

COMPETITION COMMISSION OF INDIA

02nd February, 2012

Combination Registration No. C-2012/01/18

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

1. On 2nd January, 2012, the Competition Commission of India (hereinafter referred to as “**Commission**”) received a notice jointly filed by Taco Composites Limited (hereinafter referred to as “**TACOCL**”) and Tata AutoComp Systems Limited (hereinafter referred to as “**TACO**”) under sub-section (2) of Section 6 of the Competition Act, 2002 (hereinafter referred to as “**Act**”).
2. The said notice relates to a proposed combination wherein TACOCL would amalgamate into TACO pursuant to implementation of a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 approved by the board of directors of TACOCL and TACO through separate resolutions both dated 15th December, 2011.
3. The proposed combination falls under Section 5 (c) of the Act.
4. 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**”), on 6th January, 2012, TACOCL and TACO were required to provide certain information/document(s) which was furnished by them on 27th January, 2012.
5. TACO is an unlisted public limited company incorporated under the Companies Act, 1956. As stated in the notice, TACO is engaged in design and development, moulding, painting, assembling and sequencing of plastic parts for commercial vehicles, automobiles, three-wheelers, two-wheelers, tractors, bulldozers and excavators, etc. The major product lines of TACO include gears, transmission axles, joints, springs, chains, frames, chassis, engines, goods, instruments, appliances and apparatus, equipment, components and accessories. TACO also carries business to act as engineering consultants and technical advisors in the after sales service of products manufactured by TACO and to undertake manufacturing, engineering, tooling, supply chain management, logistics, process improvements, electronics, after-market sales and services, e-business or such similar activities.
6. TACOCL is an unlisted public limited company incorporated under the Companies Act 1956. As stated in the notice, TACOCL is engaged in the business of designing, developing, moulding, painting, assembling, engineering, manufacturing and selling various parts manufactured using sheet moulded composites (“**SMC**”) and bulk moulded composites (“**BMC**”) having application in several sectors like transport, automotive, electrical, electronics, telecommunication, building and construction industry. The major product lines of TACOCL include fenders, bumpers and engine hoods for commercial vehicles, engine hoods for tractors, compound for electrical appliances and headlamp reflectors.



7. Further, as per details provided in the notice and other submissions on record, TACOCL is a wholly-owned subsidiary of TACO and TACO is a subsidiary of TATA Sons. Also, Tata Sons is the principal investment and holding company of various Tata companies.
8. It is observed that the products / services of TACOCL and TACO are not similar or substitutes to each other. Further, the ultimate control over the activities of TACOCL would continue to be managed by TACO subsequent to the implementation of the scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 and the proposed combination is not likely to have any adverse competition concern.
9. Considering the facts on record and the details provided in the notice given under sub-section (2) of Section 6 of the Act and the assessment of the proposed combination, the Commission is of the opinion that the proposed combination is not likely to have an appreciable adverse effect on competition in India and therefore, the Commission hereby approves the proposed combination under sub-section (1) of the Section 31 of the Act.
10. This approval is without prejudice to any other legal/statutory obligations as applicable.
11. This order shall stand revoked if, at any time, the information provided by TACO and TACOCL is found to be incorrect.
12. The Secretary is directed to communicate to TACO and TACOCL accordingly.



Certified True Copy

[Handwritten signature]
8/7/12

ANIL K. VASHISHT
Office Manager
Competition Commission of India
New Delhi