

IVRCL to merge IVRCL Assets and Holdings

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Hyderabad, Oct 31(PTI) The Board of directors of infrastructure firm IVRCL Ltd today approved the merger of IVRCL Assets and Holdings with it, according to a filing made with the Bombay Stock exchange.

IVRCL Assets and Holdings is a listed subsidiary of IVRCL and its board also has approved the merger proposal which will be subject to the approval of statutory authorities. The Boards of the two companies also in principle agreed for demerger of the Manufacturing Factory of the company into an SPV and the real estate activity of IVRCL, A&H into a separate subsidiary.

"The Boards intend to meet again to consider the terms of the proposed amalgamation including the share swap ratio after receipt of the valuation report, the fairness opinion and the draft Scheme of Amalgamation," the filing said.

The Boards have approved appointment of legal advisors and merchant bankers to determine the share swap ratio and to obtain fairness opinion thereof, it added. IVRCL Ltd cloaked net profit of Rs 158 crore on a turnover of Rs 5651 crore during FY11 while IVRCL Assets and Holdings suffered net loss of Rs 47 crore on an income of Rs 683 crore for the same period.

Meanwhile, IVRCL Ltd (IVRCL) has announced that its transportation and mining divisions have bagged orders worth Rs 972.07 crore. The transportation division has secured aggregate orders worth Rs 917.80 crore, including construction of Tunnel on Dharam-Qazigund Section of Udhampur-Srinagar-Baramulla railway line awarded to IVRCL joint venture by IRCON International Ltd, New Delhi. The project is to be completed in 36 months. The scope of the project includes construction of 8,600 meter long tunnel and related facilities, including pedestrian crossings.

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