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Corporate News

RSS

Blue Star to buy DS Gupta Construction

Blue Star Electro-Mechanical Ltd will acquire the Rs130 crore Mumbai-based plumbing contractor D.S. Gupta Construction Pvt Ltd for Rs80 crore

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Mumbai: Air conditioner maker Blue Star Ltd's fully-owned subsidiary Blue Star Electro-Mechanical Ltd will acquire the Rs130 crore Mumbai-based plumbing contractor D.S. Gupta Construction Pvt Ltd for Rs80 crore, the company informed the Bombay Stock Exchange on Monday. With a current order book of Rs300 crore, B.Thiagarajan, president, Blue Star's air conditioning and refrigeration products said his firm should be able to increase turnover of that portion of business by 10%.

The promoters of D S Gupta Construction will continue as advisors till July 2011 The acquisition, done at a decent valuation, is also in line with the company's decision to move towards one vendor and offer huge spectrum of services,said Jai Sharda, an analyst at brokerage Angel Broking Ltd said. Shares of Blue Star ended 1.28% lower to close at Rs434.70 per share on Monday.The benchmark Sensex closed 0.61% lower at 18,020.05 points.

<http://www.livemint.com/2010/07/27004204/Blue-Star-to-buy-DS-Gupta-Cons.html>