How Keshav Kantamneni ended up buying Uniply Industries

Matchmaker, investment banker, entrepreneur. That, in a nutshell, is Keshav Kantamneni, who has just bought a ₹170-crore wood panel manufacturer.

When Uniply Industries gave Globality Partners, a financial advisory firm headed by Kantamneni, the job of finding a buyer, the entrepreneur in him woke up. Realising the potential of the BSE-listed company, Kantamneni decided to make a bid for the firm in his individual capacity.

The 32-year-old, a product of the Kellogg School of Management, requested the Globality team to exclude him from the transaction, and “started doing the math to buy it myself”.

From then on, everything happened in quick succession in the ₹126-crore deal, including appointing D&A Financial Services as his merchant banker, announcing his plans to the stock exchange last week, and coming out with an open offer to buy up to 45 lakh shares, representing 26 per cent of equity capital of Uniply.

Open offer

He made an offer of ₹13.50 for a share of ₹10 face value. Kantamneni acquired the promoters’ holding of 36 per cent, held by BL Bengani and others, for ₹2.5 crore.

In addition the company owed banks ₹55 crore, and other creditors ₹50 crore, which he will have to bear.

Uniply has three factories in Chennai. The company closed 2013-14 with a turnover of Rs 172 crore.Kantamneni, who is using his own funds for the transaction, has big plans for this maker of ply, wooden panels and doors. He plans to add value to Uniply’s existing business and strengthening supply chain linkages.

He targets more acquisitions. “So, you can expect another announcement from me,” he says with a wink.