



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2018/06/576)

21st June, 2018

Notice under Section 6 (2) of the Competition Act, 2002 filed by MetLife International Holdings, LLC.

CORAM:

Mr. Sudhir Mital
Member

Mr. Augustine Peter
Member

Mr. U. C. Nahta
Member

Mr. G.P. Mittal
Member

Legal Representative: Tatva Legal

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

1. On 6th June, 2018, the Competition Commission of India (hereinafter referred to as the **“Commission”**) received a notice filed by MetLife International Holdings, LLC (**“MIHL”/ “Acquirer”**) under sub-section (2) of Section 6 read with sub-section (a) of Section 5 of the Competition Act, 2002 (**“Act”**) pursuant to Share Purchase Agreements (**“SPA”**) each dated 7th May, 2018, entered into and between: (a) MIHL and IGE (India) Private Limited (**“IGE”**); and (b) MIHL and Elpro International Limited (**“Elpro”**).
2. The proposed combination relates to acquisition of 6.05 percent equity share capital of PNB MetLife India Insurance Company Limited (**“PMLI”/“Target”**) from Elpro and IGE by MIHL. (hereinafter, MIHL and PMLI are collectively referred to as **“Parties”**).



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3. MIHL, a limited liability company incorporated in the United States of America (USA), *inter alia*, holds investment in insurance companies. MIHL is a wholly owned subsidiary of MetLife Inc. which *inter alia*, engaged in life insurance business in USA. In India, MIHL holds 26 percent shareholding in PMLI along with right to nominate three directors on the Board of Directors.
4. PMLI, a public unlisted company incorporated in India, is a joint venture of MIHL, Punjab National Bank (“PNB”), M.Pallonji & Company Private Limited (“Pallonji”) and its affiliate M.Pallonji Enterprises Private Limited (“MPEL”), Elpro, IGE, Jammu & Kashmir Bank Limited (“JKB”) and Manimaya Holdings Private Limited (“Manimaya”). PMLI is an insurance company and *inter alia*, provide life and health insurance products and service, under the brand “PNB MetLife”.
5. Elpro, a public listed company, is *inter alia*, engage in the business of manufacturing of surge arresters, and currently holds 12.75 percent equity shares in PMLI. IGE, a private limited company incorporated in India, *inter alia*, engages in trade of commodities, wind energy generation and real estate. It currently holds 8.57 percent equity shares of PMLI and 46.03 percent shares in Elpro.
6. The Commission observed that MIHL currently holds 26 percent equity share capital of PMLI, and proposes to acquire additional 4.71 percent and 1.33 percent of equity share capital of PMLI from IGE and Elpro respectively resulting in an increase of MIHL’s shareholding to 32.05 percent in PMLI.
7. The Commission observed that the Parties to combination do not have any direct or indirect control over other enterprise(s) engaged in production, distribution or trading of similar or identical or substitutable products or provision of similar/identical/substitutable services in the relevant market. Moreover, some of the products or services offered by the subsidiaries and downstream companies in which MIHL holds shares are similar to the products or services offered by PMLI but these subsidiaries and downstream companies have no operation in India. The Commission also noted that the proposed combination would not cause any change in the dynamics of the market in which Parties are involved.



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8. 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 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 information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
11. The Secretary is directed to communicate to the Acquirer accordingly.