



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2019/12/708)

17th January, 2020

Notice under Section 6 (2) of the Competition Act, 2002 filed by BIF IV Jarvis India Pte. Ltd., British Columbia Investment Management Corporation, Anahera Investment Pte. Ltd. and Valkyrie Investment Pte. Ltd.

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 9th December, 2019, Competition Commission of India (“**Commission**”) received a notice under Section 6(2) of the Competition Act, 2002 (“**Act**”), filed by BIF IV Jarvis India Pte. Ltd. (“**Jarvis/Acquirer 1**”), British Columbia Investment Management Corporation (“**BCI/Acquirer 2**”), Anahera Investment Pte. Ltd. (“**Anahera/ Acquirer 3**”) and Valkyrie Investment Pte. Ltd. (“**Valkyrie/ Acquirer 4**”). [Hereinafter, Valkyrie and Anahera are collectively referred to as “**GIC Investors**” and Jarvis, BCI and GIC Investors are collectively referred to as “**Acquirers**”].



2. The notice has been filed pursuant to (a) Framework Agreement executed on 19th July, 2019 amongst Jarvis, Reliance Industrial Investments and Holdings Limited (“**RIIHL**”), Tower Infrastructure Trust (“**InvIT/Target 1**”) and Reliance Jio Infratel Private Limited (“**RJIPL/Target 2**”) and (b) Memorandum of Understanding (**MoU**) executed on 29th November, 2019 amongst the Acquirers. [Hereinafter, InvIT and RJIPL are collectively referred to as “**Targets**” and Acquirers and Targets are collectively be referred to as “**Parties**”].
3. It is submitted in the Notice that prior to the Proposed Combination, as a part of the internal restructuring of Reliance Jio Infocomm Limited (“**RJIL**”), the Tower Infrastructure Business of RJIL was transferred under a slump sale on a going concern basis to RJIPL as of 31st March, 2019, pursuant to the Scheme of Arrangement¹. The Tower Infrastructure Business was primarily a captive consumption business for RJIL’s telecommunication services operations.
4. The Proposed Combination involves three transactions -
 - (i) Jarvis will subscribe to the majority of the units issued by the InvIT. Jarvis will be designated as a co-sponsor to the InvIT in addition to the existing sole-sponsor *i.e.* RIIHL. Subsequently, Jarvis will change the investment manager of the InvIT to an entity nominated and controlled by it. By way of this transaction, Jarvis will acquire indirect control over RJIPL².
 - (ii) BCI and GIC Investors will acquire interest in the InvIT either by directly subscribing to its units or by indirectly acquiring interest in BIF IV India Holdings Pte. Ltd (parent entity of Jarvis).
 - (iii) From the proceeds of the issuance of the units, the InvIT shall acquire the remaining 49% of the equity shareholding in RJIPL from Reliance Industries Limited (**RIL**). Accordingly, post the Proposed Combination, InvIT shall hold 100% of the equity shareholding in RJIPL.

¹ This Scheme of Arrangement *inter alia* involved RJIL, RJIPL, Jio Digital Fiber Private Limited and their respective shareholders and was approved by NCLT vide its order dated 20th March, 2019.

² Currently, InvIT and RIL hold 51% and 49% of the equity share capital of RJIPL, respectively.



5. Jarvis is a part of the Brookfield Asset Management Inc., Group (“**Brookfield Group**”) and is currently not engaged in any activity in India. Brookfield Group is a global alternative asset manager with a focus on real estate, renewable power, infrastructure and private equity. Brookfield Group has several investments in India, including investing jointly through operating partnerships. However, none of its portfolio companies is engaged in any activity in the telecom sector in India (including telecom tower business).
6. BCI is an institutional investor of Canada having investments in fixed income, mortgages, public and private equity, real estate, infrastructure, and renewable resources. It does not offer any products or services in India. However, it has been submitted that BCI holds stake in certain portfolio companies operating in India but none of these companies are involved in the telecom sector in India (including telecom tower business).
7. Anahera and Valkyrie are wholly-owned subsidiaries of GIC Infra Holdings Pte. Ltd. and are investment holding companies incorporated with the objective of preserving principal and earning long-term returns. These are special purpose vehicles (SPV) organized as private limited companies in Singapore that are part of the GIC Group *i.e.* investment holding companies managed by GIC Special Investments Pte. Ltd. (GICSI). None of the portfolio investee companies controlled by Anahera and/or Valkyrie and/or the GIC Group are presently engaged in business activities in the telecom sector in India (including telecom tower business).
8. The InvIT was established on 31st January, 2019 and was registered as an infrastructure investment trust on 19th March, 2019 in accordance with the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulation 2014. The InvIT was set up with the objective of making investments (directly or indirectly) in the infrastructure sector and has not issued units till date. Currently, the sole sponsor of the InvIT is RIIHL, a wholly-owned subsidiary of RIL. The trustee, investment manager and project manager of the InvIT are Axis Trusteeship Services Limited, Infinite India Investment Management Limited and Jio



Infrastructure Management Services Limited, respectively. InvIT does not have any presence outside of India.

9. RJIPL, a company incorporated under the Companies Act, 1956, currently carries on the business of designing, planning, establishing, operating, maintaining and managing passive infrastructure assets for telecommunication businesses including but not limited to towers, fiber, right of way and duct space and providing the same on lease or rental or indefeasible right to use to telecom service providers. Pursuant to the Scheme of Arrangement³ involving RJIL, RJIPL, Jio Digital Fiber Private Limited *inter alia* and their respective shareholders, the Tower Infrastructure Business was transferred and vested in RJIPL under a slump sale on a going concern basis.
10. Based on the submissions of the Acquirers, the Commission noted that there are no horizontal overlaps between the business activities of the Parties in India and products/services of the Parties are not at different stages or levels of the production chain.
11. 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 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.
12. This order shall stand revoked if, at any time, the information provided by the Acquirers is found to be incorrect.
13. The information provided by the Acquirers shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.

³ Scheme of Arrangement was approved by the NCLT *vide* its order dated 20th March, 2019



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14. The Secretary is directed to communicate to the Acquirers accordingly.