



Fair Competition
For Greater Good

COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2013/11/140)

31.12.2013

Order u/s 43A of the Competition Act, 2002 in the matter of notice u/s 6 (2) of the Competition Act, 2002 given by:

- Uttam Galva Steels Limited
- Shree Uttam Steel and Power Limited

1. On 27.11.2013, the Competition Commission of India (“**Commission**”) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”) of the proposed combination between Uttam Galva Steels Limited (hereinafter referred to as “**UGSL**”) and Shree Uttam Steel and Power Limited (hereinafter referred to as “**SUSPL**”) (hereinafter, UGSL and SUSPL shall collectively be referred to as “**parties to the combination**” or “**Parties**”).
2. The proposed combination relates to the amalgamation of SUSPL with UGSL pursuant to a scheme of amalgamation under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956. The Board of Directors of each of the parties to the combination approved the said scheme of amalgamation, through separate resolutions passed on 21.10.2013. Accordingly, the notice which in terms of sub-section (2) of Section 6 of the Act, ought to have been given by 20.11.2013, was given by the parties to the combination only on 27.11.2013 i.e. with a delay of around 6 days. Therefore, the parties to the combination also submitted an application for condonation of delay, along with the notice.
3. The Commission considered the said belated notice along with the application for condonation of delay and *inter-alia* admitted the notice in terms of Regulation 7 of the Competition Commission of India (Procedure in regard to the transaction of business relating to



combinations) Regulations, 2011 (hereinafter referred to as “**Combination Regulations**”) on 05.12.2013. It was also decided by the Commission that the period of thirty days and two hundred and ten days as mentioned in sub-regulation (1) of Regulation 19 of the Combination Regulations and sub-section (2A) of Section 6 of the Act respectively, shall be computed from the day on which the belated notice was admitted by the Commission.

4. The Commission further decided to initiate separate proceedings under Regulation 48 of the Competition Commission of India (General) Regulations, 2009 (hereinafter referred to as the “**General Regulations**”), regarding imposition of penalty under Section 43A of the Act, as the notice was not given within the time mentioned in sub-section (2) Section 6 of the Act. Accordingly, a show cause notice dated 06.12.2013, under Section 43A of the Act and Regulation 48 of the General Regulations, was issued to the parties to the combination to show cause, in writing, within 15 days of the receipt of the notice, as to why penalty in terms of Section 43A of the Act should not be imposed on them for not having filed the notice within the time prescribed in sub-section (2) of Section 6 of the Act. The parties to the combination filed their response to the show cause notice on 13.12.2013.
5. After considering the response of the parties to the combination, it is observed that the delay in giving the notice under sub-section (2) of Section 6 of the Act was for a period of less than a week and inadvertent. It has been submitted that the parties were in discussion with the officials of the Commission since 14.11.2013 for seeking clarification on the procedural requirements for giving the notice regarding the proposed amalgamation. Considering the facts and circumstances of the case, the Commission is of the opinion that no penalty is required to be imposed on UGSL and SUSPL in terms of Section 43A of the Act.



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6. The Secretary is directed to communicate to UGSL and SUSPL accordingly.

Sd/-
(Ashok Chawla)
Chairperson

Sd/-
(Anurag Goel)
Member

Sd/-
(M.L. Tayal)
Member

Sd/-
(S.N. Dhingra)
Member

Sd/-
(S.L. Bunker)
Member