



**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No. C-2016/07/414)

**9<sup>th</sup> August 2016**

**Notice under Section 6 (2) of the Competition Act, 2002 given by Cinepolis India Private Limited**

**CORAM:**

Mr. Devender Kumar Sikri  
Chairperson

Mr. S.L. Bunker  
Member

Mr. Sudhir Mital  
Member

Mr. Augustine Peter  
Member

Mr. U.C. Nahta  
Member

Mr. M.S. Sahoo  
Member

Mr. G.P. Mittal  
Member

**Legal Representative:** JSA Advocates & Solicitors, New Delhi

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

1. On 4<sup>th</sup> July 2016, the Competition Commission of India (hereinafter referred to as the “**Commission**”) received a notice given by Cinepolis India Private Limited (hereinafter referred to as “**Cinepolis India**”) under sub-section (2) of Section 6 of the Competition Act, 2002 (hereinafter referred to as “**Act**”).
2. The Commission, in its earlier order dated 4<sup>th</sup> May 2016 passed in Combination Registration No.:C-2015/07/288 under Section 31(7) of the Act, had approved the



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combination relating to acquisition by PVR Limited (“**PVR**”) of film exhibition of DLF Utilities Limited (“**DUL**”), subject to compliance to the commitments offered by PVR and DUL and compliance with the modification ordered by the Commission. As part of modification of the combination, DUL was required to submit within 30 days of the date of the issue of the order, an undertaking to the effect that it will ensure that DT Savitri Assets and DT Saket Assets would continue to provide effective competition to PVR either by continuing to operate DT Savitri and DT Saket Assets by itself or by selling/leasing or transferring these assets to an effective and viable competitor after obtaining Commission’s approval for the same. Pursuant to the undertaking filed by DUL, DUL, on 15<sup>th</sup> June 2016, informed the Commission that it proposes to sell its DT Savitri Assets and DT Saket Assets to Cinepolis India.

3. The current notice has been filed pursuant to execution of a Business Transfer Agreement dated 8<sup>th</sup> June 2016 entered into between Cinepolis India and DUL. (Hereinafter, Cinepolis India and DUL are collectively referred to as “**Parties**”).
4. The proposed combination relates to acquisition of business of operating and maintaining cinema theatres/multiplexes of DUL, located at DT Saket (6 screens) and DT Savitri GK-II (1 screen) by Cinepolis India, as a going concern on a slump sale basis.
5. The proposed combination has been filed under Section 5(a) of the Act.
6. Cinepolis India, a company incorporated under the Companies Act, 1956, is engaged in the business of developing, operating and managing cinema theatres/multiplex theatres in India. It has been stated in the notice that Cinepolis India operates 226 screens in India. At present, Cinepolis India operates five multiplexes with a total of 17 screens from 5 locations in Delhi/New Delhi.
7. DUL, a company incorporated under the Companies Act, 1956 is a subsidiary DLF Limited which is engaged in the business of providing and maintaining commercial office and retail properties, electricity generation and distribution, development of real estate viz. residential and commercial spaces, marketing and advertising in commercial and retail properties including that of operating and maintaining cinema theatres/ multiplex in India.
8. As regards to relevant product market and relevant geographic market, while placing reliance on case of Combination Registration No.:C-2015/07/288, Cinepolis India has



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submitted that relevant product market is the '*market for exhibition of films in multiplex theatres and high end single screen theatres*' and that the relevant geographic market is '*South Delhi region*'. Accordingly, the relevant market has been defined '*market for exhibition of films in multiplex theatres and high end single screen theatres in South Delhi region*'. In the present case, the Commission observed that the exact definition of relevant market may be left open as the proposed combination does not give rise to competition concern irrespective of the manner in which the market is defined.

9. With regard to horizontal overlap between the Parties, Commission noted that Cinopolis India does not have any operations in the South Delhi region whereas DUL operates a multiplex cinema theatre at DT Saket and a single screen theatre at DT Savitri in South Delhi region. Thus, there is no horizontal overlap between the Parties. The Commission further noted that there is no vertical relationship between the Parties.
10. Considering facts on record, and details provided in the notice and assessment of the combination on the basis of factors stated in sub-section (4) of Section 20 of the Act, the Commission is of the opinion that 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.
11. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
12. The information provided by the Acquirer is confidential at this stage in terms of and subject to provisions of Section 57 of the Act.
13. The Secretary is directed to communicate to the Acquirer accordingly.