



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2014/05/172)

25.6.2014

Notice u/s 6(2) of the Competition Act, 2002 given by UD Industrial Holding Pte Ltd.

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

1. On 16th May 2014, the Competition Commission of India ('**Commission**') received a notice under sub-section (2) of Section 6 of the Competition Act, 2002, ('**Act**') by UD Industrial Holding Pte. Limited. ('**UD Industrial**' or '**Acquirer**'). The notice has been filed pursuant to the Share Purchase Agreement ('**SPA**') executed among the Liberty Steel Holdings Pte. Ltd ('**Liberty Singapore**'), Liberty Fe Trade DMCC ('**Liberty Dubai**'), Liberty Commodities Limited UK ('**Liberty UK**') and the Acquirer on 11th April, 2014.
2. The Commission in its meeting held on 27th May 2014, admitted the belated notice under Regulation 7 of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 ('**Combination Regulations**'). It was also decided by the Commission that the period of thirty days and two hundred ten days as mentioned in the sub regulation (1) of Regulation 19 of the Combination Regulations and sub-section (2A) of Section 6 of the Act respectively shall be computed from the day on which the belated notice has been admitted by the Commission.
3. The proposed combination relates to acquisition of shares of Uttam Galva Metallics Limited ('**UGML**') by the UD Industrial from Liberty Singapore, Liberty Dubai and Liberty UK. The Acquirer currently holds 19.10 per cent of the issued equity share capital of UGML. Liberty Singapore, Liberty Dubai,



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and Liberty UK currently hold 11.02 per cent, 12.10 per cent and 2.67 per cent of equity share capital of UGML respectively. Post combination, the Acquirer's shareholding will increase up to 44.35 per cent. The proposed combination falls under Section 5 (a) of the Act.

4. In terms of Regulation 14 of Combination Regulations, of the Competition Commission of India vide letter dated 10th June, 2014, the Acquirer was required to remove certain defects and provide information/document(s) latest by 16th June, 2014. The Acquirer submitted their final reply vide letter dated 16th June, 2014.
5. UGML is a part of the Uttam group of Companies promoted by Miglani family. It manufactures pig iron and other products at its facility located at Wardha, Maharashtra. UD Industrial is an investment company based in Singapore.
6. As observed earlier UGML is involved in the production of pig iron whereas UD Industrial is an investment company which mainly invests in metal manufacturing companies and is currently not engaged in the production of pig iron in India. UGML has insignificant market share in production of pig iron in India. As stated in the notice, some of the companies of UD Industrial group deal with the trading business of ferrous metals including pig iron in India, however the same is insignificant to raise any competition concern. The Acquirer also holds 23.62 per cent equity share capital of India Steel Works Limited, which is however engaged in the business of stainless steel in India. As stated in the notice, the Acquirer also holds 9.62 per cent in Uttam Value Steel Limited ('UVSL'), another company of Miglani family which is engaged in the business of steel manufacturing. However, the vertical relationship between the UGML and UVSL has been of a very insignificant nature. In view of the foregoing, the proposed combination is not likely to raise any competition concern in India.



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7. Considering the facts on record and the 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 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.
8. This approval is without prejudice to any other legal/statutory obligations as applicable.
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

(M.L.Tayal)
Member

(S. L. Bunker)
Member



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(Sudhir Mital)

Member

(Augustine Peter)

Member