



सत्यमेव जयते



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2019/12/709)

27th December, 2019

Notice under Section 6(2) of the Competition Act, 2002 jointly filed by My Home Constructions Private Limited, Jupally Real Estate Developers Private Limited and Dr. Rameswar Rao Jupally

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 12th December, 2019, the Competition Commission of India (**Commission**) received a notice (**Notice**) under Section 6(2) of the Competition Act, 2002 (**Act**), jointly filed by My Home Constructions Private Limited (**MHCPL**), Jupally Real Estate Developers Private Limited (**JREDPL**) and Dr. Rameswar Rao Jupally (collectively referred to as **Acquirers**). The Notice has been given pursuant to the execution of the share purchase agreement *inter alia* between My Home Industries Private Limited (**MHIPL/ Target**), CRH India Investments B.V. (**CRH/ Seller**) and the Acquirers on 6th December, 2019.
2. The Proposed Combination envisages acquisition of 50% of the shareholding of the Target by the Acquirers from the Seller. As per the agreement, the Seller will sell its shareholding to the Acquirers, over a period of time as agreed in the transaction documents and will exit the Target. As the result of the Proposed Combination, the My Home Group would enjoy sole control over the Target.
3. The Acquirers are part of the My Home Group, which is active in variety of sectors including construction and real estate development, manufacturing and supply of grey cement, power consultancy, power generation, power trading, media and broadcasting, pharmaceutical and education. Dr. Rameswar Rao Jupally is the promoter of My Home Group.



4. MHCPL, operating under the brand name 'My Home' is engaged in the business of construction of residential and commercial projects and real estate development. It is also present in transportation and logistics sector and caters to the need of the Target in transporting cement and raw materials. JREDPL is also a part of My Home Group, which is not presently engaged in any business activity.
5. MHIPL is also part of My Home Group and is an equally held joint venture between the Seller and the My Home Group. It is engaged in manufacturing and supply of grey cement. MHIPL is also engaged in power generation activities from waste heat and solar power sources for captive consumption.
6. CRH, registered in Amsterdam, is engaged in manufacture and supply of range of building materials and products used in construction and maintenance of infrastructure, housing and commercial projects. The company has operations in various countries and in India, it is present through its 50% shareholding in the Target.
7. The Acquirers are present in India in manufacture and supply of grey cement only through their equity shareholding in the Target. It has been observed that the products/services offered by the parties do not exhibit horizontal overlap.
8. The Acquirer Group is *inter alia* engaged in logistics, construction and generation of power and related consultancy services. As per the details provided, the power generation and logistics activities of the Parties are substantially for captive consumption within the My Home Group. As regards the cement manufacturing and construction activities of My Home Group, it is observed that its projects are largely operating in the state of Telangana. Several other real estate developers and cement brands are in operation in the said territory and the business presence of the My Home Group is not such as to give rise to any competition concerns.



9. Considering the material on record including the details provided in the Notice and the assessment of the Proposed Combination on the basis of 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. The Commission however notes that the scope of non-compete covenants, as envisaged in transaction documents/agreements, is not ancillary to the Proposed Combination.
10. This order shall stand revoked if, at any time, the information provided by Acquirers is found to be incorrect.
11. The information provided by Acquirers is confidential at this stage, in terms of and subject to the provisions of Section 57 of the Act.
12. The Secretary is directed to communicate to the Acquirers, accordingly.