



NSB | Business
School
ACADEMY

25/7/2021

EDITION -34

GREY **KNIGHT**



- *Foreign exchange reserves zoom to record high of \$612.73 bn: RBI data*
- *As part of the investments, TN government exchanged 35 MoUs with a cumulative investment of Rs 17,141 crores*
- *I-T authorities unearth fictitious transactions of Rs 2,200 crore in pan-India search: CBDT*
- *Seso Global raises \$600k pre-seed funding for business expansion*
- *UK-based Climate X raises \$1.5 mn in funding to tackle climate change*
- *UAE-Bahrain trade leaps 75% to reach \$672 mn in Q2 2021*
- *UK digital bank Starling trims losses as revenue skyrockets 600%*
- *US closely monitoring trade situation between Australia and China, says USTR*

UPCOMING IPO's



IPO NAME	ISSUE TYPE	OFFER PRICE/RANGE	OPENING DATE	CLOSING DATE	ISSUE SIZE (RETAIL)
Network People Services Technologies Ltd.	IPO	₹76.00- ₹80.00	28-07-2021	02-08-2021	₹4.8 Cr
Glenmark Life Sciences	IPO	₹694 - ₹710	27-29 July	-	₹1514 Cr.
Rolex Rings	IPO	₹960 - ₹970	28-30 July	-	₹700 Cr.
Rex Pipes and Cables Industries Ltd.	IPO	₹26.00	28-07-2021	02-08-2021	₹5.93 Cr



Latest Appointments

- FinMin Joint Secretary Rashmi R Das appointed to UN Tax Committee.
- MoRTH's Secretary Aramane Giridhar gets additional charge as NHAI Chairman
- IOA names B K Sinha as Press Attache of India's Olympic contingent

Quarterly Results



- Blockchain start-ups raised a record \$4.4 billion in the second quarter despite the slump in crypto prices
- CSB Bank's profit jumps 14%, Net profit increase to Rs 61 crore in the quarter ended June 2021 from Rs 54 crore a year earlier.
- Bajaj Finserv Q1 results: PAT falls 31% YoY to Rs 833 crore hit by Covid 2.0
- ACKO has posted Rs 81 Cr in Gross Written Premium in the Q1 of FY 22.
- Bajaj Auto Q1 results: PAT more than doubles to Rs 1,061 crore; Ebitda margin expands 130 bps to 15.6%
- RIL consolidated Q1 PAT falls 7% to Rs 12,273 crore
- ITC reports 30% rise in Q1 net profit at Rs 3,343 crore
- Yes Bank Q1 net up 355% YoY at Rs 207 cr on surge in non-interest income
- SBI Cards Q1 net down 22.5% YoY on higher provisions, lower interest income

BANKING & FINANCE



- IBA to soon move application to RBI for setting up Rs 6,000-cr bad bank
- RBI allows loans up to Rs 5 crore to other banks' directors without board approval
- Max Bupa Health rebrands to Niva Bupa; aims total business of Rs 2,500 cr in FY22
- Shriram Housing Finance charts Rs 10,000-cr AUM growth map by FY24
- Indel Money in talks with PE players to divest 15 percent for Rs 140 crore

Mergers & Acquisitions



- Inside BharatPe-Centrum proposed JV to acquire troubled PMC Bank
- Uber's trucking unit to buy logistics planner Transplace for \$2.25 billion
- Zoom to buy cloud-based call center operator Five9 in \$15-billion deal
- Sterlite Technology to acquire UK's Clearcomm Group in overseas push
- Suitors line up to acquire Hexaware Technologies in \$2.5-billion deal

FMCG

- Britannia Industries to invest ₹ 94 crore for expansion of its Odisha unit
- ITC Group's earning from foreign exchange in FY'21 up 29%
- Baba Ramdev's Patanjali clocked a turnover of over ₹30,000 crore in FY21. Out of this, Ruchi Soya contributed ₹16,318 crore to sales.
- WayCool Foods invests \$5 million into SV Agri

