

M&A Lab

December 24, 2014

BREAKING NEWS: RELIANCE TUNES INTO NETWORK18!

On May 29, 2014, India's richest man, Mukesh Ambani and India's media mogul, Raghav Bahl shook hands, for transfer of control of India's largest media empire, the **Network18 Group** ("Transaction"). The timing of the announcement and the takeover took the entire industry by surprise, since the Network18 Group had only recently started its ascent from dire financial conditions to move towards profitability. However, Ambani's group, i.e. the **Reliance Group** already had its foot-in-the-door of the Network18 Group when it subscribed to the optionally convertible debentures ("**Debentures**") issued by the holding companies of the Network18 Group, and the time was right for the Reliance Group to take over the Network18 Group.

An interesting aspect about the Transaction was that the structure of the Transaction involved acquisition of a number of private unlisted companies, which controlled, *inter alia*, Network18 Media and Investments Limited, TV18 Broadcast Limited, Infomedia Press Limited, all being listed on the BSE and the NSE, resulting in open offer obligations for the indirect acquisition of these entities. The anti-trust hurdle for the acquisition, it seems, was already crossed back in 2012 when the Debentures were subscribed to, and the regulatory hurdles to be posed by the securities regulator, the Securities Exchange and Board of India were dealt with during the open offer.

While the Transaction would provide Network18, and its various subsidiaries, including TV18 deeper pockets, it is to be seen whether Mr. Ambani's midas touch would be able to take the Network18 Group to greater heights. This M&A Lab analyzes the legal, regulatory, tax and commercial considerations pertaining to the Transaction.

For a detailed analysis of the commercial, legal, regulatory and tax considerations and to access the M&A Lab, please [click here](#).

— Aishwarya H, Abhinav Harlalka, Khushboo Raval, Simone Reis & Nishchal Joshipura
You can direct your queries or comments to the authors

DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.

Research Papers

Life Sciences 2025

June 11, 2025

The Tour d'Horizon of Data Law Implications of Digital Twins

May 29, 2025

Global Capability Centers

May 27, 2025

Research Articles

2025 Watchlist: Life Sciences Sector India

April 04, 2025

Re-Evaluating Press Note 3 Of 2020: Should India's Land Borders Still Define Foreign Investment Boundaries?

February 04, 2025

INDIA 2025: The Emerging Powerhouse for Private Equity and M&A Deals

January 15, 2025

Audio

CCI's Deal Value Test

February 22, 2025

Securities Market Regulator's Continued Quest Against "Unfiltered" Financial Advice

December 18, 2024

Digital Lending - Part 1 - What's New with NBFC P2Ps

November 19, 2024

NDA Connect

Connect with us at events, conferences and seminars.

NDA Hotline

[Click here to view Hotline archives.](#)

Video

Vyapak Desai speaking on the danger of deepfakes | Legally Speaking with Tarun Nangia | NewsX

April 01, 2025

**SIAC 2025 Rules: Key changes &
Implications**

February 18, 2025
