

International Application

| Areas of comparison | India | Hong Kong | Australia | U.K. | Malaysia | USA | Singapore | Indonesia | Japan | France |
|--|--|--|----------------|------|---------------------------------|--|--|------------------|---|---|
| Are takeovers regulated? | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Who Regulates | SEBI | SFC | SIC | FSA | Securities Commission, Malaysia | Securities and Exchange Commission (SEC) | Securities Industry Council | Bapepam-LK | Japan Fair Trade Commission | Autorité des marchés financiers (AMF) |
| Threshold limit (Initial Acquisition) | 25% | 30% | 20% | 30% | 33% | Offers are only voluntary | 30% or 1% creeping between 30% to 50% | 50% stake | 1. On the acquisition of more than 10% of the target shares, etc. by way of purchasing the issued stock or subscribing new shares to be issued; 2. if more than 5% of the target shares are acquired from the off-exchange (market) bid or a stand-off (cross-trading on an after-hours) bid on the securities exchange; and 3. if the bidder acquires more than 1/3 of the target shares by adding up the shares owned by the special interest person. | Acquisition of more than 1/3 of share capital or voting rights |
| Creeping Acquisition limit (subsequent acquisitions for consolidation of holdings) | 5% in each Financial Year for shareholders holding between 25% to 75%. | 2% for shareholders holding 30% to 50% | 3% in 6 months | No | 2% in 6 months | No | 1% in 6 months for shareholders holding shares between 30% and 50% | 10% in 12 months | Acquirer holding more than 1/3 shares can acquire up to 5% shares | Acquire holding between 1/3 and 50% of company capital increasing his shareholding upto 2% within a rolling 12 months |

| Areas of comparison | India | Hong Kong | Australia | U.K. | Malaysia | USA | Singapore | Indonesia | Japan | France |
|---------------------|--|-------------|--------------------------------------|------------|-------------|------------|-------------|---|------------------------|--|
| Concept of Control | No % specified for acquisition of control. | 30% or more | 20% | 30% | 33% or more | No | 30% or more | 50% or more stake or ability to control the management and policy | No definition provided | Reference made but not specifically defined |
| Public announcement | To be made. -Short PA -Detailed PA | To be made | To be made | To be made | To be made | To be made | To be made | To be made | To be made | To be made. There are two types of Public Offer. · 'Normal' public offers which is required to be made for the purpose of acquisition of control · 'Simplified' public offers which is used to acquire or increase an interest in a company without seeking to acquire control (for example, where a bidder already has a controlling interest in the target). |
| Letter of Offer | To be sent | To be sent | Target response statement to be sent | To be sent | To be sent | To be sent | To be sent | To be sent. (Letter of offer is named as Tender Offer Statement) | - | To be sent |

| Areas of comparison | India | Hong Kong | Australia | U.K. | Malaysia | USA | Singapore | Indonesia | Japan | France |
|---------------------|--|-------------------------------|---|---|----------------------|---|---|--|----------------------|-----------------------------------|
| Offer size | Minimum 26% of the voting capital of the Company | Acceptance conditional at 50% | All the securities of a class or a specified proportion | Conditional on holding more than 50% of voting rights | Not specified | As much as 5% called "Tender Offers" Less than – 'Mini tender offer' | Conditional on holding more than 50% of voting rights | Remaining shares of the Company except for shares owned by: a. substantial shareholders holding 20% or more of target; b. another Controller; c. the seller in the relevant takeover transaction; d. a party who has received the same offer from the new Controller; or e. a party who is making a competing tender offer for the target company | Remaining shares | 100% of outstanding share capital |
| Offer price | Parameters specified under Regulation 8 | Parameters specified | Parameters specified | Parameters specified | Parameters specified | - | Parameters specified | Parameters specified | Parameters specified | Parameters specified |

