



COMPETITION COMMISSION OF INDIA  
(Combination Registration No.C-2017/01/472)



13<sup>th</sup> February, 2017

Notice under Section 6 (2) of the Competition Act, 2002 given by Amundi S.A.

**Coram:**

**Devender Kumar Sikri**  
Chairperson

**S.L. Bunker**  
Member

**Sudhir Mital**  
Member

**Augustine Peter**  
Member

**U. C. Nahta**  
Member

**G.P. Mittal**  
Member

**Legal Representatives of the parties:** Cyril Amarchand Mangaldas

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

1. On 10<sup>th</sup> January 2017, the Competition Commission of India (“**Commission**”) received a notice given by Amundi S.A. (“**Amundi**”) under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”). The notice has been filed pursuant to a Master Sale and Purchase Agreement dated 11<sup>th</sup> December, 2016, *inter-alia*, executed between Amundi, Pioneer Global Asset Management S.p.A. (“**Pioneer**”) and UniCredit S.p.A (“**UniCredit**”), (hereinafter Amundi and Pioneer are collectively referred as **Parties**”).



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2. The proposed combination contemplates acquisition of 51% shareholding of Pioneer in Baroda Pioneer Asset Management Company Ltd (“**Baroda AMC**”) and Baroda Pioneer Trustee Company Private Ltd. (“**Baroda Trustee**”) by Amundi. The remaining 49% shareholding in each of Baroda AMC and Baroda Trustee will continue to be held by Bank of Baroda (hereinafter, referred to as the “**Proposed Combination**”).
3. Amundi, a company incorporated in France, belongs to the Credit Agricole Group, which operates in Europe, Asia, Australia and the United States of America. Amundi provides research, accounting, risk control, management control, treasury and marketing management solutions, to individuals, institutions, corporation and pension and retirement funds, provident funds, banks, insurances companies and government entities. Amundi is present in India by way of a joint venture with State Bank of India (SBI), namely SBI Funds Management Private Limited.
4. Pioneer, an Italian *Societa per Azioni* incorporated under the laws of the Republic of Italy, is a subsidiary of an Italian bank, UniCredit. Pioneer is engaged in equity, fixed income and balanced mutual funds for the unit-holders and hedge funds. Pioneer is present in India by way of two joint ventures with Bank of Baroda, viz Baroda AMC and Baroda Trustee.
5. Baroda AMC, a public unlisted company, is the Asset Management Company for Baroda Mutual Funds. Baroda AMC also provides non-binding investment advice to Pioneer Investment Management Ltd. for investments in the Indian equity market. Baroda Trustee is approved by SEBI to act as the trustee for Baroda Mutual Funds under the provisions of SEBI (Mutual Fund) Regulations, 1996.
6. The Parties are present in the market for mutual fund schemes in India. The Commission, in line with earlier decisions, has observed that mutual funds schemes may be, *inter alia*, categorised into: (a) growth /equity oriented scheme; (b) income/debt oriented scheme; (c) balanced fund scheme; (d) money market/liquid fund scheme; (e) gilt funds; (f) index funds; and (g) fund of funds.



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7. Based on investment objectives and criteria, the schemes of Amundi can be broadly categorised into (a) growth /equity oriented scheme, income/debt oriented scheme; (b) index funds; (c) balanced fund scheme (d) gilt funds; (e) liquid Funds; and (f) fund of funds. On the same basis, the schemes of Baroda Mutual Funds can be broadly categorised into (a) growth /equity oriented scheme; (b) income/debt oriented scheme; (c) balanced fund scheme; (d) liquid funds; and (e) guilt funds. However, as the proposed combination is not likely to raise competition concerns in any of the overlapping sub-segments, it was decided that the exact delineation of relevant market may be left open.
8. Based on the information available on the website of Association of Mutual funds in India, there are 44 mutual funds as on September, 2016 that are active in India and it is observed that most mutual funds including certain larger players such as ICICI Prudential Mutual funds (ICICI), HDFC mutual funds, Reliance Capital Asset management (Asset manager of Reliance mutual fund schemes), Birla Sun life Asset management (Investment manager of Birla Sun life mutual fund), UTI Asset Management are offering similar scheme as the parties. Therefore, an investor has a number of options to switch from one mutual fund to another offering similar type of schemes.
9. The total Average Asset under Management (“AAUM”) of Indian mutual fund industry was INR 16,10,72,880.38 crores (as on September 2016). Based on AAUM of the Parties as on September 30, 2016, the incremental increase in the market share of Amundi in the overall market of mutual fund due to the proposed combination would be around 0.76 per cent, and the combined market share is around 9.48 per cent, which is insignificant to raise any competition concerns.
10. Considering the facts on record and the details provided in the notice given under sub-section (2) of Section 6 of the Act and on basis of the assessment of the proposed combination, the Commission is of the opinion that the proposed combination is not likely to have 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 parties is found to be incorrect.
12. The information provided by the parties is confidential at this stage in terms of and subject to provisions of Section 57 of the Act.
13. The Secretary is directed to communicate to the parties accordingly.