



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2019/11/702)

13th December, 2019

Notice under Section 6 (2) of the Competition Act, 2002 filed by Napean Opportunities LLP.

CORAM:

Mr. Ashok Kumar Gupta
Chairperson

Ms. Sangeeta Verma
Member

Mr. Bhagwant Singh Bishnoi
Member

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

1. On 06th November, 2019, Competition Commission of India (“**Commission**”) received a notice under Section 6(2) of the Competition Act, 2002 (“**Act**”), filed by Napean Opportunities LLP (“**Napean/Acquirer**”). The notice has been filed pursuant to the execution of Share Purchase Agreement dated 16th October, 2019, between Napean, SBI General Insurance Company Ltd (“**Target**”) and IAG International PTY Limited (“**IAG/Seller**”).
2. The proposed combination envisages acquisition of 16.01% of the paid up share capital of the Target by the Acquirer from IAG (“**Proposed Combination**”).



3. Napean opportunities LLP is a newly incorporated entity, which belongs to PI Opportunities Fund –I (“**PIOF-I**”) and Azim Premji Trust (“**APT**”). PIOF-I is a Category II Alternative Investment Fund, registered under Securities and Exchange Board of India (Alternative investment Funds) Regulations, 2012. APT is a private trust incorporated under the Indian Trusts Act, 1882. (Hereinafter, PIOF-I and APT are collectively referred to as “**Acquirer Group**” and Acquirer/Acquirer Group and Target are collectively referred to as “**Parties**”).
4. Target, a joint venture between SBI and IAG, is engaged in the business of providing general insurance products in India. These products range from motor, health, personal accident, travel and home insurances in the retail space and aviation, fire, marine, package, construction and engineering and liability insurance in the commercial space along with insurance policies in the rural space.
5. It is submitted that Acquirer/Acquirer Group (including certain of their Portfolio Companies) are not engaged in any business activities relating to similar or identical or substitutable products or services with Target’s business. Hence there are no direct/indirect horizontal overlaps between the Parties.
6. Acquirer submitted that one of the Portfolio Company is engaged in the market for distribution of general insurance products and is vertically related to the Target’s business activity. Further, it is also submitted that distribution of general insurance products is highly fragmented due to the presence of a large number of players such as Coverfox Insurance Broking Pvt. Ltd, BankBazaar and Renewbuy. Based on the submission of Acquirer, the Commission observed that these vertical relationships may not cause any competition concerns due to lack of ability and incentive to foreclose the competition in any of the markets by the Parties.
7. Considering the facts on record, 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



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effect on competition in India and therefore, the Commission, hereby, approves the same under sub-section (1) of Section 31 of the Act.

8. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
9. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
10. The Secretary is directed to communicate to the Acquirer accordingly.