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## COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2014/10/214)

05.12.2014

### Notice u/s 6 (2) of the Competition Act, 2002 (“Act”) given by Essex Development Investments (Mauritius) Limited

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

1. On 13<sup>th</sup> October 2014, the Competition Commission of India (“**Commission**”) received a notice under sub-section (2) of Section 6 of the Act, given by Essex Development Investments (Mauritius) Limited (“**Essex**”) pursuant to share purchase agreement dated 11<sup>th</sup> September 2014 (“**SPA**”) entered into between Essex, Chatterjee Petrochem (Mauritius) Company (“**CPMC**”), West Bengal Industrial Development Corporation Limited (“**WBIDC**”), Government of West Bengal and Haldia Petrochemicals Limited (“**HPL**”).
2. As per the information provided in the notice, the proposed combination relates to acquisition of 260 million equity shares constituting around 15.4 per cent of the equity share capital of HPL by Essex from WBIDC. Essex is a part of the Chatterjee Group (“**TCG**”), which through its affiliate/associate companies namely CPMC, India Trade (Mauritius) Limited (“**ITML**”) and Winstar India Investment Company Limited, PCC (“**Winstar**”) holds 39.54 percent of equity share capital of HPL. The shareholding of TCG in HPL, post combination, would increase to around 55 per cent.
3. Essex is an investment company registered in Mauritius. TCG is a diversified group with interests in various sectors, including real estate, life sciences and information technology.
4. HPL, a company incorporated under the provisions of the Companies Act, 1956, is engaged in the business of manufacture and sale of petrochemical related products.



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5. In terms of Regulation 14 of Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (“**Combination Regulations**”), certain defects in the notice were communicated to Essex on 13<sup>th</sup> October 2014. Further, vide letter dated 17<sup>th</sup> October 2014, Essex was required to remove defects and provide complete information in terms of Regulation 14 of the Combination Regulations. Essex submitted its reply on the due date, i.e. 28<sup>th</sup> October 2014. As the aforesaid reply of Essex still contained defects, vide letter dated 30<sup>th</sup> October 2014, Essex was required to remove the defects and provide complete information. Essex submitted its reply on the due date, i.e. 10<sup>th</sup> November 2014. Additionally, Essex also submitted certain information on 17<sup>th</sup> November 2014 and 5<sup>th</sup> December 2014 respectively.
6. From the information provided in the notice, it is observed that the proposed combination would result in sole control of TCG over HPL. Further, none of companies belonging to TCG including Essex and CPMC, or their portfolio companies have any other investment in the petrochemical industry apart from HPL. Therefore, there is no horizontal overlap or vertical arrangement between HPL and CPMC, Essex or TCG.
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 the assessment of the combination after considering the relevant factors mentioned 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 appreciable adverse effect on competition in India and therefore, the Commission hereby approves the proposed combination 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 Essex is found to be incorrect.



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10. The Secretary is directed to communicate to Essex accordingly.