

Satyam gets 'adequate bid response'

March 14 2009



Kiran Karnik (2ndL), newly appointed chairman of Satyam Computers, walks out after a board meeting in Mumbai in February 2009. The board of swindled Indian outsourcing giant Satyam said it has received an "adequate response" to its invitation for bids, as a newspaper said Saturday that IBM had joined the race.

The board of swindled Indian outsourcing giant Satyam said it has received an "adequate response" to its invitation for bids, as a newspaper said Saturday that IBM had joined the race.

The [Economic Times](#) said almost 130 companies had expressed interest in buying [Satyam](#), including multinationals IBM, [Fidelity Investments](#) and buyout specialist KKR.

A Satyam spokeswoman declined to confirm the reports.

A statement on Satyam's website said: "The process of registration of

bidders... has received adequate response from Indian and international bidders, including private equity firms."

Four companies have publicly said they are interested in taking a 51 percent stake in Satyam, which is at the heart of India's biggest corporate deception.

They are Indian engineering giant Larsen & Toubro, which already has a 12 percent stake in Satyam; the Spice Group conglomerate, which has telecommunications interests; Tech Mahindra, an arm of the diversified Mahindra Group; and Nasdaq-listed iGATE, a technology company.

Software exporter Satyam has been struggling to stay in business since founder B. Ramalinga Raju made the stunning admission in January that he had falsified the balance sheet to the tune of one billion dollars and fudged profits.

The registration of interest is only the first stage of the sale -- prospective bidders must submit a "detailed expression of interest" and show they have at least 15 billion rupees (290 million dollars) by next Friday.

Analysts expect only a few serious bidders to emerge.

IBM, KKR and Fidelity could not be reached for comment. IBM has said it does not comment on market speculation.

The confession by Raju, now in jail, has wiped around 1.7 billion dollars off the market value of Satyam's shares and the board is anxious to restore market and client confidence in the company.

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