



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2014/04/163)

8.5.2014

Notice u/s 6 (2) of the Competition Act, 2002 given by:

- Shapoorji Pallonji & Company Limited and Khurshed Yazdi Daruvala

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

1. On 1st April, 2014, 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, by Shapoorji Pallonji & Company Limited (“**SPCL**”) and Khurshed Yazdi Daruvala (“**KYD**”). (SPCL and KYD hereinafter collectively referred to as “**Acquirers**”).
2. The notice has been filed pursuant to the share purchase agreement executed among SPCL, KYD, Sterling and Wilson Limited (“**SWL**”) and GS Strategic Investments Limited (“**GSIL**”), on 20th March, 2014.
3. The proposed transaction involves an acquisition of 11.38 per cent of the paid up capital of GSIL in SWL by SPCL and KYD to the extent that after the acquisition, the shareholding of SPCL and KYD, in SWL will be 65.8 per cent and 33.33 per cent respectively.
4. In terms of Regulation 14 of the (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 (“**Combination Regulations**”), vide letter dated 4th April, 2014, the Acquirers were required to remove certain defects and provide information/document(s) latest by 15th April, 2014. After seeking the extension, the Acquirers filed their reply on 16th April, 2014. The Acquirers were again required under Regulation 14 of the Combination Regulations to pay the remaining of the fee for filing the notice, latest by 29th April, 2014, pursuant to the amendment of the Combinations Regulations, as



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notified on 28th March, 2014. The Acquirers paid the remaining fee i.e. INR Rs. 5 lakhs, on 1st May, 2014, after seeking the extension in this regard.

5. The proposed combination falls under Section 5(a) of the Act.
6. SPCL is a company with experience in construction business in India and abroad. KYD is one of the promoters of SWL. SWL is engaged in the business of contracting services in MEP (mechanical, electrical, and plumbing) services including designing, erection and commissioning of projects. GSIL is a company incorporated under the laws of Mauritius. SPCL and KYD currently hold 55.10 per cent and 32.63 per cent of the paid up capital of SWL respectively.
7. As per regulation 4 of the Combination Regulations, the categories of combinations mentioned in Schedule I are ordinarily not likely to cause an appreciable adverse effect on competition in India, and accordingly, the notice under sub-section (2) of section 6 of the Act need not normally be filed.
8. As already observed, the proposed acquisition of 11.38 per cent of the paid up capital of GSIL in SWL by SPCL and KYD will result in increase of their shareholding to the extent that after the acquisition the shareholding of SPCL and KYD in SWL will increase upto 65.8 per cent and 33.33 per cent respectively. As the proposed acquisition would not result in any change in control of the affairs and management of SWL by the Acquirers, the Commission hereby approves the same under sub-section (1) of Section 31 of the Act.
9. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
10. The Secretary is directed to communicate to the Acquirer accordingly.



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(Ashok Chawla)
Chairperson

(Anurag Goel)
Member

(M. L. Tayal)
Member

(Sudhir Mital)
Member

(Augustine Peter)
Member