

Help

[India](#) [News](#) [Business](#) [Get Ahead](#) [Movies](#) [Cricket](#) [Sports](#) [Newshour](#)

You are here: [Rediff Home](#) » [India](#) » [Business](#) » Business Headline » Report

Search: Rediff.com The Web

[Discuss](#) | [Share with friends](#) | [Print](#)
[Ask a question](#) | [Get latest news on your desktop](#)

Monnet joins race for Orissa Sponge

Arun Kumar in New Delhi

February 25, 2009 10:16 IST

Top Emailed Features

- Car insurance: What you must know
- Why you MUST have loan insurance
- How to get a tax refund?

Have you tried this?

- Ask a question
- News on your Desktop

Moneywiz new

- Stocks & MFs

The battle to acquire Orissa Sponge is set to intensify as Delhi-based Monnet Ispat and Power has joined the race and acquired a 27 per cent stake in the company. The warring brothers of the Bhushan group -- Sanjay Singhal, the promoter of Bhushan Power, and Neeraj Singhal, the promoter of Bhushan Steel [Get Quote] -- are already fighting for control over the company.

Backed by P K Mohanty, executive vice-chairman and managing director, Orissa Sponge, and the promoter of the company, Monnet Ispat has now become the

frontrunner for acquiring the company by buying a total of 54 million shares. Sources said Monnet Ispat has also acquired 7 million warrants from Mohanty. Monnet was finalising a blueprint in consultation with Mohanty to come out with an open offer before February 28, sources said.

Mohanty has around 41 per cent stake in the company.

While refusing to comment on the issue, a senior Monnet Ispat official said on condition of anonymity, "The acquisition of stake is strategic in nature. We are engaged in the steel sector and open for strategic investment."

A Bhushan Steel official refused to comment on the issue.

Incorporated in 1979, Orissa Sponge has iron ore reserves of around 120 million tonnes and coal reserves at the similar level. The company has sponge iron and steel billet plants in Palaspanga (Orissa) with an installed capacity of 250,000 tonnes.

Monnet's offer price is expected to be Rs 320 per share as against the current offer of Rs 300 by Bhushan Power, who joined the race after Neeraj

Company name / code, MF name

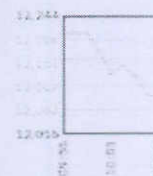
13 May, 10:33:50

BSE 12,071.50

-86.53 -0.71%

NSE 3,681.10

+0.00 +0.00%



[My Portfolio](#) · [Live market report](#) · [MF Select](#)



Recently Asked in - 'Money'

1. RNRL hai 64 ke rate par kiya hold karo
Asked by sukhwidner | 44 minute(s) ago
2. predict market will it make wonders as)
Asked by mohd basheer | 45 minute(s) (s)
3. 200 share @ 35.20 what i do ? hold Or
Asked by yogendra agarwal | 55 minute

Vi

Get Business updates:

[What's this?](#)