
Suzlon seen in talks to sell Hansen stake

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ET reported that Suzlon is exploring the option of selling a large portion of its stake in Belgian company Hansen Transmissions, to raise money for retiring part of its INR 12,000 crore debt.

According to people close to the development, it could also consider selling its entire stake in Hansen.

They said Suzlon, which owns 61.28% in Hansen has appointed a merchant banker to advise it on the deal. They added that it was currently evaluating four bids, mostly from strategic players, which it has received so far.

People involved in the planning said the stake sale is in addition to the option of a qualified institutional placement of around INR 2,000 crore, which Suzlon is exploring, as current market conditions are convenient for such an instrument.

According to sourced, the current market cap of Hansen is pegged at around USD 1.6 billion, which would value Suzlon's stake in the wind turbine and industrial gearbox maker at USD 980 million. Since it's a strategic stake, it is expected that Suzlon could get some premium to the prevailing market price from the Hansen stake sale.

Suzlon Energy holds its stake in Hansen through a subsidiary, AE-Rotor Holding. In January 2009, Suzlon had sold 10% of its Hansen stake to investment firm Ecofin. Based on the prevailing market price at that time, Suzlon may have got around EUR 78 million from the deal, although the details of the deal haven't been made public.

(Sourced from Economic Times)

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