



**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No. C-2016/07/416)

**27<sup>th</sup> September 2016**

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

- Siemens Aktiengesellschaft.
- Gamesa Corporacion Tecnologica, SA

**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

**Legal Representative:** M/s Vinod Dhall – TT&A

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

1. On 15<sup>th</sup> July 2016, the Competition Commission of India (hereinafter referred to as the "**Commission**") received a notice jointly given by Siemens Aktiengesellschaft ("**Siemens**") and Gamesa Corporacion Tecnologica, SA ("**Gamesa**"), under sub-section (2) of Section 6 of the Competition Act, 2002 ("**Act**"). (Hereinafter, Siemens and Gamesa are collectively referred to as "**Parties**".) The notice in respect of the proposed combination has been filed pursuant to the execution of a Merger Agreement dated 17<sup>th</sup> June 2016 between the Parties.



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2. The proposed combination comprises of the following three steps:

Step 1: Siemens to carve out and transfer its wind power business to Spanish HoldCo, an entity incorporated for the purpose of the proposed combination.

Step 2: Spanish HoldCo to transfer its assets and liabilities to Gamesa and merge into Gamesa, the surviving entity.

Step 3: Siemens to be issued shares, representing 59 percent of the total share capital of Gamesa, in exchange for its stake in Spanish HoldCo (existing shareholders of Gamesa to hold remaining 41 per cent).

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**'), the Parties, vide Commission's letter dated 9<sup>th</sup> August 2016, were required to provide certain information relating to overlaps and non-compete; response to the same was provided on 16<sup>th</sup> August 2016 and 15<sup>th</sup> September 2016.

4. Siemens, an entity incorporated in Germany, is the ultimate parent company of the Siemens group of companies. It provides products and services, *inter alia*, relating to renewable energy solutions (including wind turbines for offshore and onshore applications and solutions), repairs and maintenance for gas steam and wind turbines, transmission and distribution of electrical power, hardware, software and technology based services for different industries. In India, Siemens focuses on electrification, automation, digitalization and healthcare solutions through a number of entities registered in India. It has been stated in the notice the Siemens is not active in the supply of wind farms, including wind turbines in India.

5. Gamesa, an entity incorporated in Spain, is *inter alia*, engaged in the manufacture, sales as well as operation and maintenance of wind turbines and development of wind farms. In India, Gamesa operates through a number of entities registered in India and is engaged in supply of wind turbines, development, sale of wind farms and operation and maintenance of facilities.

6. A per notice, there are no horizontal overlaps between the parties in India. In this regard, the Commission observes that Siemens is not active in the supply of wind turbines in India. Furthermore, Parties have stated that there are a number of competitors such as Vestas,



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GE/Alstom, Suzlon, Wind World (India) Limited, Kenersys (GE), Global Wind Power Limited, Regen Power Tech and Leitwind, providing similar products and services in relation to wind turbines in India.

7. With regards to servicing and maintenance of wind turbines, it has been stated in the notice that while Siemens provides services only for its own turbines; however, Gamesa occasionally provides maintenance services in relation to third party turbines, but this activity is negligible.
8. Further, as stated in the notice, there are no vertical relationships between the Parties in respect of wind power business and that the potential vertical relationships, if any, may not give rise to competition concern.
9. Considering the facts on record and the 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-section (1) of section 31 of the Act.
10. This order shall stand revoked if, at any time, the information provided by the Parties is found to be incorrect.
11. The information provided by the Parties is confidential at this stage in terms of and subject to provisions of Section 57 of the Act.
12. The Secretary is directed to communicate to the Parties accordingly.