



**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No. C-2015/09/311)

3<sup>rd</sup> December 2015

**Notice under sub-section (2) of Section 6 of the Competition Act, 2002 filed by BS Limited**

**CORAM:**

Mr. Ashok Chawla  
Chairperson

Mr. S. L. Bunker  
Member

Mr. Sudhir Mital  
Member

Mr. Augustine Peter  
Member

Mr. U. C. Nahta  
Member

Mr. M. S. Sahoo  
Member

Mr. G. P. Mittal  
Member

**Legal Representative of the parties:** Trilegal

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

1. On 24<sup>th</sup> September 2015, the Competition Commission of India (“**Commission**”) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”) filed by BS Limited (“**Acquirer**”). The notice was given pursuant to the execution of Business Transfer Agreement on 31<sup>st</sup> August 2015 (“**BTA**”), between Agrawal Steel Structures (India) Private Limited (“**Target**”/ ”**Agarwal**”) and the Acquirer.
2. As submitted by the Acquirer, the proposed combination relates to the acquisition by the Acquirer, on a slump sale basis, of the tower business of the Target



comprising of designing, manufacturing and commissioning of towers and provision of services related to installation of towers, which may be used for power transmission or telecommunications or for substation structures (**‘Tower Business’**). As a result of the proposed combination, the manufacturing capacity of the Acquirer will increase by 4,96,000 MT per annum. The current manufacturing capacity of the Acquirer is 2,40,000 MT per annum.

3. It is noted that in a previous combination notice, bearing Combination Registration No.C-2015/06/287, Agarwal acquired Tower Business of Sujana Towers Limited (**‘Sujana’**) on a slump sale basis. The Commission had approved the said transaction on 19<sup>th</sup> August 2015<sup>1</sup>.
4. The Acquirer, a company incorporated under the Companies Act, 1956, is engaged in the Tower Business. It is the holding company of the BS group, which is engaged in, *inter alia*, the Tower Business and trading of minerals. The Target, a company incorporated under the Companies Act, 1956, is stated to be engaged in the Tower Business.
5. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 (**‘Combination Regulations’**), vide letter dated 29<sup>th</sup> October 2015, the Acquirer was required to remove certain gaps in the notice and furnish certain information by 4<sup>th</sup> November 2015. The Acquirer filed its response on 23<sup>rd</sup> November 2015 after seeking extension of 13 working days.
6. From the submissions made by the Acquirer, it is noted that, post combination, the market share of the Acquirer in the Tower Business in India would be less than 15%. Further, there are number of players present in the Tower Business including players such as Adhunik Alloys, Jyoti Structures, KEC International, Icomm Tele, Kalpataru Power etc. which would provide competitive constraint to the Acquirer.

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<sup>1</sup>It had been stated by Agarwal that at the time of filing of the said notice, there was no clarity with respect to the proposed combination relating to purchase of the Tower Business of the Target by BS Limited, as the discussions were ongoing and no definitive documents had been executed with regards to the proposed combination. Thus, the proposed acquisition in the present combination includes the assets of the Target acquired from Sujana.



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7. With respect to the vertical relationship between the parties, it has been submitted that there exists no vertical arrangement/relationship between the parties to the combination.
8. As aforementioned, post-combination, the market share of the Acquirer would not be significant and there is no vertical link between the the parties. Further, there are various other players in the Tower Business in India which would provide competitive constraint to the Acquirer.
9. Considering facts on record, details provided in the notice 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 the proposed combination is not likely to have an appreciable adverse effect on competition in India and, therefore, the Commission approves the proposed combination under sub-section (1) of Section 31 of the Act.
10. This Order shall stand revoked if, at any time, information provided by the Acquirer is found to be incorrect.
11. The Secretary is directed to communicate to the Acquirer accordingly.