



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2021/07/853)

9th August 2021

Notice under Section 6(2) of the Competition Act, 2002 jointly given by Suraksha Realty Limited and Lakshdeep Investments and Finance Private Limited

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 16th July 2021, the Competition Commission of India ('**Commission**') received a notice under Section 6(2) of the Competition Act, 2002 ('**Act**'), jointly given by Suraksha Realty Limited ('**Suraksha**') and Lakshdeep Investments and Finance Private Limited ('**Lakshdeep**') [Hereinafter collectively referred to as '**Acquirers**'/'**Resolution Applicants**']. The notice was filed pursuant to the submission of the Resolution Plan ('**RP**') dated 7th June 2021 by the Acquirers under the Corporate Insolvency Resolution Process ('**CIRP**') read with addendum to the RP dated 9th June 2021.



2. The proposed combination, *inter alia*, involves subscription of 100% of the equity share capital of Jaypee Infratech Limited ('**JIL**'/ '**Target**') by the Acquirers under CIRP after reducing the existing equity share capital of the Target to nil by way of capital reduction ('**Proposed Combination**') [Hereinafter, Acquirers and Target are collectively referred to as '**Parties**']. The Acquirers had filed a notice in relation to the CIRP of the Target in December 2019 as well, but the same was withdrawn by them on account of non-selection of their resolution plan as a successful resolution plan by the committee of creditors of the Target.
3. Suraksha, a public unlisted company, is engaged in real estate development and construction of residential and commercial projects through joint ventures with various developers in and around Mumbai. As submitted, Suraksha has constructed and delivered almost 3.30 million sq. ft. area across Mumbai and Thane, Maharashtra.
4. Lakshdeep is registered as a non-banking financial company ('**NBFC**') with the Reserve Bank of India ('**RBI**'), with investments in various companies engaged in lending and real estate activities in Mumbai. Lakshdeep also holds shares in Sun Pharmaceuticals Industries Limited and Sun Pharma Advanced Research Company Limited.
5. Both Suraksha and Lakshdeep are part of Suraksha Group. Suraksha Group, through the Acquirers and other group entities, has presence, *inter alia*, in the areas of real estate, revival of stressed assets, financial services, power generation infrastructure and pharmaceuticals.
6. JIL, a public limited company, is part of the Jaypee Group. JIL is a Special Purpose Vehicle incorporated to undertake the Yamuna Expressway Project, which was awarded by the Yamuna Expressway Industrial Development Authority to Jaiprakash Industries Limited, another Jaypee Group company. JIL has presence in the areas of real estate and healthcare. Its assets include, *inter alia*, (i) development rights over 6,175 acres of land along the Yamuna Expressway at five locations, viz., Noida, Jaganpur, Mirzapur,



Tappal and Agra for residential, commercial, amusement, industrial and institutional purposes; and (ii) hospitals in Uttar Pradesh in Noida, Chitta and Anoopshahar.

7. The Commission observed that the activities of the Parties exhibit horizontal overlaps in the real estate business in India at a broader level. Within India, the Acquirers and their group entities are engaged in real estate development in residential and commercial spaces in Mumbai and Thane and have no operations outside the state of Maharashtra, and the Target is engaged in real estate development and construction in Uttar Pradesh. The Commission observed that the presence of the Parties is not significant to result in any appreciable adverse effect on competition in any plausible narrowly defined market at the city/state level or broader pan-India market and accordingly, decided that the question of exact delineation of the relevant market in this case can be left open.
8. As submitted, none of the parties to the combination and/or their respective group entities are engaged, directly or indirectly, in any activity relating to the production, supply, distribution, storage, sale and service or trade of products or provision of services at different stages or levels of the production chain in which any other party to the combination is involved, considering all plausible alternative(s) and/or complementary activities.
9. 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 effect on competition in India.
10. This order shall stand revoked if, at any time, the information provided by the Acquirers is found to be incorrect.
11. The information provided by the Acquirers shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.



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12. The Secretary is directed to communicate to the Acquirers accordingly.