



COMPETITION COMMISSION OF INDIA

(Combination Registration No.C-2017/03/496)



Fair Competition
For Greater Good

2nd May, 2017

Notice under Section 6 (2) of the Competition Act, 2002 given by Venture Lighting India Limited

Coram:

Devender Kumar Sikri

Chairperson

Sudhir Mital

Member

U. C. Nahta

Member

G.P. Mittal

Member

Legal Representatives of the parties: Chandhiok & Associates

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

1. On 24th March 2017, the Competition Commission of India (“**Commission**”) received a notice given by Venture Lighting India Limited (“**VL India**”/“**Acquirer**”) under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”). The notice has been filed pursuant to an Agreement dated 23.02.2017 entered into between VL India and GE India Industrial Private Limited (“**GEIPL**”/“**Seller**”) (hereinafter the Acquirer and Seller are collectively referred as “**Parties**”).
2. The Proposed Combination involves asset transfer, through which the Target Business (collectively defined as certain assets pertaining to the Seller’s electrical lighting business in India) will be acquired by VL India from GE India Industrial Private Limited. (“**Proposed Combination**”).



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3. The Proposed Combination has been filed under sub-section 2 of Section 6 read with Section 5(a)(i)(A) of the Act.
4. VL India, a company registered under the provision of the Companies Act, 1956 is a subsidiary of Advanced Lighting Technologies Inc. It is engaged in the business of manufacture and sale of electrical lighting products and related accessories. As stated in the notice, it derives a major part of its revenues from exports.
5. GEIPL, a private limited company incorporated under the provision of the Companies Act, 1956, engaged in business operations in various segments including software, infrastructure, electrical lighting products, oil and gas, water and process technologies, industrial solutions, transportation and energy.
6. The Commission observed that there is a horizontal overlap between the products offered by the Parties in respect of different types of electrical lighting products *viz* ‘*electric lamps*’, ‘*fittings or luminaires*’ and ‘*accessories or components*’.
7. The Commission noted that the Proposed Combination broadly pertains to electrical lighting products in India, with the possibility of further sub segmentaion *viz*; ‘*electric lamps*’, ‘*fittings or luminaries*’ and ‘*accessories and components*’. In view of the fact that the combined market share of Parties is not significant irrespective of the level at which the market is defined, the exact definition of the relevant market may be left open.
8. The Commission noted that in the market for ‘*electrical lighting products*’ in India, VL India had a market share in the range of 0-5% and GEIPL had a market share of in the range of 0-5%, thus the combined market share of the Parties is less than 5% in FY 2015-16. Further, in each of the market for ‘*electric lamps*’, ‘*fittings or luminaries*’ and ‘*accessories and components*’, the combined market share of Parties would be less than 5%, in FY 2015-16. The Commission also noted that there are significant competitors present in the market for electrical lighting products in India such as Philips Lighting India Limited, Surya Roshni Limited, Bajaj Electricals Limited, Havells India Limited and Crompton Greaves Consumer Electricals Limited *etc.* which will continue to offer significant competitive constraints to the Acquirer post-combination.



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9. The Commission noted that the Acquirer and Seller are engaged in a vertical relationship in relation to electric lamps in India. The Acquirer has submitted that VL India supplied minimal quantities of electrical lamps to GEIPL during FY 2015-16. The Commission noted that the vertical relationship between the Parties is not likely to have appreciable adverse effect on competition in India in either the upstream or downstream markets.
10. Considering the facts on record and the details provided in the notice given under sub-section (2) of Section 6 of the Act and on basis of the assessment of the proposed combination, the Commission is of the opinion that the proposed combination is not likely to have appreciable adverse effect on competition in India and therefore, the Commission, hereby, approves the same under sub-section (1) of Section 31 of the Act.
11. This order shall stand revoked if, at any time, the information provided by the parties is found to be incorrect.
12. The information provided by the parties is confidential at this stage in terms of and subject to provisions of Section 57 of the Act.
13. The Secretary is directed to communicate to the parties accordingly.