



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2020/09/772)

13th October, 2020

Notice under Section 6 (2) of the Competition Act, 2002 filed by Adani Green Energy Twenty Three Limited.

CORAM:

Mr. Ashok Kumar Gupta
Chairperson

Ms. Sangeeta Verma
Member

Mr. Bhagwant Singh Bishnoi
Member

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

1. On 21st September, 2020, the Competition Commission of India (**Commission**) received a notice under Section 6(2) of the Competition Act, 2002 (**Act**), filed by Adani Green Energy Twenty Three Limited (**Acquirer**). The notice has been filed pursuant to the execution of a Securities Purchase Agreement amongst the Acquirer, Adani Green Energy Ten Limited (**AG10L**) and Adani Green Energy Limited (**AGEL**) on 19th September, 2020
2. The Proposed Combination envisages indirect acquisition of 100% equity shareholding of TN Urja Private Limited, Essel Urja Private Limited, PN Renewable Energy Limited, PN Clean Energy Limited, KN Indi Vijaypura Solar Energy Private Limited, KN Bijapura Solar Energy Private Limited, KN Muddebihal Solar Energy Private Limited, KN Sindagi Solar Energy Private Limited, Essel Bagalkot Solar Energy Private Limited, Essel Gulbarga Solar Power Private Limited [Collectively, referred to as **Target Companies**]. Currently, the Target companies are wholly owned by AGE10L, which in turn is a wholly owned subsidiary of AGEL.



3. The Acquirer is a joint venture between AGEL and Total Solar Singapore Pte. Ltd. (**TSSG**) of Total Group, of which, Total SE (**Total**) is the ultimate parent entity. In India, Total Group is engaged in wholesale supply of crude oil; manufacturing batteries for power; railway; telecom and aviation markets; operating photovoltaic plants and production of electricity; manufacturing and selling automotive and industrial lubricants; marketing of coolants for automotive and industrial applications; importing, storing and marketing LPG; marketing of special fluids/plasticizers; manufacturing and marketing of bitumen products and importing products for automobile industry such as aluminium parts and pipes; wholesale supply of natural gas; LNG shipping; and regasification of LNG.
4. The formation of the Acquirer as a joint venture Transaction between TSSG and AGEL was approved by the Commission *vide* Order dated 1st April, 2020 in case no. C-2020/03/736. In the said case, the parties undertook that the instant transaction is interconnected to the combination notified in terms of Regulation 9(4) and (5) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (**Combination Regulations**) and therefore, they would give separate notice. Accordingly, the parties undertook to file another notification under Section 6 of the Act upon executing the concerned binding transaction agreements.
5. Both the Acquirer group and Target Companies are engaged in the business of power generation through renewable sources including solar energy in India. The power generated by them are sold to its customers or power procurers under long-term power purchase agreements.
6. The Proposed Combination would result in Total acquiring joint control over the Target Companies. As a result, the control of AGEL over the Target Companies will reduce from sole to joint control.
7. Total has shareholding in Total Eren Holding (**Total Eren**), which in-turn owns interest in a joint venture entity *viz.* EDEN Renewables India LLP (**Eden JV**), which is also engaged in solar power generation in India.



8. It is observed that the Acquirer, Eden JV and Target companies exhibit horizontal overlap in the business for power generation at broader level, power generation from renewable sources at a narrower level and in particular, the solar power. However, the combined market shares of the Parties for generation of power in India is insignificant based on installed capacity as well as the units of power generated in their projects. The combined market share of the parties in the narrower businesses segments for power generation from renewable sources and solar power, in India, are also less than 5% and less than 10%, respectively. In these business segments, the incremental market share as a result of the Proposed Combination is also insignificant due to the limited presence of the Target Companies in power generation business. Thus, the Proposed Combination is not likely to raise any competition concern
9. Considering the material on record including the details provided in the Notice and the assessment of the Proposed Combination based on factors stated in Section 20 (4) of the Act, the Commission is of the opinion that the Proposed Combination is not likely to have any appreciable adverse effect on competition in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.
10. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
11. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
12. The Secretary is directed to communicate to the Acquirer accordingly.