



**COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2021/06/844)**

9th September 2021

Notice under Section 6 (2) of the Competition Act, 2002 jointly given by Nextbillion Technology Private Limited, Indiabulls Asset Management Company Limited and Indiabulls Trustee Company 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 7th June 2021, the Competition Commission of India (**Commission**) received a notice (**Notice**), under Section 6(2) of the Competition Act, 2002 (**Act**), jointly given by Nextbillion Technology Private Limited (**Acquirer/Nextbillion**), Indiabulls Asset Management Company Limited (**Indiabulls AMC**) and Indiabulls Trustee Company Limited (**Indiabulls Trustee**). The Notice was given pursuant to execution of Share Purchase Agreement between the Acquirer, Indiabulls AMC, Indiabulls Trustee and the Indiabulls Housing Finance Limited (**Seller**) on 10th May 2021.
2. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to the transaction of business relating to Combinations) Regulations, 2011 (**Combination Regulations**), *vide* letters dated 16th June 2021 and 29th June 2021, parties were required to provide certain information(s)/clarification(s). Parties submitted their response *vide* communication dated 29th June 2021, 2nd August 2021, 24th August 2021 and 7th September 2021.
3. The Proposed Combination envisages acquisition of 100% shareholding of Indiabulls



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AMC and Indiabulls Trustee by Nextbillion.

4. Nextbillion is a subsidiary of Billionbrains Garage Ventures Private Limited. Billionbrains is wholly owned subsidiary of Groww Inc. Nextbillion is registered with Securities Exchange Board of India as a stock broker. It is also registered as a depository participant and a mutual fund distributor.
5. Both, Indiabulls AMC and Indiabulls Trustee are wholly owned subsidiaries of the Seller. Presently, Indiabulls AMC has 3 business verticals viz. mutual fund business (**MF Business**), alternate investment fund business (**AIF Business**) and portfolio management business (**PMS Business**). It provides asset management services to Indiabulls Mutual Fund (**Indiabulls MF**) and operate / manages its schemes. Before the acquisition of shares of Indiabulls AMC by Nextbillion, the Seller will demerge PMS Business and AIF Business of Indiabulls AMC into wholly owned subsidiary of the Seller. Therefore, Nextbillion would acquire only mutual fund business. Indiabulls Trustee is engaged in the business of providing trusteeship services to the Indiabulls MF.
6. Nextbillion operates an online trading platform named *Groww* that allows investors to invest, *inter alia*, in stocks and mutual funds. Targets are *inter alia* engaged in the business of provision of mutual funds. Thus, the activity of Nextbillion of enabling investors to invest in mutual funds and the activity of Targets of provision of mutual fund service exhibit vertical interface.
7. Sequoia holds more than 10% shareholding in Groww Inc. Sequoia also has stake in Amica Financial Technologies Private Limited (**Amica**) and Turtlemint Mutual Funds Distributors Private Limited (**Turtlemint**). Amica and Turtlemint are engaged in distribution of mutual funds. Tiger Global holds less than 5% stake in Groww Inc. However, it is entitled to exercise certain rights in Groww that are not available to an ordinary shareholder of a company. Thus, for the purpose of assessment of the Proposed Combination, overlap mapping between activities of Targets and portfolio entities of Tiger Global is warranted. Tiger Global has stake in RKSVM Securities India Private



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Limited (**Upstox**). Upstox is *inter alia* engaged in distribution of mutual funds. Targets are *inter alia* engaged in the business of provision of mutual funds. Thus, the mutual fund operation activity of the Targets is placed at different levels of supply chain in which Sequoia and Tiger Global are engaged. Assets under management of the Target are not significant. Market shares of Nextbillion, Amica, Turtlemint and Upstox in the segment of distribution of mutual funds in India are not significant to raise any competition concern. The segment of distribution of mutual funds is also characterised by presence of several other players such as HDFC Bank, State Bank of India, Axis Bank, *etc.* Similarly, the segment of operation of mutual fund is also characterized by players such as ICICI Prudential MF, HDFC MF, Birla Sun life, UTI, Aditya Birla *etc.*

8. Considering the facts on record including details provided in the Notice given under Section 6(2) of the Act and assessment of the Proposed Combination based on the factors stated in Section 20(4) 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 in any of the relevant market(s) and therefore, the Commission hereby approves the same under Section 31(1) of the Act.
9. This order may be revoked if, at any time, the information provided by the notifying parties is found to be incorrect.
10. The information provided by the notifying parties is confidential at this stage in terms of and subject to the provisions of Section 57 of the Act.
11. The Secretary is directed to communicate to the notifying parties accordingly.