



सत्यमेव जयते



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2019/09/690)

14th November, 2019

Notice under Section 6 (2) of the Competition Act, 2002 filed by SVF Doorbell (Cayman) Limited

CORAM:

Mr. Ashok Kumar Gupta
Chairperson

Ms. Sangeeta Verma
Member

Mr. Bhagwant Singh Bishnoi
Member

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

1. On 30th September, 2019, Competition Commission of India (**Commission**) received a notice under Section 6(2) of the Competition Act, 2002 (**Act**), filed by SVF Doorbell (Cayman) Limited (**SVFD/Acquirer**). The notice has been filed pursuant to the execution of Share Purchase Agreement dated 18th September, 2019 (**SPA**) and an Addendum to the SPA dated 30th September, 2019 executed between SVFD, Internet Fund III Pte. Ltd. (**Tiger/Seller**) and Delhivery Private Limited (**DPL/Target**). (Hereinafter, SVFD and DPL are together referred to as "**Parties**").
2. The proposed combination relates to a acquisition of up to additional 3.28% of the issued and paid up share capital of DPL on a fully diluted basis by SVFD from Tiger



(Proposed Combination) and post the proposed combination, SVFD will hold up to 25.72% of the issued and paid up share capital of DPL.

3. The Acquirer *vide* its letter dated 18th October, 2019 voluntarily submitted certain additional information. Further, in terms of Regulation 14 of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 (**Combination Regulations**), *vide* letter dated 25th October, 2019 certain information was sought and response to the same was received on 1st November, 2019.
4. SVFD, a holding company, is established to hold the investment in DPL on behalf of SoftBank Vision Fund L.P. (**SVF**), a venture capital fund, engaged in area of making long-term financial investments in companies. Both these entities are part of the SoftBank Group (**SB Group**). SoftBank Group Corp. is the parent of the SB Group and is a publicly traded corporation in Japan. SVFD has no physical presence in India.
5. SB Group is present in India through (a) its direct/ indirect subsidiaries (**SB Indian Subsidiaries**); (b) its investment in portfolio companies active in India, with certain veto rights (**SB Indian Portfolio Companies**) (**SB Entities**).
6. DPL is stated to be engaged in the provision of logistics services and these services are in the nature of third party logistics (**3PL**) services in India. As part of its logistics services, DPL provides transportation, warehousing, freight services and overall fulfilment services to various customers. DPL's logistics services are provided to enterprises or persons who operate across different business models and are present across the value chain. DPL through Delhivery USA LLC, its wholly owned subsidiary, also provides last mile logistics solution/deliveries of cross border shipments from India to the United States of America through United States Postal Service.



7. DPL's logistics services are provided to third party enterprises or persons who operate across different business models and are present across the value chain. As per the information given in the notice, DPL has a minimal market share of [0-5]% in the overall logistics market and a share of [0-5]% for provision of 3PL services.
8. It has been stated in the notice that SVFD is a holding company and is not engaged in the provision of any services or sale of goods. It is rather a financial investor, which makes long-term investments in companies in order to produce financial returns for its investors.
9. Further, it is submitted that certain SB Indian Portfolio Companies are involved in the provision of B2C sales, B2B sales, supply of landline phones and IT peripherals in India, which already avail/may use logistics services, including 3PL services of various vendors (including DPL) to deliver their products. DPL, through Luecon, provides vehicles on contractual basis in India that may be used by SB Indian Portfolio Companies in the provision of their logistics services. However, considering the minimal presence of DPL in logistics market as well as in market for 3PL services, the Proposed Combination is not likely to result in foreclosure. It is, further, observed that there are several new players that have entered the market for logistics services, such as iThink Logistics, GoJavas, E-Kart, Gati, etc.
10. 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 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.
11. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.



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12. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
13. The Secretary is directed to communicate to the Acquirer accordingly.