



**COMPETITION COMMISSION OF INDIA**

(Combination Registration No. C-2018/09/604)

18<sup>th</sup> October, 2018

**Notice under Section 6 (2) of the Competition Act, 2002 filed by Black River Food 2 Pte. Ltd.**

**CORAM:**

Mr. Sudhir Mital  
Chairperson

Mr. Augustine Peter  
Member

Mr. U.C. Nahta  
Member

**Legal Representative:** Trilegal

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

1. On 26<sup>th</sup> September, 2018, the Competition Commission of India (hereinafter referred to as the “**Commission**”) received a notice filed by Black River Food 2 Pte. Ltd. (“**Black River 2**”/“**Acquirer**”) pursuant to the execution of Share Subscription and Purchase Agreement (“**SSPA**”) and Shareholders Agreement (“**SHA**”) each dated 25<sup>th</sup> September, 2018, executed between Black River 2, Gemini Edibles and Fats India Pvt. Ltd (“**GEF India**”/“**Target**”), Golden Agri International India Holding Pte. Ltd, Investment and Commercial Enterprise Pte. Ltd and Mr. Pradeep Chowdhry and Ms. Alka Chowdhry.
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**”), and relates to acquisition of 25% equity shares of the Target (on a fully diluted basis) alongwith right to nominate director(s) and an observer on the board of GEF India including



reserved matter rights. (hereinafter, Black River 2 and GEF India are collectively referred to as “**Parties**”).

3. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (**‘Combination regulations’**), *vide* letter dated 1<sup>st</sup> October 2018, certain information(s)/ clarification(s) *inter alia*, relating to purchase consideration, overlaps and competition assessment was sought from the Acquirer; response to same was received on 5<sup>th</sup> October, 2018. Further, Acquirer provided certain information(s)/ clarification(s) necessary for the purpose of competition assessment *inter alia*, relating to market share, distribution pattern *vide* its submission on 08<sup>th</sup>, 10<sup>th</sup>, 12<sup>th</sup> and 15<sup>th</sup> October, 2018.
4. Black River 2, a private limited company incorporated in Singapore and is a wholly-owned subsidiary of Black River Food 2 LP, which in turn belongs to Proterra Investment Partners (“**Proterra**”). Proterra, is an investment advisor registered under the United States Securities Exchange Commission, and manages private equity investments in sectors such as agriculture, food, metals and mining.
5. In India, Black River 2, is registered as a foreign venture capital investor under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000. It is stated that Black River 2 is an investment holding company and does not have any business operations other than holding investments.
6. Further, Black River 2, has investments in Future Consumer Limited (“**FCL**”), which is a public listed company, incorporated in India, and is *inter alia*, engaged in the market for the sale of packaged edible oils such as refined sunflower oil, mustard oil, refined soyabean oil, olive oil, and refined rice bran oil. It is also submitted by the Acquirer that edible oils only constitute a miniscule part of FCL’s product portfolio. Black River 2, has ~7.81% stake in FCL, alongwith the right to nominate director and other minority protection rights.
7. GEF India, is a private limited company incorporated in India, engaged in the business of trading, manufacturing (including Vanaspati) and marketing of edible oils and fats. Further, it is stated that GEF India's product portfolio includes sunflower oil,



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rice bran oil, mustard oil, palmolein oil and Vanaspati. Golden International India Holding Pte. Ltd. (“**GAR HoldCo**”) is the holding company of GEF India and Golden Agri Resources Limited (“**GAR**”) is the ultimate parent company of GAR HoldCo. GAR a company incorporated in Mauritius, is a part of Sinarmas Group-a conglomerate having business such as pulp and paper products, agribusiness and food, financial services, real estate and infrastructure.

8. It is submitted by the Acquirer that there is an overlap between FCL and GEF India (including its affiliates/subsidiaries/associates) in relation to edible oil and within edible oil in respect of (i) Refined sunflower oil, (ii) Mustard oil, (iii) Refined Soyabean oil, and (iv) Refined rice bran oil.
9. However, the Commission decided to leave the delineation of the relevant market open as it was observed that the proposed combination, for the reasons detailed in ensuing paragraph, is not likely to cause an appreciable adverse effect on competition in any of the possible alternative relevant markets.
10. The Commission observed that the presence of both GEF India and FCL is not significant in any of the segment of edible oil in India and there are other existing players such as Adani Wilmar, Kaleesuwari, Emami, Cargill, MK Agrotech, Bunge, Vimal Oil Mills, Lohiya Industries, who will pose competitive constrains to the Parties.
11. 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.
12. The Commission, further notes that the non-compete covenant, as entered amongst Parties is beyond what is necessary for the implementation of the proposed combination and therefore not ancillary.
13. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.



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