- Govt seeks Parliament nod for ₹ 1.87 lakh crore supplementary demands for this fiscal
- Finance minister Nirmala Seetharaman laid a statement of the demands in the lower House, which amounted to a net additional cash outgo of ₹ 23,675 crore.
- Lenskart has closed a \$220-million funding round led by Singapore's sovereign wealth fund Temasek Holdings and Falcon Edge Capital, founder and chief executive officer Peyush Bansal told ET
- Bengaluru: Online trucking platform BlackBuck has raised \$67 million in a funding round led by Silicon Valley-based venture fund Tribe Capital, IFC Emerging Asia Fund and VEF
- Healthtech startup Dozee raises Rs 44 crore to ramp up R&D, launch new products
- Mobility startup Automovill has raised \$500,000 in a bridge round from Mumbai Angels Network and existing investor NEDFi Venture Capital.
- Swiggy has raised \$1.25 billion from SoftBank Vision Fund II and existing investors Prosus (formerly Naspers), Accel and Wellington Management

Crude import bill rises 190% to \$25 billion in Q1FY22
India's gas production jumps 19.5% in June on back of KG-D6

Plans afoot to raise ₹ 70,000 crore from asset monetization of power PSUs over 5 years

SBI-appointed CA firm that carried out forensic audit of CG Power comes under a cloud

India in talks with Russia for \$2-3 bn investment in upstream oil assets



TRANSPORTATION & AUTOMOBILE

- Railways' total traffic revenue decreased by Rs 34,145 cr in 2020-21: Govt
Financial bids for Air India likely to be received by September 15: V K Singh
- Mobility startup Automovill has raised \$500,000 in a bridge round from Mumbai Angels Network and existing investor NEDFi Venture Capital.

GREY KNIGHT



A Grey Knight is an entity that enters the bidding process for a company takeover, without being invited to try and do so. In most situations, this sort of bidder isn't considered to be friend or foe to the corporate that's receiving the bids. This is often in contrast to the company, which is that the bidder that the target firm would favor to figure with, and therefore the black knight, who represents a business that wishes to stage a takeover.

Takeovers are an enormous part of the company world. Larger companies often purchase smaller ones so as to expand their market, acquire new properties or technologies, get into an overseas country, or eliminate the competition—all for his or her own gain. Smaller companies that want to be acquired normally put out a incorporate solicited offers. This suggests they welcome offers from other corporations. These takeovers are normally friendly: The target firm involves the negotiating table with potential acquirers to figure out their deals. Smaller companies that do not want to be taken become subject to hostile takeovers by entities that make unsolicited bids. These companies try and seize control of the target without getting approval from its board of directors. They will do that by buying shares within the target on the open market, trying to force a takeover attempt, or issuing a young offer.

Acquiring companies can tackle different forms and, therefore, have different names. Unsolicited takeover attempts are normally led by hostile parties called black knights. An organization may consider a suggestion by another party called a company. By doing so, the target may accept the unsolicited offer by a company so as to stop being seized by a black knight. But there's yet one more knight that will also come to the table to place in a very bid. Waiting for a deal to fail gives grey knights a plus because they approach target firms with less-favorable offers. Grey knights sit up for merger deals to urge into problems or fail before they cross the destination. By doing so, they create a situation that puts the grey knight in an exceedingly good negotiating position with the potential target. They will outbid a company or make a less-favorable offer, taking advantage of the very fact that the company sees them as a friendlier alternative to a hostile black knight. But a grey knight might not always reveal its true intentions, which are often only motivated by its own financial needs.

KEY TAKEAWAYS

- A gray knight is a party that outbids a white knight in a takeover bid.
- Offers made by gray knights are often unsolicited.
- Although purely motivated by their own financial gain, gray knights are generally considered much friendlier than hostile black knights.
- Gray knights are seen as circling vultures because they wait for deals to fall through before swooping in to negotiate.



DID YOU KNOW?

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Fact 1

The Internal Revenue Service (IRS) is the world's largest financial institution, responsible for processing federal tax returns and collecting revenue for the United States government.

Fact 2

The federal tax code was 400 pages in 1913. In 2010 it was 70,000 pages.

Fact 3

The Stock Market is more than 400 years old! The idea of the stock market was started in the Netherlands in 1602. The Dutch East India Co. company started issuing paper shares.

Fact 4


The highest-price stock currently sold on the NYSE is Warren Buffett's Berkshire Hathaway, Class A (NYSE: BRK-A), which sells for more than \$400,000 per share.


Fact 5

Apple iPad retina display is actually manufactured by Samsung


Fact 6


Walmart averages a profit of \$1.8 million every hour


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