

# Adani group makes bid to take over NDTV

It indirectly acquired a 29.18% stake, to also make open offer

SPECIAL CORRESPONDENT  
AHMEDABAD/NEW DELHI

In what appears to be a hostile takeover bid for news broadcaster NDTV, the media subsidiary of Adani Enterprises, AMG Media Networks Ltd. (AMNL), said on Tuesday that it had indirectly acquired a 29.18% stake in NDTV, triggering an open offer for it to take another 26% stake in the media house.

Sanjay Pugalia, the CEO of AMNL, which acquired a 49% stake in Quintillion Business Media that operates economic and business news platform Bloomberg Quint this June, said acquiring NDTV was a “significant milestone” in its goal to “pave the path of new age media across platforms”.

Responding to the move announced after market hours by the Ahmedabad-based billionaire Gautam Adani’s flagship firm Adani Enterprises, NDTV signalled to the bourses that the announcement was done without its “consent” and stemmed from the exercise of warrants convertible into shares in its promoter firm RRPR Holding Private Ltd., which has a 29.18% stake in the broadcaster.

The warrants were issued as part of a loan agreement entered by NDTV promoters Prannoy Roy and Radhika

## Adani’s broadcasting bid

A look at NDTV’s shareholding pattern

NDTV	
Promoter and promoter group	
Prannoy Roy	15.94%
Radhika Roy	16.32%
RRPR Holding Private Ltd.	29.18%
<b>Total</b>	<b>61.45%</b>
<b>Public shareholding</b>	<b>38.55%</b>

### WHAT THE ADANI GROUP HAS ACQUIRED

- RRPL Holding Private Limited’s **29.18%** stake in NDTV
- Open offer triggered for **26%**



**AMNL seeks to empower Indian citizens, consumers and those interested in India, with information and knowledge. We look forward to strengthening NDTV’s leadership in news delivery**

**SANJAY PUGALIA**  
CEO, AMG Media Network Ltd

**The NDTV founders and the Company would like to make it clear that VCPL executed this without any... conversation with, or consent of the NDTV founders, who have been made aware of this exercise of rights only today**

**NDTV DISCLOSURE**

Roy, who continue to hold a 32.26% stake in the business, with a firm called Vishvapradhan Commercial Private Ltd. (VCPL) in 2009-10.

“The NDTV founders and the company would like to make it clear that this exercise of rights by VCPL was executed without any input from, conversation with, or consent of the NDTV founders, who, like NDTV, have

been made aware of this exercise of rights only today,” NDTV said in a disclosure to the stock exchanges later in the day.

NDTV also pointed out that it had just clarified to the stock exchanges on Monday that there was no change in the shareholding of its founders.

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Over the past month and a half, the NDTV stock has more than doubled from ₹164.6 on July 6, and ended Tuesday's trading session 2.61% up at ₹366.20 on the Bombay Stock Exchange.

With 29.18% of the news broadcaster in the bag, VCPL, AMNL & Adani Enterprises will launch an open offer to acquire up to 26% stake in NDTV, in compliance with the requirements of the SEBI's (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. JM Financial has been appointed as the manager for the open offer, which if successful, will give the Adani group a majority ownership in NDTV that has a public shareholding of 38.55%.

The open offer for acquiring another 26% stake from public shareholders in the firm has been made at a price of ₹294 a share, and will entail a consideration of ₹492.81 crore for the Adani group entities acting in concert.

Adani Enterprises, in its submission to exchanges, said that VCPL is a wholly owned subsidiary of AMNL and has exercised its right to convert 19,90,000 warrants into 19,90,000 equity shares of RRPR constituting 99.50% of RRPR's equity share capital by issuing a warrant exercise notice on Tuesday.

"VCPL, at its sole discretion, also has the right to exercise at any time further warrants to acquire up to 99.99% of the equity share capital of RRPR; and a purchase option to purchase all of the existing equity shares of RRPR held by Mr. Pranoy Roy and Mrs. Radhika

Roy and acquire 100% of the equity share capital of RRPR," the firm said.

NDTV, which had revenues of ₹230.91 crore and a net profit of ₹59.19 crore in 2021-22, said that RRPRH has been told to transfer within two days all its equity shares to VCPL. The entire transaction was carried out without any discussion or inputs from the NDTV management, the firm said.

"NDTV has never compromised on the heart of its operations – its journalism. We continue to proudly stand by that journalism," NDTV said in a statement on its website.

"AMNL seeks to empower Indian citizens, consumers and those interested in India, with information and knowledge... We look forward to strengthening NDTV's leadership in news delivery," Mr. Pugalia said.

Just last month, the Securities Appellate Tribunal had overturned a 2019 order of the Securities Exchange Board of India (SEBI) that had concluded that NDTV was being sold to VCPL under the garb of a loan agreement.

The SAT, in its order on July 20, had declared the terms of the loan between the NDTV founders and Vishvapradhan Commercial Private Limited (VCPL) as completely legitimate, and held that the transaction does not amount to acquiring direct or indirect control of NDTV.

Incorporated in 2008, VCPL was initially linked to Mukesh Ambani's group but its ownership was transferred to a firm run by an associate with links to Delhi-based Nahata Group in 2012.