



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2019/12/714)

11th March, 2020

Notice under Section 6 (2) of the Competition Act, 2002 filed by Greenko Mauritius

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 23rd December, 2019, Competition Commission of India (“**Commission**”) received a notice under Section 6(2) of the Competition Act, 2002 (“**Act**”), filed by Greenko Mauritius (“**Greenko / Acquirer**”). The notice has been filed pursuant to the execution of Term Sheet dated 26th November, 2019 (“**Term Sheet**”) between Asian Infrastructure Pte. Ltd. (“**AIPL**”), Varuna Investments (“**Varuna**”), Indus Clean Energy (India) Private Limited (“**ICEPL**”), Asian Genco TUL Pte. Ltd. (“**AGTUL**”) and Greenko and share purchase agreement(s) have also been executed to give effect to the proposed combination.
2. The proposed combination relates to an acquisition of approximately 35% of the issued and paid-up equity share capital of Teesta Urja Limited (“**TUL/Target**”) by Greenko (directly or indirectly), by way of secondary purchase of shares held by existing shareholders of TUL i.e. (i) Asian Genco Pte. Limited, (ii) Indus Clean Energy (India)



Private Limited, (iii) Athena Projects Private Limited, and (iv) APPL Power Private Limited. (“**Proposed Combination**”).

3. The Commission *vide* its letter dated 17th January, 2020 issued under Regulation 14(3) of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 (“**Combination Regulations**”) sought certain information from the Acquirer, *inter alia*, regarding overlaps, shareholding structure of certain entities and delineation of market. The Acquirer submitted the response on 14th February, 2020, after seeking extension of time. As the response submitted by the Acquirer was not complete, the Commission again *vide* its letter dated 21st February, 2020 asked the Acquirer to submit the complete information. The complete response was submitted by the Acquirer on 26th February, 2020.
4. The Acquirer in its above mentioned response dated 14th February, 2020 also submitted certain additional information under Regulation 16(1) of the Combination Regulations.
5. Greenko, incorporated in Mauritius, is a wholly-owned subsidiary of Greenko Energy Holdings (“**GEH**”). Greenko has investments in a portfolio of companies engaged in power generation that operate solar, hydropower, wind, biomass, and gas plants in India. It operates various projects under the names, *i.e.* Greenko, Orange, Skeiron and SunEdison in India.
6. GEH, incorporated in Mauritius, has many subsidiaries based in India, Mauritius and Singapore. The principal activity of Indian subsidiaries is owning, developing, constructing and maintaining power projects in India. GEH is further owned by



Cambourne Investment Private Limited¹ (belonging to GIC Group²), GVL Group³ and Green Rock B 2014 Limited⁴ holding 63.95%, 20.01% and 16.04% stake respectively.

7. GIC Group has an investment in GVK Energy Limited, which operates in the power generation business in India.
8. ADIA, a public institution established by the Government of the Emirate of Abu Dhabi, has an investment in ReNew Power Limited, which operates in the power generation business in India.
9. TUL, an enterprise in which Government of Sikkim holds 60% of share capital through its company Sikkim Power Investment Corporation Limited, was incorporated on 11th March, 2005. It is a special purpose vehicle incorporated for the purpose of the implementation of 1200 Mega Watt (“MW”) hydro power project in Sikkim. The principal activity of TUL is generation and sale of bulk power. TUL has only one subsidiary company *i.e.* Teestavalley Power Transmission Limited (“TPTL”), a joint venture with Power Grid Corporation of India Ltd (“PGCIL”), which is involved in transmission of power.
10. It is submitted in the Notice that the overlaps are identified based on the activities of TUL (including its subsidiary) and (i) GEH, (ii) GIC Group and (iii) ADIA Group. The Acquirer, GEH, GIC Group and ADIA group (directly or indirectly) are present in generation of power (through various sources) in India. The Target is also present in generation of power (hydropower only) and transmission of power. [Hereinafter, Acquirer, GEH, GIC Group, ADIA Group and TUL are collectively referred to as “Parties”]

