



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2014/12/229)

Date: 20.01.2015

Notice under Section 6 (2) of the Competition Act, 2002 given by:

- Bradken Operations Pty. Limited**

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

1. On 10.12.2014, the Competition Commission of India (“**Commission**”) received a notice (“**Notice**”) under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”) given by Bradken Operations Pty. Limited (“**Bradken**” or the “**Acquirer**”). The notice was filed pursuant to the execution of a Business Transfer Agreement between Bradken and Larsen & Toubro Limited (“**L&T**”) on 11.11.2014.
2. The proposed combination relates to the acquisition by Bradken of an undertaking of L&T located in Coimbatore which is engaged in the manufacture and sale of grey iron and/or spheroidal graphite iron castings in India (“**Target Undertaking**”). It has been mentioned in the notice that the Target Undertaking primarily caters to the requirements of entities engaged in wind energy industry.
3. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (“**Combination Regulations**”), vide letter dated 18.12.2014, the Acquirer was required to remove certain defects and provide information/document(s). The response of the Acquirer in this regard was received on 29.12.2014.
4. Bradken, a company incorporated under the laws of Australia, is stated to be directly or indirectly engaged in the manufacture or supply of differentiated capital and consumable products to the mining, transport, general industrial and contract manufacturing markets globally. It is a wholly-owned subsidiary of Bradken Limited, another company incorporated under the laws of Australia and listed on the Australian Stock Exchange. Bradken Limited is stated to be the Australia’s leading combined foundry and heavy engineering and ferrous-casting company. It has a vast



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network of manufacturing facilities and sales & service centres throughout Australia, New Zealand, China, United States of America and the United Kingdom.

5. L&T is a public limited company engaged in the business of technology, engineering, construction, manufacturing goods and financial services. It has operations in over 50 countries. It is stated to have manufacturing units across the globe, including India, the Gulf, South-East Asia, Australia and the United Kingdom. L&T's major lines of business consist of the infrastructure business; power business; metallurgical & material handling business; heavy engineering business; electrical & automation business; hydrocarbon business; and machinery and industrial products business.
6. The proposed combination falls under Section 5 (a) of the Act.
7. It is observed from the information given in the notice that Bradken Limited has no presence in India, either directly or indirectly, through subsidiaries, joint ventures and associate companies or in any other manner. Further, at present, it does not hold any assets in India or derive any turnover from India. Therefore, it is noted that there is no horizontal or vertical overlap between the business activities of Bradken Limited and Target Undertaking in the foundries market or in any other market in India.
8. As per information given in the notice, it is also observed that the market share of the Target Undertaking in the foundry business in India is negligible. Moreover, there are other entities engaged in manufacturing products similar to those of the Target Undertaking.
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 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



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hereby approves the proposed combination under sub-section (1) of 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 the Acquirer is found to be incorrect.
12. The Secretary is directed to communicate to the Acquirer accordingly.