

FUNDING MATTERS

The news

Tata Steel arm that owns its international steel and mining assets is in talks to raise \$1 billion through PE transactions or a private placement of shares.

The background

Steel makers are looking to acquire iron ore, limestone and coal mines abroad in the wake of a sharp surge in raw material prices.

The implications

The deal could be in exchange for an 8-10% stake in Tata Steel Global, which would peg its enterprise value at more than \$12 billion.