



सत्यमेव जयते



Fair Competition
For Greater Good

COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2014/03/157)

03.04.2014

Notice u/s 6 (2) of the Competition Act, 2002 given by:

- *Vault Bermuda Holding Company Limited*

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

1. On 5th March, 2014, the Competition Commission of India (hereinafter referred to as the “**Commission**”) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002, given by Vault Bermuda Holding Company Limited (‘**Acquirer**’).
2. 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**’), vide letter dated 12th March, 2014, the Acquirer was required to remove defects and furnish certain information/document(s) regarding the notice, by 19th March, 2014. The response to the same was provided by the Parties on 21st March, 2014 after seeking an extension.
3. The proposed combination relates to the acquisition of the industrial packaging division (‘**IPG**’) of the Illinois Tool Works Inc. (‘**ITW**’) pursuant to the execution of a Stock Purchase Agreement (‘**SPA**’), between the Acquirer, ITW and some of the subsidiaries of ITW including SPG Netherlands Holdings C.V. (‘**Target**’), which is the holding company of Signode India Limited (‘**Indian target**’). Accordingly, the Indian target is the step down subsidiary of the ITW. After the proposed combination takes effect, ITW will have no interest in the Indian Target and the latter will become a subsidiary of the Acquirer.
4. The proposed combination falls under Section 5(a) of the Act.



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5. The Acquirer is incorporated in Bermuda, as a special purpose vehicle for the purposes of the proposed combination, and is owned and controlled by the funds managed by the Carlyle Group (**'Acquirer group'**), a diversified multi-product global alternative asset management group.
6. The Target, organized under the laws of the Netherlands, is one of the subsidiaries of ITW, which has been vested with the IPG of ITW, as per the Global Separation Agreement entered into between ITW and some of its subsidiaries in order to effect the separation and sale of the IPG of ITW. ITW is engaged in the diversified businesses of a range of industrial products and equipments with operations at global level. Its businesses in industrial packaging segment produce steel, plastic and paper products and equipment used for bundling, shipping and protecting goods in transit. The Indian target is also engaged in the business of industrial packaging and its products include steel and plastic strapping, wrapping, taping, protective packaging, consumables and equipment.
7. As per the details provided in the notice, it is observed that the Acquirer group does not have investment in the industrial packaging segment in India. Further as stated in the notice, some of the portfolio companies of the Acquirer group may be consumers of the industrial packaging and related equipments, however, none of these companies in India had purchased any such products from the Indian target in the years 2012 and 2013.
8. 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 on the basis of the factors stated in sub-section (4) of Section 20 of the Act, 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 same under sub-section (1) of Section 31 of the Act.



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9. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
10. The Secretary is directed to communicate to the Acquirer accordingly.

(Ashok Chawla)
Chairperson

(Geeta Gouri)
Member

(Anurag Goel)
Member

(M. L. Tayal)
Member

(S.L. Bunker)
Member