| Areas of comparison | India | Hong Kong | Australia | U.K. | Malaysia | USA | Singapore | Indonesia | Japan | France |
|---|---|---------------------------------------|--|---|---|--|-------------------------|--|--|---|
| Escrow Account | 25% of consideration payable | - | No escrow. But disclosure of the basis of funding is required. | Confirmation from a third party that there are resources. | No requirement | - | - | - | - | Confirmation from the financial advisors |
| Form of consideration | Cash and / or securities | Cash and non-cash | Cash and / securities | Cash as well as cash alternatives | Cash/securities or both | Cash/securities | Cash/securities or both | Cash/Securities | Cash/Securities | Cash/Securities |
| Competitive bids allowed | Yes | Yes | Yes | Yes | Yes | - | Yes | Yes | Yes | Yes |
| Can offer be withdrawn | Yes, under certain conditions:- - Refusal of statutory approvals. - Death of sole acquirer - Conditions specified in agreement not met - As and when SEBI deems fit | Yes, in case the offer is conditional | Yes, only with permission of ASIC | Yes. If a competitive bid is made at a higher price. | Yes but with the approval of SE, Malaysia | - | Yes | Yes with prior approval from Bapepam | Yes as per conditions specified | - |
| Can offer price be revised | Yes | Can be revised | Only upward revision allowed | Yes. | Yes | Yes | Yes | - | Yes | Yes, upto 5 trading days prior to closing date |
| Can shares be acquired after PA is made | Yes | - | Yes | Yes | No | - | Yes | - | No except where SPA has been entered into prior to the bid and the SPA contains a specific provision with respect to the same. | - |
| Can shareholders withdraw the acceptances tendered? | No | Can withdraw | Limited withdrawal rights | Yes. Under certain circumstances. | Yes | Yes, up to seven days of the copies of the offer are sent. | Yes | Yes at any time during Tender Offer period | - | Shares tendered in Normal Offer can be withdrawn Shares tendered in Simplified Offer cannot be withdrawn |

| Areas of comparison | India | Hong Kong | Australia | U.K. | Malaysia | USA | Singapore | Indonesia | Japan | France |
|----------------------------------|---|--------------------------|--|--|----------|--|---|-----------|---|--|
| Disclosures required | <p>Event Based: On acquisition of 5% or more shares.</p> <p>For shareholders holding 5% or more shares on acquisition or sale of 2% or more shares/voting rights.</p> <p>Continual Disclosure: By persons along with PAC holding 25% or more shares or voting rights.</p> | During the offer period. | Disclosure if shareholder has interest in voting shares 5%+. And every change + or – 1% triggers further disclosure. | Disclosure at acquisition of 15% or more | No | When shareholding is 10% or more, then reporting has to be made to SEC | During the offer period | - | On acquisition of 10%, 25% and 50% shares | 5%, 10%, 15%, 20%, 25%, 1/3rd, 50%, 2/3rd, 90% and 95% |
| Timing of disclosures to be made | <p>Event Based: Within 2 business days from the date acquisition or receipt of intimation of allotment or acquisition of shares, as the case may be.</p> <p>Continual Disclosure: Within 15 business days from the end of financial year.</p> | During the offer period | Within 2 working days. Otherwise, when the bid is open, then at 9:30 p.m. next working day. | | - | | Not later than 12 noon on the dealing day following the date of the relevant transaction. | - | Within 30 days of the acquisition | Within five trading days of the increase in shareholding |

| Areas of comparison | India | Hong Kong | Australia | U.K. | Malaysia | USA | Singapore | Indonesia | Japan | France |
|--------------------------------------|--|-------------|--|--|--------------------------------------|------------------------------|-------------------------------|---|--|--------|
| Concept of Indirect acquisitions | Specified in Regulation 5 | Not present | Present | Yes, chain rule is existing subject to condition of significant shareholding | - | - | Yes, Chain principle is there | Yes | - | Yes |
| Defence Techniques | Competitive bids | None | Competitive bids | Competitive Bids | Yes, competitive bids | - | Competitive bids | - | <ul style="list-style-type: none"> · Staggered Board · No vacancy on the Board · Enlargement of issuable shares · Acquisition of own shares · Change of control clause · Golden or Tin Parachute · Japanese Warrant | |
| Concept of persons acting in concert | Yes, as defined in Regulation 2(1)(r) | Yes | Not defined | Yes | Yes, specified in the Regulations | Yes | Yes, defined in the Code | Reference made but not specifically defined | Yes | Yes |
| Any exemptions from Open offer | - Automatic - SEBI | No | The legislation has a list of exceptions | Panel appears to have the | Exemptions as specified in the Code. | Yes, as specified by the SEC | Yes | Yes | Yes | Yes |

| Areas of comparison | India | Hong Kong | Australia | U.K. | Malaysia | USA | Singapore | Indonesia | Japan | France |
|---------------------|--------------------------------|-----------|-----------------------------|---------------------------------|--|-----------------|--|-------------------|---------------------------------------|---------------------------------------|
| Penalties | Civil and Criminal Liabilities | - | Criminal & civil penalties. | Reprimand, public censure, etc. | Criminal penalty and administrative sanctions. | Civil penalties | Private reprimand or public censure or deprive the offender temporarily or permanently to enjoy facilities of securities market. | Civil Liabilities | Civil as well as Criminal Liabilities | Civil as well as Criminal Liabilities |