



सत्यमेव जयते



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2021/05/841)

12 July 2021

Notice under Section 6(2) of the Competition Act, 2002 given by Summit India (Tripura) Pte. Ltd.

CORAM:

Mr. Ashok Kumar Gupta
Chairperson

Ms. Sangeeta Verma
Member

Mr. Bhagwant Singh Bishnoi
Member

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

1. On 28 May 2021, the Competition Commission of India (**‘Commission’**) received a notice under Section 6(2) of the Competition Act, 2002 (**‘Act’**), given by Summit India (Tripura) Pte. Ltd. (**‘Acquirer / SIT’**). The notice was given pursuant to the Share Purchase Agreement (**‘SPA’**) dated 15 February 2021, executed between India Infrastructure Fund – II (**‘Seller’**) and the Acquirer.
2. The proposed combination relates to the acquisition of 23.5 per cent equity share capital of the ONGC Tripura Power Company Limited (**‘Target’**) by the Acquirer from the



Seller (**Proposed Combination**). The Acquirer and the Target are collectively referred to as '**Parties**'.

3. In terms of Regulations 14(3) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 ('**Combination Regulations**'), the Commission, *vide* communication dated 23 June 2021, sought certain information / clarifications from the Acquirer regarding the overlaps and activities of the Parties. The response was submitted by the Acquirer on 28 June 2021.
4. The Acquirer is a company incorporated under the laws of Singapore. It is a wholly owned subsidiary of Summit Power International Limited ('**SPIL**'). The ultimate holding entity of the Acquirer is Pioneer Generation Holdings Pte. Ltd. ('**PGH**'), a company incorporated in Singapore. PGH group is engaged in developing, owning and operating power-generating assets. It is headquartered in Singapore and has a presence in Bangladesh. PGH group has 78 per cent shareholding in SPIL. Remaining 22 per cent shares of SPIL are held by JERA Power International B.V. ('**JERA**') with right to appoint two directors on the board of SPIL.
5. The Target is a public limited company incorporated under the laws of India. It is engaged in the business of generation and supply of electricity through a 726.6 MW natural gas fired power plant situated at Palatana, Tripura, supplying power in the region of North-East India. The Target holds a 26 per cent stake in the North East Transmission Company Limited ('**NETCL**'), which is engaged in the transmission of electricity.
6. It is submitted in the notice that the Target and its affiliates are engaged in: (i) generation and supply of electricity and (ii) transmission of electricity in India, whereas PGH group, including the Acquirer (directly or indirectly), are not present in the power sector in India. However, JERA (through its wholly owned subsidiary JERA Power RN BV) has an indirect shareholding of 9.07 per cent along with the right to appoint a director in ReNew Power Private Limited ('**ReNew**'), which is engaged in the business of generation electricity.



7. The Parties have submitted that the Target and ReNew are present in the market of power generation in India. The Target is engaged in the segment of generation of power from non-renewable sources (*i.e.*, natural gas) whereas ReNew is engaged in the segment for generation of power from renewable sources, *i.e.*, solar and wind.
8. The Commission decided to leave the delineation of the relevant market open, as it was observed that the Proposed Combination is not likely to cause an appreciable adverse effect on competition in any of the relevant markets.
9. Based on the submission of the Acquirer, it is noted that the combined market share of the Target and ReNew in the market of power generation in India is [0–5%]. Further, there are no existing vertical / complementary relationships between the Target and ReNew. With regard to the potential vertical / complementary relationships, it is submitted in the notice that Target's joint venture NETCL has a transmission line between Palatana, Tripura and Bongaigaon, Assam, which was set up specifically for the purpose of evacuation of power from the plant, whereas ReNew has power plants in Rajasthan, Tamil Nadu, Andhra Pradesh, Madhya Pradesh, Gujarat, Karnataka, Maharashtra and Telangana, where NETCL does not have any transmission lines. Further, the power generated by ReNew is not transmitted to the North-East region, where the Target operates. Accordingly, based on the foregoing, it appears that the Proposed Combination is not likely to foreclose competition in any market.
10. Considering the material on record, including the details provided in the notice and the assessment of the Proposed Combination based on the factors stated in Section 20(4) of the Act, the Commission is of the opinion that the Proposed Combination is not likely to have any appreciable adverse effects on competition in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.
11. This order shall stand revoked if, at any time, the information provided by the Parties is found to be incorrect.



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12. The information provided by the Parties shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
13. The Secretary is directed to communicate to the Parties accordingly.