



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2015/11/340)

16th December 2015

Notice under Section 6 (2) of the Competition Act, 2002 given by General Atlantic Singapore Fund Pte. Ltd.

CORAM:

Ashok Chawla
Chairperson

S. L. Bunker
Member

Sudhir Mital
Member

Augustine Peter
Member

U.C. Nahta
Member

M.S. Sahoo
Member

G.P. Mittal
Member

Legal Representative: Bharucha & Partners

Order under Section 31(1) of the Competition Act, 2002

1. On 19th November 2015, the Competition Commission of India (“**Commission**”) received a notice filed by General Atlantic Singapore Fund Pte. Ltd. (“**Acquirer**”/ “**GASF**”) under Section 6 (2) of the Competition Act, 2002 (“**Act**”). The notice was filed pursuant to the execution of Shareholders’ Agreement (“**SHA**”) dated 24th October 2015 and Share Subscription and Purchase Agreement (“**SSPA**”) dated 30th



October 2015 between the Acquirer and India Infoline Wealth Management Limited (“**Target**”). Hereinafter, the Acquirer and the Target are collectively referred to as “**Parties**”.

2. The proposed combination relates to the Acquirer acquiring up to 21.61% of the equity share capital of the Target on a fully diluted basis. Pursuant to the acquisition, the Acquirer will also receive certain rights, including affirmative veto rights.
3. The Acquirer is an investment holding company, managed and advised by entities controlled by General Atlantic Services Company LLC (“**GASC**”). The principal activity of the Acquirer is investing and it invests through the foreign direct investment route in portfolio companies in India. The Acquirer has a wholly owned subsidiary in India, General Atlantic Private Limited (“**GAPL**”) which is engaged in providing research and advice with respect to the Indian market exclusively to GASC.
4. The Target belongs to IIFL Holdings Limited which holds 76.77% of its equity share capital and the remaining 23.23% of its equity share capital is held by its employees. It is engaged in, inter alia, the business of distribution of financial products and is registered as a portfolio manager with Securities and Exchange Board of India.
5. The Acquirer has stated that the horizontal overlaps in India between the activities of the Parties are vis-à-vis: (a) investment advisory services which are provided by GAPL and IIFL Investment Advisers and Trustee Limited (subsidiary of the Target). However, it is noted that GAPL provides these services exclusively to GASC; and (b) distribution of financial products which is undertaken by IndusInd Bank and the Target. However, the Acquirer holds non-controlling shareholding in IndusInd Bank of around 2%. Based on the same, since GAPL does not provide services to third parties, there are no horizontal overlaps between the Parties in investment advisory services. Further, since the Acquirer does not control or have significant influence over IndusInd Bank, the horizontal overlaps between IndusInd Bank and the Target are not likely to cause competition concerns.
6. The Acquirer has submitted that the Target does not have any vertical relationship with GASF, GASC, GAPL and/or, funds managed and advised by entities controlled by GASC.
7. In view of the foregoing, it is noted that there are, at present, insignificant horizontal overlaps between the Parties and there are no vertical links between the Parties.



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8. Considering the facts on record and the details provided in the notice given under sub-section (2) of Section 6 of the Act and assessment of the proposed combination on the basis of factors stated in sub-section (4) of Section 20 of the Act, the Commission is of the opinion that the proposed combination is not likely to have an appreciable adverse effect on competition in India and therefore, the Commission hereby approves the same under sub-Section (1) of Section 31 of the Act.
9. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
10. The Secretary is directed to communicate to the Acquirer accordingly.