

MERGER AND ACQUISITION

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Aditya Birla Fashion and Retail Limited acquires controlling stake in ethnic wear owner TCNS

Aditya Birla Fashion and Retail Limited, the fashion retail arm of Birla Group proposes to acquire TCNS Clothing Limited. TCNS Clothing Limited houses brands like W, Aurelia, Wishful, Folksong and Elleven. The said acquisition is proposed by acquiring a stake in TCNS from its promoters, followed by an open offer. It is understood that after the proposed open offer, on achieving majority shareholding of 51%, TCNS shall merge with ABFRL. Equity shares of ABFRL shall be issued to shareholders of TCNS on the said merger.

Godrej Consumer's acquisition of Raymond's consumer care business

Godrej Consumer Products Limited (GCPL) has announced the acquisition of the consumer products business of Raymond Consumer Care Limited (RCCL), a subsidiary of Raymond Ltd, in an all-cash deal of USD 345 million. The said acquisition bolsters GCPL's portfolio of brands in the fast-growing retail market. With this transaction, Godrej will get Raymond's marquee brands, such as Park Avenue (for the consumer products category), KS (deodorants), KamaSutra condoms and Premium. Park Avenue, as a clothing brand, will remain with Raymond. RCCL will be a listed entity with a pure-play consumer-focused lifestyle business and sell the consumer products business to GCPL in a slump sale. This will enable Raymond to be debt-free and reduce the number of business lines. Raymond's core business will now be real estate, along with its investments in engineering and denim. The deal will lead to Raymond Lifestyle - currently an unlisted entity - becoming a listed company in the next 12-14 months.

Restructuring of GMR Infrastructure Limited

Board of Directors of GMR Infrastructure Limited approved a proposal for proposed merger of GMR Airports Limited into GMR Infrastructure Developers Limited and subsequent amalgamation of GMR Infrastructure Developers Limited into GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited). GMR Airports Limited is the Airports operating arm of GMR Group that holds 9 Airports, 5 being operational (including Philippines and Cebu) and 4 under development. Pursuant to the proposed transaction, the airport business of GMR group shall directly be under the listed entity.

Blackstone signs binding pact for controlling stake in Care Hospitals

Private equity firm Blackstone signed a binding agreement to acquire a controlling stake in Care Hospitals from TPG. Based on certain articles, the said deal valued India and Bangladesh based hospital chain at about USD 800 million. The PE firm proposes to pick up a stake of about 70%.

The deal will mark Blackstone's first healthcare investment in India with TPG staying on as a minority shareholder, holding about 30%

IndiGrid to acquire Virescent Renewable Energy Trust for up to Rs 4,000 Crores

KKR & Co. backed Infrastructure investment trust India Grid Trust (IndiGrid) has signed a share purchase agreement for the acquisition of 100 per cent units in KKR & Co. sponsored Virescent Renewable Energy Trust (VRET) at an enterprise value of up to Rs 4,000 crore for cash consideration. VRET is India's first and only renewable energy focussed INVIT.

It is noted from articles that VRET has a portfolio of 16 operating solar projects totalling 538 megawatt (Mw) capacity with an asset under management of Rs 4,121 crore as of March 31, 2023.

VRET's assets have ~7 years of operational history and ~18 years of average remaining tenure with Power Purchase Agreements with strong counterparties enabling it to manage a healthy receivables profile.