



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2017/12/537)

19th December, 2017

Notice under Section 6 (2) of the Competition Act, 2002 filed by Dai-ichi Life Holdings, Inc.

CORAM:

Mr. S.L. Bunker
Member

Mr. U.C. Nahta
Member

Mr. G.P. Mittal
Member

Legal Representative: Cyril Amarchand Mangaldas

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

1. On 1st December, 2017, the Competition Commission of India (hereinafter referred to as the “**Commission**”) received a notice filed by Dai-ichi Life Holdings, Inc. (“**Dai-ichi Life**”/“**Acquirer**”), pursuant to a CCPS Subscription Agreement (“**SSA**”) dated 18th October, 2017 entered into and between Union Asset Management Company Private Limited (“**UAMCPL**”), Dai-ichi Life and Union Bank of India (“**UBI**”). (Hereinafter, UAMCPL and Dai-ichi Life are collectively referred to as “**Parties**”).
2. The proposed combination, filed under sub-section (2) of Section 6 read with sub-section (a) of Section 5 of the Competition Act, 2002 (“**Act**”), relates to subscription of 39.62 per cent shares by Dai-ichi Life in UAMCPL on a fully diluted basis.



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3. Dai-ichi Life, incorporated in Japan, is a financial services holding company engaged in carrying out both insurance and non-insurance businesses in Japan and overseas. It is present in India by way of its joint venture (Star Union Dai-ichi Life Co. Ltd. – SUD Life) with Bank of India and UBI. SUD Life is *inter alia*, engaged in providing life insurance and financial solution services to customers in India.
4. UAMCPL, a private company incorporated in India, is a wholly-owned subsidiary of UBI and was appointed as the investment manager to manage the schemes of the Union Mutual Fund by Union Trustee Company Private Limited. UAMCPL was appointed to develop, manage, market and operate the asset management business through launch of mutual fund schemes. As an AMC, UAMCPL manages the schemes of Union Mutual Fund.
5. The Commission observes that neither Dai-ichi Life nor its subsidiaries are engaged in production, distribution or trading of similar or identical or substitutable products or services as that of UAMCL in India. In view of foregoing, the proposed combination does not appear to change the competition dynamics in any markets in which the Parties are engaged. With regard to vertical relationships, it has been stated that Dai-ichi Life is not engaged in any activity relating to the production, supply, distribution, storage, sale and service or trade in products or provision of services which is at different stages or levels of the production chain in which UAMCPL is involved.
6. Considering the facts on record, 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 the 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 any 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.
7. The Commission also observes that the non-compete covenant, to the extent it relates to the scope of products or services of the proposed combination, is beyond what is necessary for the implementation of the proposed combination and therefore, is not ancillary to the proposed combination in terms of “Guidance on Non-Compete Restrictions” as available on the website of the Commission.



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8. This order shall stand revoked if, at any time, the information provided by the Parties is found to be incorrect.
9. The information provided by the parties shall be treated as confidential in terms of and subject to the provisions of Section 57 of the Act.
10. The Secretary is directed to communicate to the parties accordingly.