



**COMPETITION COMMISSION OF INDIA  
(Combination Registration No. C-2021/03/817)**

**12<sup>th</sup> April 2021**

**Notice under Section 6 (2) of the Competition Act, 2002 jointly given  
by Rising Sun Holdings Private Limited, Mr. Sanjay Chamria and  
Mr. Mayank Poddar**

**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 4<sup>th</sup> March 2021, the Competition Commission of India (**'Commission'**) received a notice (**'Notice'**) under Section 6(2) of the Competition Act, 2002 (**'Act'**), jointly given by Rising Sun Holdings Private Limited (**'Rising Sun'**), Mr. Sanjay Chamria and Mr. Mayank Poddar (hereinafter collectively referred to as **'Acquirers'**). The Notice was given pursuant to execution of Terms of Agreement dated 10<sup>th</sup> February 2021 *inter alia* between Rising Sun and Magma Fincorp Limited (**'Magma Fincorp'**/ **'Target'**), and documents pertaining to the open offer in terms of Regulations 3(1) and 4 and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
2. The Commission *vide* its letters dated 23<sup>rd</sup> March 2021 and 8<sup>th</sup> April 2021, issued under Regulation 14(3) of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011, required the notifying parties to remove defects in the Notice and furnish certain information relevant for the purpose of assessment of the Proposed Combination. Notifying parties submitted information *vide* their submission dated 30<sup>th</sup> March 2021 and 8<sup>th</sup> April 2021.



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3. The Proposed Combination envisages: (i) subscription to 64.68% share capital of Magma Fincorp by Rising Sun and PACs; and (ii) obligation of Rising Sun and PACs to acquire additional shares (up to ~26% share capital of Magma Fincorp) pursuant to the open offer. Pursuant to the Proposed Combination, Rising Sun will acquire control of Magma Fincorp and shall become its promoter.
4. The Acquirer is part of Mr Adar Poonawalla's Rising Sun group of companies ('**RS Group**'). Principal business activity of the Acquirer is to make investments, leasing property on rent and information sharing / business referencing to a certain entity. RS Group also has interest in certain entities engaged in business of lending.
5. Mr Sanjay Chamria is Vice Chairman and Managing Director, and Mr. Mayank Poddar is Chairman Emeritus and Non-Executive Director of Magma Fincorp.
6. The Target is a Mumbai-based systemically important non-deposit taking NBFC, registered with the Reserve Bank of India. It offers a bouquet of financial products including commercial finance, agricultural finance, SME finance, mortgage finance and general insurance services. The Target has a housing finance subsidiary, viz. Magma Housing Finance Limited ('**Magma Housing**'), and investments in Magma HDI General Insurance Company Limited ('**Magma HDI**'), Jaguar Advisory Services Private Limited ('**Jaguar**') and MF Process and Solutions Private Limited ('**MF Process**').
7. Activities of the parties exhibit overlap in the segment of provision of loans and its sub-segment viz. provision of loans to Micro, Small and Medium Enterprises ('**MSMEs**') in India. Parties are also active in the market of provision of human resource services and consultancy.
8. Combined and incremental market shares of parties for the segment of provision of loans and its sub-segment provision of loans to MSMEs are not significant to raise competition concern. These segment / sub-segment are characterised by presence of other players.



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Further, for human resource services and consultancy position of parties, market position of parties is not significant to raise competition concern.

9. 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.
10. This order shall stand revoked if, at any time, the information provided by the Acquirers is found to be incorrect.
11. The information provided by the Acquirers is confidential at this stage in terms of and subject to the provisions of Section 57 of the Act.
12. The Secretary is directed to communicate to the Acquirers accordingly.