

14. Offers for more than one class of equity shares

~~In cases where the offeree company has more than one class of equity share capital, offers which are comparable must be made for the shares of each such class, whether the class carries voting rights or not. Where a company has more than one class of equity share capital, a comparable offer must be made for each class whether such capital carries voting rights or not. The Executive must be consulted in all such cases.~~

The comparable offer or proposal for each class of share capital required by this Rule 14 should normally be subject to similar conditions. It may, however, be put by way of a scheme to be considered at meetings separately in respect of each class of the equity share capital.

Notes to Rule 14:

1. Comparable offers

In order to achieve comparability, this Rule 14 may involve an offeror paying a higher price for a particular class of shares than the highest price paid by him in the preceding 6 months for shares of that class. A comparable offer need not be an identical offer but the difference must be capable of being justified to the Executive, who will have regard to all relevant circumstances including the rights attaching to each class of shares and may also consider the historical record of their market prices.

2. Offer for non-voting equity shares only

Where an offer for non-voting equity shares only is being made, comparable offers for voting classes are not required.

3. Offers must be interconditional

An offer for one class of equity share capital must be conditional on the offers for other classes of equity share capital becoming or being declared unconditional.