



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2019/04/657)

Dated: 8th May, 2019

Notice under Section 6 (2) of the Competition Act, 2002 filed by General Atlantic Singapore HF Pte. Ltd.

CORAM:

Mr. Ashok Kumar Gupta

Chairperson

Mr. U. C. Nahta

Member

Ms. Sangeeta Verma

Member

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

1. On 10th April, 2019, the Competition Commission of India (**Commission**) received a Notice under sub-section (2) of Section 6 of the Competition Act, 2002 (**Act**), filed by General Atlantic Singapore HF Pte. Ltd. (**GAHF /Acquirer**). The Notice has been filed pursuant to a Share Purchase Agreement dated 29th March, 2019 executed by and between GAHF and Punjab National Bank.
2. The Proposed Combination envisages acquisition of 6.5% equity of PNB Housing Finance Ltd (**PNBHFL/Target**) by the Acquirer (**Proposed Combination**). (Hereinafter, the Acquirer and the Target are collectively referred to as 'Parties'). General Atlantic Singapore FII Pte. Ltd. (**GA FII**), an affiliate of



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GAHF, already holds 9.9% of the equity share capital of PNBHFL. Pursuant to the Proposed Combination, GAHF will also get a right to nominate a director on the Board of Directors of PNBHFL.

3. Acquirer, incorporated in Singapore, is an investment holding company, managed and advised by entities controlled by General Atlantic Service Company, L. P. (**GASC**). The principal activity of the Acquirer is investing, holding and disposing of investments in growth companies in Asia. Acquirer also submitted that funds managed and advised by entities controlled by GASC hold investments in an Indian company, IIFL Wealth Management Limited, which has a wholly owned subsidiary IIFL Wealth Finance Ltd, a non-banking financial company registered with the Reserve Bank of India, which caters to financing needs of corporates and high net worth individuals. Further, GASC has a wholly owned subsidiary in India, General Atlantic Private Limited (**GAPL**) which is engaged in providing research and advice on Indian markets exclusively to GASC.
4. Target, incorporated under the Companies Act, 1956, is a housing finance company (**HFC**) registered with the National Housing Bank. PNB holds 32.79% of share in PNBHFL. It is *inter alia* engaged in the business of providing housing and non-housing loans to individuals and corporates against mortgage of immovable properties.
5. PNB and PNBHFL are *inter alia* engaged in the business of providing housing and non-housing loans to individuals and corporates only against mortgage of immovable properties. As per the submission, GAHF is an investment holding company and is not engaged in business similar to PNBHFL's business. Further, GAHF does not have any investments in companies in India engaged in business similar to PNBHFL's business or in an overseas company that in turn undertakes business similar to PNBHFL's business in India. It has been submitted that the Parties are also currently not engaged in the provision of services that are at a



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different level in the production chain. Hence there are no horizontal and vertical overlap in the product and services of the Acquirer, including its portfolio affiliates / companies of the Acquirer. With regards to the activities of PNBHFL, i.e. business of providing housing and non-housing loans, it is observed that established players such as State Bank of India, HDFC Limited, LIC Housing Finance Limited, Dewan Housing Finance Corporation Limited as well as several public and private sector banks provide similar/identical services.

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. Therefore, the Commission, hereby, approves the Proposed Combination under sub-section (1) of Section 31 of the Act.
7. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
8. The information provided by the Acquirer is confidential at this stage in terms of and subject to provisions of Section 57 of the Act.
9. The Secretary is directed to communicate to the Acquirer accordingly.