



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2020/10/782)



27.11.2020

Notice under Section 6(2) of the Competition Act, 2002 filed by Spring Canter Investment Limited

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 28th October 2020, the Competition Commission of India (**Commission**) received a notice under Section 6(2) of the Competition Act, 2002 (**Act**), filed by Spring Canter Investment Limited (**Acquirer**). Notice has been filed pursuant to execution of the Binding Term Sheet *inter alia* between the Acquirer and Rivigo Services Private Limited (**Rivigo**), on 26th October, 2020.
2. The Proposed Combination envisages acquisition of certain additional shareholding and rights in Rivigo by the Acquirer, an existing shareholder in Rivigo. It comprises the following two acquisitions:
 - 2.1. Subscription of 28,435 Series G2 Compulsorily Convertible Preference Shares (**CCPS**).



2.2.Subscription of additional CCPS, based on mutual terms and conditions agreed upon in the Binding Term Sheet.

3. The Acquirer is an investment holding company incorporated under the laws of Mauritius with an objective to hold long-term investments. It does not have any physical presence in India. The shareholders of the Acquirer are certain private equity funds managed by Warburg Pincus LLC (**Warburg**).
4. Warburg is a member-owned private equity firm headquartered in New York, United States. It acts as a manager to certain private equity funds and has invested over USD 86 billion in more than 900 companies across 40 countries. Its portfolio companies are active in a variety of sectors, including energy, financial services, healthcare and consumer, industrial and business services, technology, media and telecommunications. The portfolio companies of Warburg in India are spread across variety of sectors.
5. Rivigo is stated to be a technology-enabled logistics company in the trucking industry with accurate predictions, high levels of efficiency and simple automated operations. It uses an innovative 'driver relay' model that enables trucks to cover more distances at a faster pace against the industry average. Its full-stack logistics offering includes relay-led trucking and freight marketplace. Through one of its subsidiary, it has developed a mobile application for a technology-enabled freight exchange platform. This application became functional only in January 2020 and enables individuals or organisations with freight transportation needs to easily access verified suppliers.
6. It is observed that Rivigo operates in logistics sector, which comprises various segments such as freight forwarding, warehousing (container freight stations, inland container depots, *etc.*), depots, transportation, *etc.* Although, the Acquirer has no business operations, certain portfolio companies of Warburg have presence in logistics and/or incidental activities that are either complementary or vertically related to the activities of Rivigo. However, the combined market position of Rivigo and the said portfolio entities of the Acquirer are not significant. The market share of Rivigo in the transportation segment is less than 1%. Further, Warburg is an existing shareholder of Rivigo with several rights including nomination of a Director on its board. Given these, the acquisition of additional shareholding rights by the Acquirer does not raise any competition concerns.



7. Considering the material on record including the details provided in the Notice and the assessment of the Proposed Combination based on factors stated in Section 20(4) of the Act, the Commission is of the opinion that the Proposed Combination is not likely to have any appreciable adverse effect on competition in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) 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.