YES BANK ACQUIRES STAKE IN DISH TV

Yes Bank Ltd acquired a 24.19% stake in direct-to-home service provider, Dish TV India Ltd, by invoking pledges against 44.53 equity shares kept as collateral with the private lender for a loan.

As of March 31, Dish TV promoters owned 54.56% stake in the company, out of which over 93% was pledged with the lenders. YES Bank, sources say, had the biggest exposure. After the invocation of shares, Dish TV promoters will be left with just over 30% stake in the company.

Since the start of the year, Dish TV shares have lost 67% of its value by end of may.

Launched in 2003, Dish TV was started with the aim to provide services in rural areas and regions not serviced by cable television.

In 2016, its board had agreed to an all-stock merger with Videocon d2h, which was completed in 2018. Dish TV has a market capitalisation of ₹ 2,046 crore and a subscriber base of 23.94 million, making it a close rival of Tata Sky.

According to data from the Telecom Regulatory Authority of India (Trai), the DTH market in the country is dominated by Dish TV (40%), followed by Tata Sky (25%) and Airtel TV (22%).

FDI INVESTMENTS SURGE

India's FDI rose 18% to a record $73.5 billion during 2019-20, buoyed by a spurt in inflows into computer hardware & software, telecom.

The year saw several large deals, involving overseas, with large inflows expected during the current year as well, with Reliance Jio alone announcing several transactions so far. Besides, some of the earlier announcements such as Saudi Aramco's stake acquisition in Reliance Industries and Brookfield's proposed investment in the tower arm are pending. While Maharashtra remained the top destination for overseas investors, Karnataka came second, although data for the October-March period was released by the department for promotion of industry and internal trade.

JIO PLANS INTL LISTING

Jio Platforms is planning for an initial public offering outside of India. The offering could happen in the next 12 to 24 months.

KKR became the latest investor piling into Jio Platforms after Facebook, Silver Lake Partners and General Atlantic recently. An overseas listing could potentially give the digital business a higher valuation and allow existing investors to exit.

Jio Platforms combines Reliance's digital assets with its wireless carrier, Reliance Jio Infocomm Ltd., into a holding company aimed at becoming a top e-commerce and payments operator in India's vast consumer market.

Investors are betting on Jio's access to India's huge consumer market, and its potential to shake up traditional industries in the country -- from retail to education and payments -- with its technology. India is the only major open Internet market where foreign technology giants such as Amazon.com Inc., Walmart Inc. and Google's parent Alphabet Inc. can compete for market share.

BHARATI AIRTEL AIMS TO BE DEBT FREE

Bharati Telecom stake sale in Bharti Airtel is a de-leveraging exercise for the entity to become debt free and with this SingTel and Mittal family's effective holding in Bharti Airtel will be 32% and 24%, respectively.

The investors may perceive the transaction negatively but this is more a deleveraging exercise informed Credit Suisse.

Bharti Telecom announced a stake sale of 2.75% in Airtel, at a price of Rs558/share, a 6% discount to the current market price, via a block deal for raising around $1 billion (nearly Rs 7,600 crore), which will bring down its shareholding from 38.8% to 36%. ■