

Avendus advises Shiva Performance Materials on its acquisition of a majority stake in INEOS Styrolution India

Mumbai, August 1, 2022

Shiva Performance Materials Private Limited (“SPM”), part of the Shiva Group, a leading specialty chemicals player based out of Vadodara, announced today that it will acquire a majority stake in INEOS Styrolution India Limited, a publicly listed entity in India, controlled by the INEOS Group. With this transaction, the INEOS Group will completely exit as the shareholder of INEOS Styrolution India Limited. The transaction triggers a mandatory tender offer (MTO), and the completion is subject to fulfilment of required customary conditions.

Avendus was the exclusive transaction and financing advisor to Shiva Performance Materials Private Limited. Playing an end-to-end role in the deal, Avendus provided M&A advisory services and raised transaction financing for the acquisition.

This acquisition will enable SPM, a leading manufacturer of acrylic resins, resin solutions and emulsions for specific printing and packaging applications, to expand its product portfolio and command a market leadership position in the ABS (acrylonitrile butadiene styrene) and SAN (styrene acrylonitrile) market in India.

Rakesh Agrawal, Whole Time Director and Chairman, Shiva Group said, “We are extremely proud to acquire a majority stake in INEOS Styrolution India Limited from the INEOS Group. This transaction is highly gratifying to me personally because I had previously led and managed its operations during 1978-2012 as an MD. Its leadership position in the Indian ABS and SAN market will help us to cater to growing demand from automotive, consumer durables and other industries. Our vision is to carry forward the rich legacy that will be left behind by INEOS and vigorously expand the capacities of ABS, SAN and Polystyrene over time to reduce India’s dependence on imports of ABS and SAN.”

Koushik Bhattacharyya, Executive Director and Head, Industrials Investment Banking, Avendus Capital said, “We are privileged to partner with the Shiva Group on this landmark acquisition of INEOS Styrolution India Limited, the #1 producer of ABS and SAN in India. This is the latest in a spree of acquisitions where Indian Groups are looking at MNC businesses to scale up their existing operations. We are confident that this acquisition will help the Shiva Group expand its product portfolio and accelerate its growth prospects significantly in the years to come.”

Nilesh Dhedhi, Head, Structured Credit, Avendus Finance said, “It has been an absolute pleasure to work with Shiva group on one of our largest transactions in the credit space. Their long association with INEOS Styrolution, and the expertise in the ABS space puts them in a unique position to benefit from this acquisition.

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The financing was arranged in the most optimal structure, aligning current status of the business with strategic intent of the buyer going forward. It is a testament to our ability to offer the most suitable financing solution to our clients, especially in M&A/buyout situations where we are witnessing large transactions and where Structured Debt is becoming a key driver.”

About Avendus

Avendus Group is a leading financial services firm with presence in the areas of Investment Banking, Wealth Management, Credit Solutions and Asset Management. Established in 1999 in Mumbai, India, Avendus is today present in 10 cities across India, US, UK and Singapore. Avendus partners with the Indian entrepreneur ecosystem to provide differentiated solutions that enable clients to meet their strategic aspirations.

Avendus Capital, the investment banking arm, is consistently ranked among the top investment banks in the country on the back of its in-depth domain understanding and a best in the class track record of domestic and cross-border transactions. Avendus’ wide range of clients is testimony to its ability to serve its corporates throughout their life cycle – from growth stage funding to large-sized transactions, and M&A advisory.

Avendus Finance Private Limited is the private credit business arm of Avendus Group, providing agile, flexible and innovative credit financing solutions to high quality businesses, entrepreneurs and private equity sponsors. Established in 2016, it has executed over 50 credit funding transactions and underwritten more than INR 3000 crore credit on the back of deep domain expertise that Avendus has across industries.

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