

COMPETITION COMMISSION OF INDIA

19th October, 2011

Combination Registration No. C-2011/10/06

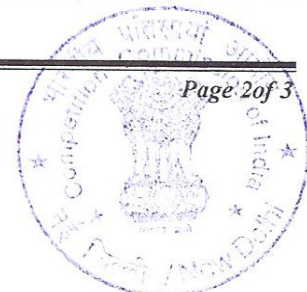
Order under section 31(1) of the Competition Act, 2002

1. On 12th October, 2011, the Competition Commission of India (hereinafter referred to as “**Commission**”), received a notice jointly filed by ALSTOM Holdings (India) Limited (hereinafter referred to as “**AHIL**”) and ALSTOM Projects India Limited (hereinafter referred to as “**APIL**”) under sub-section (2) of Section 6 of the Competition Act, 2002 (hereinafter referred to as “**Act**”).
2. The notice relates to a proposed combination wherein AHIL would merge into APIL pursuant to implementation of a scheme of amalgamation under Section 391 to 394 of the Companies Act, 1956, approved by the Board of Directors of AHIL and APIL, through separate resolutions dated 15th September, 2011. The proposed combination falls under clause (c) of Section 5 of the Act.
3. AHIL is a wholly owned subsidiary of ALSTOM Holdings, the ultimate holding company of the Alstom Group of companies, incorporated in France. As per the information gathered from the notice and other material placed on record, AHIL is a non-deposit taking non-banking financial company (NBFC) registered under Section 45-IA of the Reserve Bank of India Act, 1934 and is engaged in the business of holding and acquiring shares in other Alstom Group companies/ventures on behalf of ALSTOM Holdings.
4. APIL is a part of Alstom Group of companies and is an indirect subsidiary of ALSTOM Holdings. The equity shares of APIL are listed on the BSE Limited and the National Stock Exchange of India Limited. As per the information gathered from the notice and other material placed on record, ALSTOM Holdings indirectly holds 68.46 per cent of the equity share capital of APIL through its wholly owned subsidiaries ALSTOM Finance BV, Lorelac and AHIL. The remaining equity share capital amounting to 31.54 per cent is held by the public.
5. As per the information gathered from the notice and other material placed on record, APIL’s field of activities is broadly in two segments i.e. power and transport. In the power segment, APIL is engaged in the engineering,



manufacturing, procurement, construction and servicing of power equipment and power plants for its customers in India and abroad. In the transport segment, APIL is engaged in the engineering, manufacturing, procurement, installation, testing and commissioning of signalling products, traction equipment and infrastructure including maintenance activities mainly related to rail transport for its customers in India and abroad.

6. Both AHIL and APIL are controlled by ALSTOM Holdings, which is the ultimate holding company of the Alstom Group of companies. The Alstom Group is present in many countries across the globe and mainly operates in turnkey power plants, power generation services and air quality control systems, and supplies all types of power generation technology including coal, gas, fuel oil, nuclear, hydropower, wind power, geothermal energy, biomass and solar energy. The group also operates in the transport sector by supplying rail equipment and services across the globe.
7. It has been mentioned in the scheme of amalgamation approved by the Board of Directors of both AHIL and APIL through separate resolutions dated 15th September, 2011 that the instant amalgamation was a measure of the group restructuring of the Alstom Group in India to help reduce shareholding tiers, rationalize investments, reduce administrative and management costs and make the entities administratively more efficient.
8. The Commission considered the proposed combination in its Ordinary Meeting held on 19th October, 2011. It is observed that AHIL and APIL are engaged in different business activities. It is also observed that both AHIL and APIL are part of the Alstom Group of companies, the ultimate holding of which is with ALSTOM Holdings. Further, the amalgamated company APIL would continue to be under the same management subsequent to the implementation of the scheme of amalgamation approved by the Board of Directors of both AHIL and APIL. Given the foregoing, the proposed combination is not likely to have an adverse effect on competition in India.
9. Considering the facts on record and the details provided in the notice given under sub-section (2) of Section 6 of the Act and the assessment of the proposed combination, the Commission is of the opinion that the proposed combination is not likely to have an appreciable adverse effect on competition in India and therefore, the Commission hereby approves the proposed combination under sub-section (1) of the Section 31 of the Act.
10. This approval is without prejudice to any other legal/statutory obligations as applicable.



11. This order shall stand revoked if, at any time, the information provided by AHIL and APIL is found to be incorrect.

12. The Secretary is directed to communicate to AHIL and APIL accordingly.



Certified True Copy

A handwritten signature in blue ink, appearing to read 'Anil K. Vashisht', is written over the typed name.

ANIL K. VASHISHT
Office Manager
Competition Commission of India
New Delhi