



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2016/05/401)

1st July, 2016

Notice under Section 6 (2) of the Competition Act, 2002 jointly given by:

- Nestlé S.A.
- PAI Partners S.A.S
- Riviera Topco S.À.R.L

CORAM:

Mr. Sudhir Mital
Member

Mr. U.C. Nahta
Member

Mr. M.S. Sahoo
Member

Mr. G.P. Mittal
Member

Legal Representative: M/s Shardul Amarchand Mangaldas, New Delhi

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

1. On 24th May, 2016, the Competition Commission of India (hereinafter referred to as the “**Commission**”) received a notice jointly filed by Nestlé S.A. (“**Nestlé**”), PAI Partners S.A.S (“**PAI**”) and Riviera Topco S.À.R.L (“**Riviera Topco**”) under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”). (Hereinafter, Nestlé, PAI and Riviera Topco are collectively referred to as “**Parties**”.) The proposed combination has been filed pursuant to execution of an Implementation Agreement dated 6th May, 2016 entered into among, inter alios, Nestle and Riviera Topco.



2. The proposed combination relates to the formation of a joint venture (“JV”) between Nestlé and PAI (through Riviera Topco) which would be jointly controlled by Nestlé and PAI (through Riviera Topco) and would be principally active in the production, distribution and sale of ice cream products in certain geographical areas and to a limited extent in the production and sale of some other frozen food products in certain European Economic Area (“EEA”) countries, as well as chilled dairy products in the Philippines. The following businesses would be transferred to the JV by Nestlé and PAI respectively:
 - i. **Nestlé Contributed Business:** This comprises of (i) Nestlé’s ice cream business located in Europe, Middle East and North Africa (excluding Israel) and certain other geographical areas, including Argentina, Brazil, and the Philippines; (ii) some of Nestlé’s frozen food businesses in certain EEA countries; (iii) Nestlé’s chilled dairy business in the Philippines; and (iv) certain logistics services in Russia, Switzerland and Italy in relation to frozen pizza. The Nestlé Contributed Business would be transferred by Nestlé to the JV.
 - ii. **R&R Ice Cream plc (“R&R”):** R&R, a subsidiary of PAI, is a public limited company headquartered in the UK, is engaged in the ice-cream business in the U.K., certain EEA countries, South Africa, and Australia. It does not have any business activity or operations in India. The entire business of R&R would be transferred by PAI to the JV.
3. As stated in the notice, the JV will be operational in India only through export sales of Nestlé’s ice cream brand, Mövenpick of Switzerland (“MoS”). PAI, either directly or through its portfolio companies, is not present in the ice cream market in India. Accordingly, apart from MoS export sales, the JV will not be active in India.
4. Nestlé, a public limited company incorporated under the laws of Switzerland and listed on the SIX Swiss exchange, is globally engaged in, *inter alia*, the food industry undertaking production, marketing and sale of a large variety of food and beverage products, including dairy products, coffee beverages, packaged water, cereals, healthcare nutrition products. Nestlé is active in India through its four subsidiaries, viz.: (i) Nestlé India; (ii) Galderma India Private Limited; (iii) Nestlé R&D Centre India Private Limited; and (iv) SMA Nutrition India Private Limited which are active in the market for the production and sale of frozen food, including ice cream and in non-food related activities such as skin health products and pet food.



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5. PAI, a joint-stock company incorporated under the laws of France, is a private equity firm. PAI does not directly control any company based in India. It has also been stated in the notice that PAI does not have any investments, directly or indirectly in any company which is directly or indirectly active in the ice cream market in India.
6. Riviera Topco, incorporated under the laws of Luxembourg, is a wholly owned subsidiary of PAI. It is a holding company of R&R and does not have any business activity or operations, either globally or in India.
7. R&R, a subsidiary of PAI, is a public limited company headquartered in the UK, is engaged in the ice-cream business in the U.K., certain EEA countries, South Africa, and Australia. It does not have any business activity or operations in India.
8. As stated in the notice, Parties are not engaged in the production/provision of any identical or substitutable products or services either directly or indirectly, in India.
9. As stated in the notice, only Nestlé operates in the ice cream business in India, through export sales of its MoS products. However, PAI, Riviera Topco, and R&R are neither involved nor have investments in any company which is involved in the ice cream market in India, or any market either upstream or downstream, in relation to the ice cream market in India. It has also been stated in the notice that as R&R (i.e. the relevant business being transferred by PAI) has no activity in India.
10. Considering the facts on record and the details provided in the notice and assessment of the combination on the basis of factors stated in sub-section (4) of Section 20 of the Act, the Commission is of the opinion that 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.
11. This order shall stand revoked if, at any time, the information provided by the Parties is found to be incorrect.



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12. The information provided by the Parties is confidential at this stage in terms of and subject to provisions of Section 57 of the Act.

13. The Secretary is directed to communicate to the Parties accordingly.