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Apollo to invest Rs 2,250 crore in Welspun Group

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New Delhi, June 29 (PTI) B K Goenka-owned Welspun today said private equity firm Apollo will invest Rs 2,250 crore in its group firms, a move that will help it to consolidate its place further in the global oil and gas pipe market.

Apollo will invest Rs 1,305 crore in Welspun Corp, Rs 140 crore for purchasing a 12.5 per cent stake in Welspun Maxsteel (WMSL) and an additional Rs 130 crore toward capital expenditure by the firm, Welspun Corp -- the Welspun Group flagship -- said in a note to the Bombay Stock Exchange.

Apollo also plans to invest Rs 675 crore in Welspun Infratech (WITL), a WCL subsidiary, the statement said.

The transaction is expected to close on or before August 12.

"The board of directors of Welspun Corp Limited (WCL), Welspun Maxsteel Limited (WMSL) and Welspun Infratech Limited (WITL) have carefully considered and agreed to accept Apollo's investment proposals in meetings held on June 29 and... have universally viewed this transaction as a positive, landmark event in the trajectory of the Welspun Group," the statement said.