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## Vedanta may up offer price for Asarco

Wednesday, 17 Jun, 2009

PTI reported that Mr Anil Agarwal NRI billionaire led Vedanta Resources may increase its offer for bankrupt mining firm Asarco.

Mr Agarwal said “An amended debtor’s filing that may be submitted as soon as today will show a unit of Vedanta will increase to USD 770 million from USD 600 million the note portion of its offer valued at between USD 2 billion and USD 3 billion including liabilities.”.

Vedanta Resources group subsidiary Sterlite Industries had last year come out with a USD 2.6 billion bid to acquire the assets of Asarco, the third largest copper producer in the US. But with crashing commodity prices, it lowered the offer to USD 2.1 billion and later to USD 1.7 billion. The USD 1.7 billion deal, which was unveiled earlier this year, has a cash component of USD 1.1 billion and USD 600 notes to be paid over a period of time.

Countering the offer, Asarco parent Grupo Mexico came out with USD 1.6 billion offer, which had USD 1.3 billion in cash. Grupo Mexico was later reported to have hiked its bid to USD 2.9 billion to acquire the bankrupt firm.

Reportedly, the US based Harbinger Capital Partners is also in the race for Asarco with a USD 500 million buy out bid.

(Sourced from Press Trust of India)

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