



**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No. C-2016/08/420)

**Dated: 14.09.2016**

**Notice under Section 6(2) of the Competition Act, 2002 given by JSW Energy Limited**

**CORAM:**

Mr. Devender Kumar Sikri  
Chairperson

Mr. S. L. Bunker  
Member

Mr. Sudhir Mital  
Member

Mr. Augustine Peter  
Member

Mr. U. C. Nahta  
Member

Dr. M. S. Sahoo  
Member

Mr. G. P. Mittal  
Member

**Legal Representatives of the parties:** M/s Cyril Amarchand Mangaldas

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

1. On 12.08.2016, the Competition Commission of India (“**Commission**”) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”) filed by JSW



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- Energy Limited (“**JSWEL**” or “**Acquirer**”). The notice has been filed pursuant to execution of a Securities Purchase Agreement (“**SPA**”) on 18.07.2016 between JSWEL, Jaiprakash Power Ventures Limited (“**JPVL**”), Bina Power Supply Limited (“**BPSL**”) and Jaypee Group Employees Welfare Trust.
2. The proposed combination relates to (a) transfer of a 500 MW operational coal fired thermal power plant at BPSL, Madhya Pradesh (“**Target Asset**”), currently owned by JPVL, to BPSL on a going concern basis pursuant to a scheme of arrangement; and (b) subsequent acquisition of 100 per cent stake in the BPSL by JSWEL.
  3. JSWEL, a listed public limited company, was incorporated under the provisions of the Companies Act, 1956. It is stated to be inter alia engaged in the business of power generation, power trading & power transmission, mining and equipment manufacturing.
  4. JPVL is a listed public limited company and is a subsidiary of Jaiprakash Associates Limited. JPVL is in the business of planning, developing, implementing and operating power projects in India and is primarily engaged in power generation through thermal and hydroelectric power projects. Further, it is in the power transmission business through its subsidiary Jaypee Powergrid Limited.
  5. It is observed that there is horizontal overlap between the Acquirer and JPVL as they are both engaged in generation of power in India. However, the combined market share of the Acquirer and the Target Asset, in terms of installed capacity is insignificant to raise competition concerns. Further, the Commission observes that there are many public sector undertakings and private players engaged in the power generation business in India like National Thermal Power Corporation Ltd., Maharashtra State Power Generation Company Ltd., Adani Power Limited and Tata Power Limited.
  6. It is also noted that the Acquirer is engaged in the downstream markets of power transmission and power trading. However, considering the fact that the Target Asset operates in power generation only, the proposed combination is not likely to change the extent of vertical integration of the Acquirer and consequently, the competition dynamics of downstream markets of power transmission and power trading are also likely to remain unchanged.



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7. Considering the facts on record and details provided in the Notice given under sub-section (2) of section 6 of the Act 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 appreciable adverse effect on competition in India and therefore, hereby approves the same under sub-section (1) of section 31 of the Act.
8. This order shall stand revoked if, at any time, the information provided by the Parties is found to be incorrect.
9. The information provided by the Acquirer is confidential at this stage in terms of and subject to provisions of Section 57 of the Act.
10. The Secretary is directed to communicate to the Acquirer accordingly.