indebtedness, acquisitions."

In July, the company had raised USD 500 million by issuing Global Depository Receipts on the London Stock Exchange and said the fund would be mainly utilized for project expansion.

The company plans to take its annual production capacity to 16 million tonnes by 2014 at an estimated investment of about INR 40,000 crore. The company has a capacity of 6.8 million tonnes per annum in Jamshedpur which it plans to take to 10 million tonnes per annum by mid-2011.

(Sourced from Business Standards)

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