



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2018/06/578)

19th July, 2018

Notice under Section 6 (2) of the Competition Act, 2002 filed by Carmel Point Investment Ltd.

CORAM:

Mr. Sudhir Mital
Chairperson

Mr. Augustine Peter
Member

Mr. U.C. Nahta
Member

Mr. Justice G. P. Mittal
Member

Legal Representative: Cyril Amarchand Mangaldas

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

1. On 26th June, 2018, the Competition Commission of India (hereinafter referred to as the “**Commission**”) received a notice filed by Carmel Point Investment Ltd. (“**CPIL**”/“**Acquirer**”) pursuant to execution of Share Purchase Agreement dated 01th June, 2018, executed amongst CPIL, IndiaFirst Life Insurance Company Limited (“**IndiaFirst**”/“**Target**”) and Legal & General Middle East Limited (“**LGMEL**”/“**Seller**”).
2. The proposed combination has been filed under sub-section (2) of Section 6 read with sub-section (a) of Section 5 of the Competition Act, 2002. (“**Act**”), relates to acquisition of 26 percent of the total share capital of the IndiaFirst, on a fully diluted basis by CPIL from Seller. (hereinafter, CPIL and IndiaFirst are collectively referred to as “**Parties**”).



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3. CPIL, an investment holding company incorporated in Mauritius, is *inter alia*, engaged in making long term investments in portfolio companies. It is a part of Warburg Pincus Group, a private equity firm based in United States of America and has investments in companies active in sectors such as energy, financial services, healthcare, pharma. As a result of proposed combination, CPIL will also acquire certain affirmative rights and right to nominate director(s) on the board of Target.
4. India First, a public company incorporated in India is joint venture between Bank of Baroda, Andhra Bank and LGMEL. It is *inter alia*, engaged in the business of life insurance and related products.
5. It is submitted by the Acquirer that it currently does not have any investments in India. Further, it is stated that none of the portfolio companies of Warburg Pincus based in India are engaged in the life insurance business. Therefore, there is no overlap between the Parties. With regard to vertical relationship, it is stated that two of the portfolio companies of Warburg Pincus are registered as corporate agent for distributing life insurance products. However, currently they do not act as a corporate agent for IndiaFirst. In this regard, it is noted that the total revenue derived by them from the corporate agency business as well as their presence in the corporate agency services is insignificant to raise any competition concern.
6. 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.
7. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
8. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.



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9. The Secretary is directed to communicate to the Acquirer accordingly.