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## Hindalco to raise INR 2900 crore in QIP

*Thursday, 26 Nov, 2009*

Business Standard reported that India's Hindalco Industries plans to sell shares to institutional investors at INR 130.90 each to raise INR 2,900 crore this week. The board of directors met here today to fulfill the formalities before the issue is opened.

Prior to this, the top management was on a two week road show to meet institutional investors in the US, UK, Hong Kong and Singapore to gauge investors' appetite. The management team including managing director Mr Debu Bhattacharya and chief financial officer Mr Sunirmal Talukdar returned from the road show on Friday.

A banker involved with the transaction said that "The issue will be opened this week, depending on the market condition."

The company has INR 23,000 crore capital expenditure plan for the next 3 years. About a third of this, around INR 7,500 crore is to be funded by equity infusion and internal accrual.

The capital expenditure involves ongoing projects such as production of alumina from the Utkal Alumina refinery, scheduled to start around July 2011. The construction of 1.5 million tonne per annum project at Rayagada, Orissa, is also in full swing. The Mahan Aluminum project in Madhya Pradesh, with capacity production of 359,000 tonnes per annum is also expected to start production by July 2011. Besides, a captive power plant of 900 MW is also coming up at Bargwan in Chhattisgarh.

According to a sale document filed with National Stock Exchange, Citigroup Global Markets, Deutsche Equities, Bank of America Merrill Lynch, HSBC, RBS Equities, SBI Capital Markets and UBS Securities are managing the issue.

(Sourced from [business-standard.com](http://business-standard.com))

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