



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2015/01/242)



*Fair Competition
For Greater Good*

05.03.2015

Notice u/s 6 (2) of the Competition Act, 2002 given by

- **Hahn & Co. Auto Holdings Co., Ltd., and**
- **Hankook Tire Co., Ltd.**

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

1. On 16th January, 2015 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 “**Act**”), given by Hahn & Co. Auto Holdings Co., Ltd (“**HCo**”) and Hankook Tire Co., Ltd. (“**Hankook**”), (hereinafter, HCo and Hankook are together referred to as the “**Acquirers**”).
2. The proposed combination relates to acquisition of 50.50 percent of the equity share capital of Halla Visteon Climate Control Corporation (hereinafter referred to as “**HVCC**” or “**Target**”) by HCo and 19.49 percent acquisition of the equity share capital of HVCC by Hankook from VIHI, LLC (“**VIHI**”) a wholly owned subsidiary of Visteon Corporation (“**Visteon**”). The notice was given pursuant to a share purchase agreement (“**SPA**”) entered into between the Acquirers, Visteon and VIHI on 17th December, 2014.
3. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 (“**Combination Regulations**”), vide letter dated 27th January 2015, the Acquirers were required to remove defects and furnish certain information/document(s). The Acquirers filed their response to the letter on 4th February, 2015 after seeking an extension. Vide letter dated 13th February, 2015, the Acquirers were again required to remove defects and furnish certain information/document(s). The Acquirers filed their response on 23rd February, 2015. Vide letter dated 24th February, 2015, the Acquirers were required to remove further defects and furnish certain



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information/document(s). The Acquirers filed their response on 2nd March, 2015 after seeking an extension.

4. HCo is a special purpose vehicle established in South Korea for the purpose of investment by Hahn & Company I Private Equity Fund, which is controlled and managed by Hahn & Company, a private equity investment management firm that owns and controls a number of portfolio companies.
5. Hankook, listed on the Korean Stock Exchange is a global company which is *inter alia* engaged in the business of manufacture/sale of tyres, tubes and alloy wheels. Hankook is a subsidiary of Hankook Tire Worldwide Co., Ltd., a South Korea based company which is *inter alia* engaged in the investment business, trade and consulting services, leasing of office buildings etc. As stated in the notice, Hankook does not have any presence in India except for a liaison office for management of its distribution network.
6. HVCC incorporated in South Korea and listed on the Korean Stock Exchange is *inter alia* engaged in the automobile climate control systems which include heating, ventilation, and air- conditioning (HVAC) products, radiators, blowers and compressors etc. for vehicles. It also offers fluid transport products, such as refrigerant and coolant lines for cars, trucks, hybrid, and electric vehicles etc. HVCC also provides temperature control products that operate HVAC systems, cooling modules and various components within a power train cooling system. In India, HVCC is present through its two subsidiaries namely Visteon Automotive Systems India Private Limited (“VASI”) and Halla Visteon Climate Systems India Private Limited (“HVCSI”). VASI is engaged in the business of automotive electronics, and climate control systems. HVCSI is also engaged in the business of automotive climate control systems.



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7. It is observed that neither HCo which is a special purpose company nor any of the portfolio companies of Hahn & Company are engaged in the business of automotive climate control systems in India. There is no overlap between the products and services of HCo, Hahn & Company and HVCC in India. Further, as stated above, globally Hankook is *inter alia* engaged in the business of manufacture and sale of tyres. Hankook is not involved in the business of automotive climate control systems in which HVCC is engaged, in India. Accordingly, there are no horizontal overlaps between the Acquirers and the Target in India. There is also no vertical arrangement between the Acquirers and the Target in India.
8. Considering the facts on record and the 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 the 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 approval is without prejudice to any other legal/statutory obligations as applicable.
10. This order shall stand revoked if, at any time, the information provided by the Acquirers is found to be incorrect.



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11. The Secretary is directed to communicate to the Acquirers accordingly.