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## PRESS RELEASE

### UNILEVER OCCUPIES CENTRESTAGE IN TAKEOVER OPEN OFFERS IN 2013-14: PRIME DATABASE

75 companies made open offers worth Rs.45,412 crore in 2013-14 under Takeover Regulations, being the highest in the past several years. According to Pranav Haldea, Managing Director of PRIME, the country's premier database on primary capital market, though this represents an increase of over 301 per cent from the last year which had open offers worth Rs. 11,332 crore, this was primarily because of the mega Rs.29,220 crore offer of Unilever PLC for Hindustan Unilever Ltd. or 64 per cent of the total offer amount.

On the acceptance side, shareholders tendered shares for only Rs. 28,359 crore or 62 per cent of the offer amount made (same period last year Rs. 6,770 crore). The HUL offer saw a 66 per cent acceptance.

Offer amounts, acquired amounts and number of offers for the same period for the last 5 years are given below:

YEAR	NO.OF OFFERS	OFFER AMOUNT (Rs.crore)	ACQUIRED AMOUNT (Rs.crore)	SUCCESS %
2008-09	112	13,844	12,636	91
2009-10	75	6,095	2,903	48
2010-11	112	18,879	12,499	66
2011-12	75	19,409	10,342	53
2012-13	86	11,332	6,770	60
2013-14	75	45,412	28,359	62

Open offers are made by company promoters and other entities for either **consolidation of their holdings** or as part of **substantial acquisition/change in control of management** in publicly listed companies. According to Pranav Haldea, in 2013-14, out of the 75 open offers, 10 open offers valued at Rs. 37,622 crore (acquired amount Rs. 26,892 crore) were made by entities for consolidation of holdings while 65 offers worth Rs. 7,790 crore (acquired amount Rs. 1,467 crore) were made for substantial acquisition/change in control of management.

In terms of acquirer type, 16 offers worth Rs.44,528 crore or 98 per cent of the offer amount (acquired amount Rs. 27,973 crore) were made by foreign entities while 59 offers worth only Rs. 884 crore (acquired amount Rs. 386 crore) were made by domestic entities. According to Pranav Haldea, this was due to parent arms of MNCs using the lower valuations prevalent in the first half of the financial year as well a weak rupee to consolidate their holdings in a growth market like India.

64 per cent of Offer Amount was in the Personal Care sector followed by 14 per cent in the Pharmaceuticals & Drugs.

The second largest offer, after the Unilever Offer, was made by Glaxosmithkline for Glaxosmithkline Pharmaceuticals for Rs.6,398 crore followed by Relay BV for United Spirits for Rs.5,441 crore.

As per Haldea, on an overall basis, if one looks at this in the context of buyback offers made during the year (Rs. 11,380 crore) and delisting offers made during the year (Rs. 1,211 crore), it points to a shrinking capital market, as the total amount of fresh capital raised in 2013-14 via IPO/FPO/QIP/IPP was Rs. 23,671 crore while the offer amount of takeover, buyback and delisting offers combined was Rs. 58,003 crore.