

Summary

(Under Regulation 13(1B) of the Competition Commission of India Procedure in Regard to the Transaction of Business Relating to Combinations) Regulations, 2011.

The Parties to the Proposed Combination

- NLC India Limited (**NLC**)
- Damodar Valley Corporation (**DVC**)
- NLC DVC Energy Limited (**JVC**)

(NLC India Limited and Damodar Valley Corporation are collectively referred to as the Acquirers.)

Type of Combination

1. The Proposed Combination is pursuant to a Joint Venture Agreement (**JVA**) dated 10 August 2016, entered into between NLC and DVC for the purpose of acquiring shareholding in a joint venture company proposed to be incorporated with the name NLC DVC Energy Limited (the **JVC**) and held in the ratio of 74:26 percent respectively by NLC and DVC. Pursuant to the JVA, DVC will transfer the 2 X 600 MW power plant situated at Raghunathpur, Purulia District, West Bengal (the **Project**), to the JVC.
2. The transfer of the Project by DVC is proposed to be effected through the following steps:
 - a. Currently, the Project is housed in DVC. DVC will transfer the Project to the JVC prior to the closing of the Proposed Combination.

- b. The said transfer from DVC to the JVC will take place in the form of a slump sale on a going concern basis.

Area of Activities of the Parties to the Proposed Combination

NLC

3. NLC is a Navaratna enterprise of the Government of India engaged in mining of lignite and generation of power. NLC was established by the Government of India in 1956, following the discovery of lignite deposits in Neyveli, Tamil Nadu.
4. NLC comes under administrative control of Ministry of Coal, Government of India, and serves as an important source of power generation to various states across India including the states of Tamil Nadu, Andhra Pradesh, Karnataka, Kerala, Telangana, Rajasthan and Union Territory of Puducherry.
5. NLC has a total installed capacity (including its subsidiaries) of 4287.5 MW.

DVC

6. DVC is a statutory corporation set up pursuant to the Damodar Valley Corporation Act, 1948. It operates several power plants in the Damodar valley area of West Bengal and Jharkhand states of India. It is under the administrative control of the Ministry of Power, Government of India. DVC is headquartered in the city of Kolkata, West Bengal, India. DVC has developed and expanded its infrastructure to six thermal power stations (with a total installed capacity of 7410

MW) and three hydro-electric power stations with a capacity of 147.2 MW which contribute to a total installed capacity of 7557.2 MW.

The Relevant Market to which the combination relates

7. It is submitted that for the purposes of this Notice, the relevant market may be assessed as “*business of power generation in India*”.