



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2015/08/301)

7th October 2015

**Notice under sub-section (2) of Section 6 of the Competition Act, 2002 filed by
Alibaba.com Singapore E-Commerce Private Limited**

CORAM:

Mr. Ashok Chawla
Chairperson

Mr. S. L. Bunker
Member

Mr. Sudhir Mital
Member

Mr. U. C. Nahta
Member

Mr. M. S. Sahoo
Member

Legal Representative of the parties: TRILEGAL

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

1. On 25th August 2015, the Competition Commission of India (“**Commission**”) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”) filed by Alibaba.com Singapore E-Commerce Private Limited (“**Alibaba Singapore**” or “**Acquirer**”), pursuant to the execution of two agreements on 18th August 2015, namely, (i) Subscription Agreement between, *inter alios*, Alibaba Singapore, Jasper Infotech Private Limited (“**Jasper**” or “**Target**”) and its promoters (“**Subscription Agreement**”); and (ii) Share Purchase Agreement between Alibaba Singapore, eBay Singapore Services Private Limited (“**eBay**”) and Jasper (“**SPA**”).



2. As submitted by the Acquirer, the proposed combination entails acquisition of newly-issued compulsorily convertible preference shares (“CCPS”) of Jasper by Alibaba Singapore and acquisition of CCPS of Jasper from eBay Singapore Services Private Limited (“eBay”) by Alibaba Singapore. Pursuant to the acquisition of said CCPS, Alibaba would hold approximately 4.14% equity share capital of Jasper. In this regard, it has been stated by the Acquirer that it is acquiring a non-controlling minority stake in Jasper.
3. In the present case, though the Acquirer is acquiring a non-controlling stake of less than 5% in the Target, since the Acquirer and the Target are competitors, in keeping with the decisional practice of the Commission, such an acquisition by the Acquirer in the Target, may not be viewed as an acquisition made solely as an investment or in the ordinary course of business and hence cannot be categorized as a combination that need not normally be filed under Item 1, Schedule I read with Regulation 4 of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 (“**Combination Regulations**”).
4. In terms of Regulation 14 of the Combination Regulations, the Acquirer, in response to the Commission’s communications dated 10th September 2015, was required to remove gaps vis-à-vis information provided in the Form I, to which the Acquirer responded on 21st September 2015, after seeking extension of 4 days. In terms of the abovesaid communications, the Acquirer was required to, *inter alia*, provide data on the overlap between the products/services of the parties, details about the market share of the parties etc.
5. As stated by the Acquirer, Alibaba Singapore is a private limited company incorporated in Singapore. It is a wholly-owned subsidiary of Alibaba Group Holding Limited, the holding company for Alibaba group. Alibaba group is principally engaged in providing both retail and wholesale marketplaces accessible through websites and mobile interfaces. Further, Alibaba Singapore is engaged in, *inter alia*, marketing and sale of membership packages for Alibaba.com, a global online wholesale marketplace and providing online transaction services through AliExpress, a cross-border online consumer marketplace.



6. As submitted by the Acquirer, Alibaba group is stated to be operating in India through its subsidiaries, namely, Alibaba.com India E-Commerce Private Limited (“**Alibaba India**”), AliExpress and UCWeb Mobile Private Limited (“**UCWeb India**”). Further, as submitted in the notice, Alibaba India’s principal business activities comprise of marketing and sale of website services for Alibaba.com. UCWeb India is a provider of mobile internet software technology and services. It has been also submitted that AliExpress is a cross-border online consumer marketplace which enables sellers to directly transact with customers around the world (including India) and purchase goods listed by independent merchant/sellers.
7. As stated by the Acquirer, Jasper, a private limited company incorporated in India, is the holding company of the Jasper group, which operates, *inter alia*, an electronic marketplace platform, namely, snapdeal.com (“**Snapdeal**”) for facilitating the sale and purchase of goods and services between independent sellers and consumers. It is also engaged in providing certain linked services (either directly or through third party contractors) that facilitate the sale of goods to the sellers listed on Snapdeal. These services include customer support services and services relating to the shipping/ delivery of goods through facilitation/ fulfilment centres and tie-ups with independent logistics providers.
8. With respect to horizontal overlaps, the Acquirer has submitted that there are horizontal overlaps between the parties as AliExpress (operated by Alibaba Singapore) and Snapdeal (operated by Jasper) are providing similar services. However, in this regard, it is observed that regardless of the manner in which the relevant market is defined, AliExpress (operated by Alibaba Singapore) and Snapdeal (operated by Jasper) do not have a significant enough presence so as to cause any competitive concerns.
9. With respect to the vertical relationship between the parties, it has been submitted that there is no vertical relationship between Alibaba Singapore and Alibaba India on one hand, and Jasper on the other.
10. Considering the facts on record, the details provided in the notice 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,



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therefore, the Commission approves the proposed combination under sub-section (1) of Section 31 of the Act.

11. This Order shall stand revoked if, at any time, information provided by the Acquirer is found to be incorrect.
12. The Secretary is directed to communicate to the Acquirer accordingly.