



COMPETITION COMMISSION OF INDIA
(Combination Registration No.C-2015/12/353)

18.02.2016

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

- **Mindspace Business Parks Private Limited,**
- **K. Raheja Corp Private Limited,**
- **Trion Properties Private Limited,**
- **Gigaplex Estate Private Limited and**
- **Newfound Properties and Leasing Private Limited**

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

CORAM:

Mr. Devender Kumar Sikri
Chairperson

Mr. S. L. Bunker
Member

Mr. Sudhir Mital
Member

Mr. Augustine Peter
Member

Mr. U. C. Nahta
Member

Mr. G. P. Mittal
Member

Legal representative: Veritas Legal

1. On 14.12.2015, the Competition Commission of India ("**Commission**") received a notice under sub-section (2) of Section 6 of the Act, jointly filed by Mindspace Business Parks Private Limited ("**Mindspace**"), K. Raheja Corp Private Limited ("**KRC**"), Trion Properties Private Limited ("**Trion**"), Gigaplex Estate Private Limited ("**Gigaplex**") and Newfound



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Properties and Leasing Private Limited (“**Newfound**”) (hereinafter, collectively referred to as “**Parties**”).

2. As per the details given in the notice, the proposed combination relates to a composite transaction comprising of three interconnected steps i.e. (a) acquisition of the 49.90 per cent equity share capital held by J P Morgan Property Mauritius Company II (“**JPM**”) in Gigaplex, by KRC and Mindspace; (b) merger of Gigaplex and Newfound into Mindspace; demerger of Commerzone, an undertaking of KRC into Mindspace; and demerger of Pune undertaking of Trion into Mindspace; and (c) acquisition of majority shareholding of eight companies of Raheja Group i.e. Aqualine Properties Private Limited, Avacado Properties & Trading (India) Private Limited, Horizonview Properties Private Limited, Intime Properties Limited, K Raheja IT Park (Hyderabad) Private Limited, Stargaze Properties Private Limited, Sundew Properties Limited and J.T. Holdings Pvt. Limited, by Mindspace.
3. For the purpose of the step (a) of the proposed combination, a Share Purchase Agreement has been executed between KRC, Mindspace, JPM and Gigaplex on 15.12.2015. Further, for the purpose of steps (b) and step (c) of the proposed combination, the board of directors of respective companies, have passed resolution for the same.
4. The proposed combination falls under Section 5(a) and 5(c) of the Act.
5. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulation, 2011, vide letter dated 27.01.2016, the Parties were required to remove certain defects and provide information/document(s), the response to which was filed on 30.01.2016.
6. It has been submitted in the notice that all the parties to the combination (except JPM) are part of Raheja Group and are engaged in the business of commercial real estate in different cities in India. As per the details given in the notice, KRC is a private limited company incorporated in India and is stated to be engaged primarily in commercial real estate business in Mumbai, Pune and Hyderabad. Mindspace is also private limited company incorporated in India and is engaged in commercial real estate business primarily in Mumbai and Hyderabad. Gigaplex is also stated to be private limited company, incorporated in India and is engaged in the business of commercial real estate in Mumbai. At present, KRC and JPM holds 50.10 per cent and 49.90 per cent equity share capital of Gigaplex, respectively.
7. It is noted that at present Gigaplex is jointly controlled by JPM and Raheja Group and pursuant to step (a) of the proposed combination, Raheja Group will acquire sole



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control over Gigaplex. In relation to this step of the proposed combination, it is noted from the information given in the notice that certain entities of Raheja Group are engaged in the business of commercial real estate in Mumbai where Gigaplex is also operating. In this regard, it is observed from the information given in the notice that the market share of Raheja Group in this segment is not significant enough to raise any competition concern. The Parties have also submitted that certain entities within the Raheja Group are active in the downstream market of maintenance and facility management of developed real estate property in Mumbai region. However, the market share of Raheja Group in the downstream and upstream market is not likely to result in vertical foreclosure. In relation to step (b) and step (c), it is observed that these steps are also not likely to change the competition dynamics of the concerned markets.

8. Considering the facts on record, 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, therefore, the Commission hereby approves the same under sub-section (1) of Section 31 of the Act.
9. This order shall stand revoked if, at any time, information provided by the Parties is found to be incorrect.
10. The Secretary is directed to communicate to the Parties accordingly.