



COMPETITION COMMISSION OF INDIA
(Combination Registration No.C-2021/10/877)

15th November 2021

Notice under Section 6(2) of the Competition Act, 2002 filed by BCP TopCo XII 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 07.10.2021, the Competition Commission of India (**Commission**) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (**Act**), filed by BCP TopCo XII Pte Ltd. (**Acquirer**). The notice has been filed pursuant to the Share Purchase Agreement (**SPA**) dated 06.09.2021 executed between the Acquirer and ASK Investment Managers Limited (**Target**), persons set out in Schedules IA and IB of the SPA and the Shareholders Agreement (**SHA**) dated 06.09.2021 executed between the Acquirer, the Target, Mr. Sameer Koticha, Fortress Trust, Mr. Sunil Rohokale, Mr. Bharat Shah, Mr. Rajesh Saluja and Mr. Amit Bhagat. Hereinafter, the Acquirer and the Target will be collectively referred to as '**Parties**'.



2. The proposed combination relates to the acquisition of up to 71.25% shareholding (on a fully diluted basis) in the Target from various selling shareholders by the Acquirer (**Proposed Combination**) along with certain rights.
3. In terms of Regulation 14 of Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (**Combination Regulations**), the Commission, *vide* email dated 28.10.2021, sought certain information(s)/ clarification(s), *inter alia*, relating to the activities of the Parties; the response to the same was received on 01.11.2021 (**Response**). Further, in continuation to the Commission's email dated 28.10.2021 and Response, certain further clarification(s)/information(s) were provided on 09.11.2021.
4. The Acquirer is a newly created entity incorporated in Singapore. It is controlled by funds advised and/or managed by affiliates of the Blackstone Inc. (collectively, the **Blackstone Group**). Blackstone Inc. is a global alternative asset manager headquartered in the United States. It is listed on the New York Stock Exchange and operates as an investment management firm. It is stated in the notice that the Blackstone Group is active in the financial services sector in India through portfolio companies, namely, Aadhar Housing Finance Limited (**Aadhar**) and Fino Paytech Limited (**Fino**) (collectively referred to as the **Relevant Portfolio Entities**).
5. The Target is an asset and wealth management company incorporated in India. It submitted in the notice that the Target is the ultimate holding entity, which is engaged in the business of providing financial services, directly and through its associate and subsidiary companies, namely, ASK Property Investment Advisors Private Limited (**ASK PIAPL**), ASK Wealth Advisors Private Limited (**ASK Wealth**), ASK Financial Holdings Private Limited (**ASK FH**), ASK Family Office and Investment Advisors Private Limited, ASK Trusteeship Services Private Limited, ASK Pravi Capital Advisors Private Limited, ASK Capital Management Pte. Ltd., and ASK Property Advisory Services Private Limited. The financial services provided by the Target include, in particular, (i) providing portfolio management services to individuals, groups of individuals, family offices, and other entities; (ii) offering investment



- solutions, investment advisory services, and wealth management and wealth planning services (including digital services) for individuals, family offices, and corporates; (iii) sponsoring and managing alternate investment funds; (iv) sponsoring, setting up, or advising funds; (v) providing credit facilities; and (vi) distributing financial products (including insurance products and mutual funds).
6. In relation to the identification of horizontal overlaps, it is, *inter alia*, submitted in the notice that the activities of the relevant portfolio companies of Blackstone Group and the Target (through ASK FH and ASK Wealth) overlap in the financial services sector in India, particularly in (i) the market for the provision of loans and lending services in India and (ii) the market for the distribution of insurance products in India.
 7. It is submitted by the Parties that the market for the provision of loans and lending services in India can be further segmented into (i) the market for the provision of retail loans in India and (ii) the market for the provision of wholesale loans in India. However, in the present case, the relevant portfolio companies of Blackstone Group are only present in the narrow segment for the provision of retail loans, given that their focus is provision of housing finance/home loans and unsecured loans to individuals who have zero access to credit. The Target is present to a limited extent in the segment for the provision of retail loans and that too in the connection of loans against securities; however, its focus is in the provision of structured lending solutions for corporates, real estate firms, and in-house wealth clients (i.e., the segment for provision of wholesale loans). Given this, the overlap is generally limited to the activity of provisions of loans and lending services, and at a narrower level, to the activity of provisions of retail loans.
 8. Further, it is submitted by the Parties that the market for the distribution of insurance products in India can be further segmented into narrower segments, such as life insurance, general insurance, and health insurance. However, the overlap between the activities of the Relevant Portfolio Entities and the activities of the Target only pertain to the distribution of life insurance products in India.



9. Accordingly, the Parties have delineated the relevant markets for the Proposed Combination as (i) Broad relevant market for the provision of loans and lending services in India (**Relevant Market 1**); (ii) Narrow relevant segment for the provision of retail loans in India (**Narrow Relevant Segment**); and (iii) Relevant market for the distribution of life insurance products in India (**Relevant Market 2**). The above markets are collectively referred to as the '**Relevant Markets**'.
10. With respect to vertical/complementary relationship, it is submitted by the Parties that there is a complementary linkage between the relevant portfolio entity of Blackstone Group, i.e., Aadhar and a subsidiary of the Target, i.e., ASK PIAPL. While ASK PIAPL is engaged in the activity of investment advisory services and can offer guidance to consumers to invest in certain real estate projects, Aadhar is engaged in the provision of housing finance and could provide the necessary financing for acquiring such real assets. It is submitted that this linkage is only notional, since ASK PIAPL and Aadhar focus on completely different client profiles; while Aadhar is a player in the affordable housing finance segment, ASK PIAPL focuses on high net worth clients.
11. The Commission decided to assess the Proposed Combination in the segments identified by the Parties. However, exact delineation of the relevant market has been left open as the material available on record does not suggest that the proposed combination is likely to cause any competition concern in India.
12. Based on the submissions, it is noted that the combined market shares of the Parties in the Relevant Markets are negligible. Further, the market for the provision of loans (including retail loans) and lending services is marked by the presence of competitors like State Bank of India, Bank of India Ltd., IDBI Bank Ltd., Punjab National Bank Ltd., etc., as well as private sector players such as HDFC Bank Ltd., ICICI Bank Ltd., Axis Bank Ltd., among others, and the market for the distribution of life insurance products in India has the presence of players such as Coverfox Insurance Broking Pvt. Ltd, BankBazaar and Renewbuy. Also, it is noted that the complementary relationship between the Parties is insignificant and the Parties are competing with other players



such as HDFC Bank, Kotak Mahindra Bank, Motilal Oswal Real Estate, India Info Online Holdings Ltd, Axis Bank, etc. In view of the foregoing, it appears that the Proposed Combination is not likely to raise any competition concerns.

13. 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 Proposed Combination is not likely to have an appreciable adverse effect on competition in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.
14. This order may stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
15. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
16. The Secretary is directed to communicate to the Parties accordingly.