



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2018/07/582)

27th July, 2018

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

CORAM:

Mr. Sudhir Mital

Chairperson

Mr. Augustine Peter

Member

Mr. U.C. Nahta

Member

Legal Representative: Bharucha & Partners

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

1. On 09th July, 2018, the Competition Commission of India (hereinafter referred to as the “**Commission**”) received a notice filed by General Atlantic Singapore Fund Pte. Ltd. (“**GASF**”/“**Acquirer**”), pursuant to execution of Investment Agreement dated 19th June, 2018, executed *inter alia*, between GASF and IIFL Wealth Management Limited (“**IIFLW**”/“**Target**”). (hereinafter, the Acquirer and the Target are collectively referred to as “**Parties**”)
2. The proposed combination has been filed under sub-section (2) of Section 6 read with sub-section (a) of Section 5 of the Competition Act, 2002 (“**Act**”). It is stated that pursuant to Investment Agreement, IIFLW allot and issue certain equity shares to new



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investors and GASF in exercise of its pre-emptive rights granted under Shareholders Agreement dated 24th October, 2015, to maintain its shareholding in case new securities are issued by IIFLW, will subscribe 566,500 equity shares of IIFLW.

3. GASF, an investment holding company, incorporated in Singapore and is managed and advised by entities controlled by General Atlantic Services Company LLC (“**GASC**”), a private equity firm based in United States of America. The principal activity of the GASF is investing and it invests through the foreign direct investment route in portfolio companies in India. Further, it is stated that GASF is an existing shareholder of IIFLW and holds 21.61 percent stake in IIFLW alongwith certain affirmative rights and right to nominate director(s) on the board of IIFLW.
4. IIFLW, a public company incorporated India, is, *inter alia*, engaged in portfolio management services, distribution of financial products and acts as a stock broker. IIFLW is a part of IIFL Group and IIFL Holdings Limited (“**IIFL Holdings**”) is the ultimate holding company. IIFL Holdings, a public company incorporated in India, is, *inter alia*, engaged in the business of loans and mortgages, wealth and asset management activities.
5. It is submitted by the Acquirer that post the proposed combination, shareholding of GASF in IIFLW will change from 21.60 percent to 21.15 percent and there will not be any change in rights held by GASF. Further, it is also stated that new investors are not acquiring any rights in IIFLW. In this regard, the Commission noted that as a result of proposed combination there will not be any change in the market dynamics in which Parties are involved.
6. Considering facts on record, details provided in the notice given under sub-section (2) of Section 6 of the Act and assessment 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.
7. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.



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8. The Secretary is directed to communicate to the Acquirer accordingly.