



**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No.C-2021/11/880)

**29<sup>th</sup> December, 2021**

**Notice under Section 6(2) of the Competition Act, 2002 filed by Worldone Private 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 15.11.2021, Competition Commission of India (**Commission**) received a notice under Section 6(2) of the Competition Act, 2002 (**Act**) filed by Worldone Private Limited (**Worldone/Acquirer**) in relation to acquisition of 96.42% equity shareholding in Jindal Power Limited (**JPL /Target**) (**Proposed Combination**). In the notice, JPL is stated to be a subsidiary of Jindal Steel & Power Limited (**JSPL /Seller**).
2. The notice has been filed pursuant to execution of the amended and restated Share Purchase Agreement (**SPA**) between the Seller, Acquirer, and the Target on 07.08.2021 [Hereinafter, Acquirer and Target are collectively referred to as '**Parties**'].
3. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 (**Combination Regulations**), the Commission, *vide* its communication dated 06.12.2021, sought certain



information(s)/clarification(s), *inter alia*, on the intra-group transaction; response to the same was received on 13.12.2021 (**Response**). Further, a clarification in relation to Response was sought and the same was received on 17.12.2021.

4. Worldone is a private limited company incorporated in India. It is an investment holding company and presently has shareholding in various entities, including the Target. The shareholding of the Acquirer is held by Mr. Naveen Jindal and his family (collectively, **Acquirer Group**).
5. The Acquirer Group has shareholding in multiple companies. It has been submitted that amongst other Acquirer Group entities, JSPL, and Nalwa Steel and Power Limited (**Nalwa**) are engaged in the business of manufacturing steel and captive thermal power generation. It is also submitted that residual power – post captive use is only sold by JSPL and Nalwa does not sell any residual power to any third party. Further, it is submitted that JSPL operates two transmission lines. The transmission facility is primarily utilised by JSPL to allow the transmission of power in its steel manufacturing plants in JSPL and Nalwa. However, apart from the captive usage, the transmission facilities are also used to transmit power to OP Jindal Industrial Park (**OPJIP**). It is mentioned that OPJIP is a JSPL entity (indirectly controlled by Naveen Jindal family group / Acquirer Group) which houses multiple factories/ business facilities.
6. JSPL is also engaged in the business of distributing power to OPJIP. It is stated that JSPL does not distribute power to any other entity apart from OPJIP. In addition, JSPL is also engaged in the businesses of mining (iron ore mines), and infrastructure. As part of its steel business, JSPL has integrated steel plants in Chhattisgarh and Odisha. Further, JSPL operates a pellet plant in Odisha and a wire rod mill and bar mill in Jharkhand. As an extension of the steel business, JSPL also has presence in the construction solutions business.



7. JPL is a company incorporated in India. It is a subsidiary of JSPL and belongs to JSPL Group. It is stated that JSPL is controlled by the Naveen Jindal Family group / Acquirer Group. Therefore, JPL is also indirectly controlled by the Naveen Jindal Family group / Acquirer Group. JPL is engaged in the business of generating thermal power by using coal as a fuel source.
8. It is submitted that there are no horizontal overlaps between the activities undertaken by the Acquirer / Acquirer Group and the Target. However, based on the submissions, it is noted that there are overlaps between the activities of Acquirer/ Acquirer Group and the Target in relation to (a) coal-based power generation and (b) transmission of power.
9. It is submitted in the notice that the relevant market for the Proposed Combination may be defined as (i) the market for power generation in India (**Broad Relevant Market**); (ii) Market for coal-based thermal power generation in India (**Narrow Relevant Market**); and (iii) Transmission of Power in India (**Relevant Market for Transmission**).
10. In relation to vertical relationship, the Parties have submitted that the activities of the Target and Acquirer Group that may constitute actual and / or potential vertical overlaps considering the nature of activities are:
  - i) the activities carried on by the target in coal-based power generation in India (**upstream business activity**) and JSPL in the mid-stream segment for transmission of power in India (**downstream business activity**) (**Vertical Overlap 1**);
  - ii) the activities carried on by the Target and JSPL, wherein the Target is engaged in the mid-stream segment for transmission of power in India (**upstream business activity**) and JSPL in the downstream segment for distribution of power in the state of Chhattisgarh (**downstream business activity**) (**Vertical Overlap 2**) ;
  - iii) the activities carried on by the Target and JSPL, wherein the target is engaged in coal-based power generation in India (**upstream business activity**); and JSPL in



the downstream segment for distribution of power in the state of Chhattisgarh  
**(downstream business activity) (Vertical Overlap 3).**

11. The Commission decided to leave the precise delineation of the relevant market(s) open as it was observed that the Proposed Combination, is not likely to cause an appreciable adverse effect on competition in any of the plausible relevant market(s) that could be delineated.
12. Based on the submissions of Parties it is noted that the combined market share of Parties in terms of installed production capacity, units generated and revenue sales is insignificant in Broad/Narrow Relevant Market identified above. Further, the combined market share of the Parties in the Relevant Market for Transmission is miniscule. Also, there are other players present such as NTPC, Adani Power, MAHAGEN Co, TATA Power in Broad/Narrow Relevant Market and PGCIL in the Relevant Market for Transmission. In any case, it is noted that the power generation capacity and the transmission infrastructure is mainly used by Acquirer/Acquirer Group for the captive purposes. Further, based on the submissions of Parties, it is noted that the presence of Parties is not significant in any of the upstream/ downstream business activities as identified in relation to Vertical Overlap 1, Vertical Overlap 2 and Vertical Overlap 3, to raise any competition foreclosure concern in India.
13. Considering the facts on record, 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 Proposed Combination is not likely to have an appreciable adverse effect on competition in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.
14. This order may stand revoked if, at any time, the information provided by the Parties' is found to be incorrect.



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15. The information provided by the Parties shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
16. The Secretary is directed to communicate to the Parties', accordingly.