




## M&A Lab

November 26, 2012

### PUBLIC M&A'S IN INDIA: TAKEOVER CODE DISSECTED

I buy companies, break them up into pieces and then I sell that off; it's worth more than the whole, explains the callous corporate acquirer enacted by Richard Gere in the celebrated movie, Pretty Woman. The movie shows him scheming to acquire a financially distressed company through a hostile bid and strip it off its assets, completely disregarding the years of hard work invested in the company by its promoters. Evidently, in the highly competitive business world, it is critical for each of the stakeholders in a company to guard their interests in the company from all forms of third party interferences. Shareholding in companies and ownership of business are amongst the most prized assets today. This is exactly where the significance of takeover laws lies and states around the globe have enacted various securities laws to protect the interests of the stakeholders in a company.

Last year, Securities and Exchange Board of India ("SEBI" ) overhauled the entire takeover regime in India by replacing the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (the "1997 Code" ) with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "Takeover Code" ). On October 22, 2012, the Takeover Code turned 1, but the market and the key M&A players are yet to get completely in sync with the law. One year, around 70 open offers and a few noteworthy SEBI orders down, the Pandora's box opened by the TRAC does not seem to have run out of stock. The buzz around the Takeover Code and the implications of the change in law refuses to settle down. Naturally, when the entire legal regime pertaining to takeovers has been fully revised, questions and confusion will be aplenty. Celebrating the first anniversary of the law that overhauled the Indian takeover regime, we make a deeper probe into the provisions of the Takeover Code and the implications thereon. While the fundamental objective of this Lab is to familiarize the reader with the law, we have also attempted to highlight the lacunae in the law that need to be considered and reviewed by the market regulators.

For a detailed analysis of the legal and tax issues, [please click here for the document](#).

— Arun Scaria, Alap Yadav, Simone Reis, Nishchal Joshipura

You can direct your queries or comments to [Team M&A](#)

### 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

### Compendium of Research Papers

April 11, 2024

### Third-Party Funding for Dispute Resolution in India

April 02, 2024

### Opportunities in GIFT City

March 18, 2024

## Research Articles

### Private Client Insights - Sustainable Success: How Family Constitutions can Shape Corporate Governance, Business Succession and Familial Legacy

January 25, 2024

### Private Equity and M&A in India: What to Expect in 2024?

January 23, 2024

### Emerging Legal Issues with use of Generative AI

October 27, 2023

## Audio

### IBC allows automatic release of ED attachments: Bombay HC reaffirms

April 15, 2024

### The Midnight Clause

February 29, 2024

### Enforceability of unstamped or inadequately stamped Arbitration Agreements

January 10, 2024

## NDA Connect

Connect with us at events, conferences and seminars.

## NDA Hotline

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

## Video

### Cyber Incident Response Management

February 28, 2024

Webinar : Navigating Advertising

**Laws in India Part II Fireside Chat  
with Manisha Kapoor**

February 27, 2024

**Webinar : Navigating Advertising  
Laws in India**

February 20, 2024