¹ Cambourne is wholly-owned by GIC Infra Holdings Private Limited, which in-turn is a wholly-owned subsidiary of GIC (Ventures) Private Limited

² Group of investment holding companies managed by GIC Special Investments Private Limited (“GICSI”)

³ GVL Group is comprised of Greenko Ventures Limited, GVL Investments Limited, GVL (Mauritius) Limited, GVL Management Services Limited, and Horizons Capital Partners Limited, in each of which Mr. Anil Kumar Chalamalasetty and Mr. Mahesh Kolli have a beneficial interest. The ultimate beneficial owners of GVL Group are Mr. Anil Kumar Chalamalasetty and Mr. Mahesh Kolli.

⁴ Green Rock is acting in its capacity as trustee of the Green Stone A 2014 Trust established by deed of settlement between Abu Dhabi Investment Authority (“ADIA”) and Green Rock for the benefit of ADIA.



11. Based on the submissions, it is observed that the Parties exhibit horizontal overlaps at the broader level of total power generation in India and at a narrow level in (i) all sources for power generation except Renewable Energy Sources (“RES”) (which includes thermal, nuclear and large hydro projects⁵) [“**sub-segment 1**”] and (ii) hydro power generation (only large hydro projects) [“**sub-segment 2**”]. It was submitted that small hydro power projects (upto installed capacity of 25 MW) are categorized under RES by Central Electricity Authority (“CEA”).
12. Further, it is also stated in the Notice that *“All hydro projects are traditionally renewable in nature. Since Hydro Power projects upto the capacity of 25 MW stands allocated to Ministry of New and Renewable Energy (MNRE), only these are categorised as renewable energy source. Thus, the categorisation was on the basis of allocation of work and not on the renewable nature of source. One of the measures formulated by (Ministry of Power) in the proposal for “Revival of hydro power sector” includes declaring all hydro projects as renewable irrespective of their size and capacity.”* Accordingly, the Commission also considered and assessed the market for all hydro power generation *i.e.* large hydro projects as well as small hydro projects are classified under RES category [“**sub-segment 3**”].
13. The Commission decided to leave the delineation of the relevant market open as it was observed that the Proposed Combination is not likely to cause an appreciable adverse effect on competition in any of the possible alternative relevant markets.
14. Based on the submission by the Acquirer, the assessment has been carried out in terms of installed capacity and actual generation in each of the segment/ sub-segment mentioned above. It is observed that, in terms of installed capacity, the combined market share of the Parties is [0-5%] in total power generation segment and sub-segment 1; and [5-10%] in sub-segment 2 and sub-segment 3. The incremental market shares in each of the segment/sub-segments in [0-5%]. In terms of actual generation, the combined

⁵ Large hydro projects include projects with installed capacity greater than 25 MW only.



- market shares of the Parties as well as incremental market shares is [0-5%] in each of the segment/sub-segment.
15. With regards to vertical and complementary relationship, it has been submitted that none of GVL Group, GIC Group and ADIA Group have an investment in another enterprise engaged in any activity relating to the production, supply, distribution, storage, sale and service or trade in products or provision of services which is at different stages or levels of the production chain as that of TUL.
 16. However, Sneha Kinetic Power Projects Private Limited (“**Sneha Kinetic**”), an entity belonging to GEH, is engaged in generating hydropower in the State of Sikkim. Sneha Kinetic, on a temporary basis⁶ has been granted interim connectivity arrangement, to connect to the inter-state transmission line of TPTL until the original transmission scheme envisaged by the State of Sikkim is implemented. Accordingly, power generated by Sneha Kinetic (in the upstream market of power generation in India) may be considered as an input for TPTL (in the downstream market for power transmission in India). However, it is an interim connectivity and the arrangement is temporary in nature.
 17. 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.
 18. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
 19. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.

⁶ Pursuant to an order of Central Electricity Regulatory Commission dated 3rd December, 2014



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20. The Secretary is directed to communicate to the Acquirer accordingly.