

COMPETITION COMMISSION OF INDIA

29<sup>th</sup> March, 2012

Combination Registration No.: C-2012/03/43

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

1. On 12<sup>th</sup> March, 2012, the Competition Commission of India (hereinafter referred to as the "Commission") received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (hereinafter referred to as "Act") jointly filed by Siemens Limited (hereinafter referred to as "SL") and Siemens Power Engineering Private Limited (hereinafter referred to as "SPEL") (hereinafter SL and SPEL collectively referred to also as "parties to the combination").
2. The parties to the combination, along with the notice, also filed an application dated 7<sup>th</sup> March, 2012 requesting the Commission for condoning the delay in filing the notice as the said notice was filed in the Commission beyond the time limit mentioned in sub-section (2) of Section 6 of the Act. The Commission in its meeting held on 20<sup>th</sup> March, 2012, considered the said application and decided to admit the belated notice with effect from 20<sup>th</sup> March, 2012. The Commission in the said meeting also decided to initiate separate proceedings under Section 43A of the Act as the notice was not filed in accordance with the provisions contained under sub-section (2) of Section 6 of the Act.
3. The proposed combination relates to amalgamation of SPEL into SL pursuant to a scheme of amalgamation under the provisions of Sections 391 to 394 of the Companies Act, 1956. The notice was given to the Commission under sub-section (2) of Section 6 of the Act pursuant to approval of amalgamation of SPEL with SL by the Board of Directors of SL and SPEL respectively through separate resolutions, passed on 31<sup>st</sup> January, 2012. The proposed combination falls under clause (c) of Section 5 of the Act.
4. SL is a listed public limited company incorporated under the provisions of the Companies Act, 1956. As per details provided in the notice, 74.37 per cent of the equity share



capital of SL is held by Siemens Aktiengesellschaft, Germany (hereinafter referred to as “Siemens AG”) which is the ultimate holding company of SL, 0.63 per cent of the equity share capital of SL is held by Siemens Diagnostics Holding II BV, Den Haag, which is wholly owned by Siemens AG and 25 per cent of the equity share capital of SL is held by the general public.

5. SL is presently engaged in the business of providing products, solutions and services for automation products and systems; manufacturers of electro-technical equipment, medical equipment and machineries, undertaking turnkey projects in the industrial and infrastructure sectors; providing products, solutions and services for a wide range of applications in power plants; providing solutions for rail automation, railway electrification, light and heavy rail, locomotives, trains, turnkey projects and integrated services; providing diagnostic, therapeutic and lifesaving products in computer tomography (CT), magnetic resonance images (MRI), ultrasonography, digital angiography, radiology networking systems etc.
6. SPEL is a private limited company incorporated under the provisions of the Companies Act, 1956. As per details provided in the notice, 99.99 per cent of the equity share capital of SPEL held by Siemens AG which is the ultimate holding company of SPEL and 0.01 percent of the equity share capital is held by Siemens Beteiligungsverwaltung GmbH & Co., Germany, which is a wholly owned subsidiary of Siemens AG.
7. SPEL, is engaged mainly in power plant business providing engineering, procurement and construction services for power generation projects and design engineering services such as 3D computer aided design for power plants, electrical substations, steel plants etc., covering civil, mechanical, electrical, piping and product design etc. to Siemens AG and its affiliated companies world-wide including SL ( hereinafter collectively referred to as “Siemens group”). Further, it has been stated in the notice that pursuant to the implementation of the said scheme of amalgamation, SPEL would be structured as a unit within SL and will continue to work in the same or similar businesses.
8. It is observed that SPEL is providing services only to companies belonging to Siemens group worldwide and would continue to work in the same or similar businesses as a unit within SL pursuant to the implementation of the scheme of amalgamation under the



provisions of Section 391 to 394 of the Companies Act, 1956. Further, the ultimate control over the business activities carried on by SPEL and SL before the proposed amalgamation and by SL after the implementation of the scheme of amalgamation would continue to remain with Siemens AG and the proposed combination is not likely to have any adverse competition concern.

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. The Commission therefore, hereby approves the proposed combination under sub-section (1) of Section 31 of the Act.
10. This approval is without prejudice to any other legal or statutory obligations as applicable.
11. This order shall stand revoked if, at any time, the information provided by the parties to the combination is found to be incorrect.
12. The Secretary is directed to communicate to the parties to the combination accordingly.



Certified True Copy

*[Handwritten Signature]*  
ANIL K. VASHISHT  
Office Manager  
Competition Commission of India  
New Delhi

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