

COMPETITION COMMISSION OF INDIA

07th May, 2013

Combination Registration No.C-2013/04/121

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

1. On 22nd April, 2013, the Competition Commission of India (hereinafter referred to as the “**Commission**”) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (hereinafter referred to as the “**Act**”), jointly given by KKR AT Dutch B.V. (hereinafter referred to as “**KKR Dutch**”) and KKR AT Auxiliary Dutch B.V. (hereinafter referred to as “**KKR Auxiliary**”) (hereinafter KKR Dutch and KKR Auxiliary are collectively referred to as “**Acquirers**”).
2. The proposed combination relates to the acquisition of 87.48 percent of the equity shareholding and 97.76 percent of the preference shareholding in Alliance Tire Group B.V. (hereinafter referred to as “**ATV B.V.**”) by the Acquirers. The notice was filed pursuant to the execution of a share purchase agreement and two shareholders agreements, *inter alia* between KKR Dutch, KKR Auxiliary and ATV B.V.
3. The proposed combination falls under Section 5 of the Act.
4. KKR Dutch and KKR Auxiliary are private companies with limited liability, incorporated under the laws of the Netherlands. KKR Auxiliary is a wholly owned subsidiary of KKR Dutch, which in turn is indirectly held by KKR Asian Fund L.P., a fund registered under the laws of Cayman Islands and is affiliated with and advised by Kohlberg Kravis Roberts & Co. L.P. (hereinafter referred to as “**KKR**”), a limited partnership registered under the laws of Delaware, USA. KKR is a global investment firm offering a broad range of alternative asset funds and other investment products to investors and provides capital market solutions for firms, its portfolio clients and other clients.
5. ATV B.V. is a private company with limited liability, incorporated under the laws of the Netherlands. ATV B.V., through its subsidiaries, is engaged in the business of developing, manufacturing and supplying a wide range of off-highway tires (OHT) for the agricultural, forestry, construction and earthmoving markets. Its product portfolio includes tires for off-the-road machines such as loaders, graders, bulldozers, dump trucks, straddle carriers, empty container handlers and stackers. In India, ATV B.V. operates through its indirect wholly owned subsidiary viz. ATC Tires Private Limited (hereinafter referred to as the “**ATPL**”), which is also engaged in the manufacture of tires.
6. As per the details provided in the notice, neither KKR nor any of its group companies is engaged in the business of tires in India. Further, pursuant to the proposed combination, there will also be no vertical relationship between ATV B.V. and KKR or any of its group companies, in India. Moreover, ATPL is primarily and predominantly engaged in

export of tires and its sales in India are relatively insignificant. In view of the foregoing, the proposed combination is not likely to give rise to any adverse competition concern in India.

7. Considering the facts on record and the details provided in the notice given under sub-section (2) of Section 6 of the Act and the assessment of the combination after considering the relevant factors mentioned in sub-section (4) of Section 20 of the Act, the Commission is of the opinion that the combination is not likely to have an appreciable adverse effect on competition in India and therefore, the Commission hereby approves the combination under sub-section (1) of Section 31 of the Act.
8. This approval is without prejudice to any other legal/statutory obligations as applicable.
9. This order shall stand revoked if, at any time, the information provided by the parties to the combination is found to be incorrect.
10. The Secretary is directed to communicate to the Acquirers accordingly.