



सत्यमेव जयते



आज़ादी का  
अमृत महोत्सव



Fair Competition  
For Greater Good

भारतीय प्रतिस्पर्धा आयोग  
COMPETITION COMMISSION OF INDIA

By e-mail and/or speed post

26<sup>th</sup> September 2024

Combination Registration. No.: C-2024/07/1169

सेवा में/To,

Mr. Vijay Pratap Singh Chauhan  
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Mr. Pranjal Prateek  
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Sector 16B, Noida, Uttar Pradesh - 201301  
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**Subject: Notice filed under sub-section (2) of Section 6 of the Competition Act, 2002 (bearing registration No. C-2024/07/1169)**

कृपया प्रतिस्पर्धा अधिनियम, 2002 की धारा 6(2) के अंतर्गत Dixon Technologies (India) Limited (DTIL) and Aditya Infotech Limited (AIL), द्वारा दिये गये धारित संयोजन पंजीकरण सं. सी-2024/07/1169 एवं दिनांक 10.09.2024 के पत्र संख्या सी-2024/07/1169/3629/3630 का संदर्भ लें जिसमें आपको भारतीय प्रतिस्पर्धा आयोग (संयोजनों के संबंध में कारबार के संव्यवहार से संबंधित प्रक्रिया) विनियम, 2011 के विनियम 28 (5) के अंतर्गत प्रस्तावित संयोजन पर आयोग के दिनांक 10.09.2024 के अनुमोदन से अवगत कराया गया था।

2. इस अनुमोदित संयोजन से संबंधित विस्तृत आदेश इस पत्र के साथ संलग्न है।

3. कृपया पावती भेजें।

Please refer to notice bearing Combination Registration No. C-2024/07/1169 jointly given by Dixon Technologies (India) Limited (DTIL) and Aditya Infotech Limited (AIL) under Section 6(2) of the Competition Act, 2002 and letter no. C-2024/07/1169/3629/3630 dated 10.09.2024 wherein the approval of the Commission dated 10.09.2024 on the proposed combination was intimated to you under Regulation 28(5) of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011.

2. The detailed order in regard to this approved combination is enclosed herewith.

3. Please acknowledge the receipt.

  
सचिव/Secretary

संलग्नक/Encl: यथोपरि/As above



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Fair Competition  
For Greater Good

## COMPETITION COMMISSION OF INDIA

Combination Registration No. C-2024/07/1169

10<sup>th</sup> September 2024

**Notice under Section 6(2) of the Competition Act, 2002 jointly given by Dixon Technologies (India) Limited and Aditya Infotech Limited**

### CORAM:

Ms. Ravneet Kaur  
Chairperson

Mr. Anil Agrawal  
Member

Ms. Sweta Kakkad  
Member

Mr. Deepak Anurag  
Member

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

1. On 26<sup>th</sup> July 2024, the Competition Commission of India ('**Commission**') received a notice ('**Notice**') under sub-section (2) of Section 6 of the Competition Act, 2002 ('**Act**') jointly given by Dixon Technologies (India) Limited ('**DTIL**') and Aditya Infotech Limited ('**AIL**'). The Notice was filed pursuant to the execution of the Share Subscription and Purchase Agreement amongst DTIL, AIL and AIL Dixon Technologies Private Limited ('**ADTPL**') ('**SSPA**') and Shareholders' Agreement amongst DTIL, AIL and other shareholders of AIL ('**SHA**'), both dated 8<sup>th</sup> July 2024 [Hereinafter, DTIL and AIL are collectively referred to as the '**Notifying Parties**'; and Notifying Parties and ADTPL are collectively referred to as the '**Parties**']].





2. The Proposed Combination envisages the following steps:  
*Step 1:* Subscription of 6.50% equity share capital of AIL, on a fully diluted basis, by DTIL; and  
*Step 2:* Acquisition of 50% shareholding of ADTPL, currently held by DTIL, on a fully diluted basis by AIL, as a consideration for Step 1.
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, *vide* letter dated 5<sup>th</sup> August 2024, certain information and clarifications were sought from the Notifying Parties. The Notifying Parties submitted the response dated 9<sup>th</sup> August 2024. Since the response was not complete, another letter was issued on 21<sup>st</sup> August 2024 and the response dated 27<sup>th</sup> August 2024 was furnished by the Notifying Parties.
4. DTIL is a listed company involved in the business of providing Electronics Manufacturing Services ('EMS') for communication devices, lighting solutions, television, washing machines, wearables and hearables, printed circuit boards for air conditioners, telecom & networking products, set-top boxes, Electronic Security Systems ('ESS'), etc. ESS encompasses a variety of technologies and devices designed to protect individuals, property, and information from unauthorised access, theft, damage, or other security threats. ESS, *inter alia*, comprises various products/components such as Closed-Circuit Television ('CCTV'), digital video recorders, network video recorders, Internet Protocol cameras, video door phones, bio metrics, etc. DTIL provides EMS for ESS only through its joint venture with AIL, viz. ADTPL.
5. DTIL along with its affiliates constitute the '**DTIL Group**' with DTIL being its ultimate parent entity. It operates under the 'Dixon' brand in India. One of the affiliates of DTIL, namely Dixon Electro Appliances Private Limited ('DEAPL') is engaged in the provision of EMS for routers. At present, DEAPL manufactures routers exclusively for Bharti Airtel Limited.
6. AIL is an unlisted public company engaged in the business of sourcing, distributing and marketing ESS under its brand name 'CP Plus' and 'Onvigil'. It also acts as an exclusive





dealer for Dahua Technology India Private Limited ('**Dahua India**'), which sells ESS in India under its brand name 'Dahua'. AIL is controlled by members of the Khemka Family. Entities belonging to the Khemka Family are referred to as the '**AIL Group**', with AIL being its ultimate parent entity. AIL is engaged in distribution and sale of routers, which it procures from third-party vendors.

7. ADTPL is a 50:50 joint venture between DTIL and AIL. It is engaged in EMS for ESS for AIL under 'CP Plus' brand. While the ADTPL also provides EMS for ESS to other players as well to a limited extent and on an ad hoc basis, revenue from provision of such *ad hoc* services contribute only a miniscule portion of its total turnover.
8. It is submitted that there is no horizontal overlap between the business activities of the Parties. Further, the Parties exhibit the following vertical overlaps:
  - (a) Potential vertical overlap in the provision of EMS for network devices (*upstream*) by DEAPL and distribution and sale of routers (*downstream*) by AIL;
  - (b) Existing vertical overlap in the provision of EMS for ESS (*upstream*) by ADTPL and distribution and sale of ESS (*downstream*) by AIL.
9. 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 appreciable adverse effect on competition ('**AAEC**') in any of the plausible relevant market(s) in India.
10. Based on the submissions of the Notifying Parties, the Commission noted that the market share, in terms of value, of DEAPL in the provision of EMS for network devices is in the range of [5-10]% and of AIL in distribution and sale of routers is in the range of [0-5]%. Further, the Commission also observed that the market share, in terms of value, of ADTPL in the provision of EMS for ESS is in the range of [0-5]% and of AIL in distribution and sale of ESS is in the range of [20-25]%. There are other players engaged in the sale of ESS in India such as Hikvision, Dahua, Axis Communications and Bosch. Based on the foregoing, it appears that the Proposed Combination is not likely to foreclose competition.





11. 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 AAEC in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.
12. This order may be revoked if, at any time, the information provided by the Notifying Parties is found to be incorrect.
13. The information provided by the Notifying Parties shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
14. The Secretary is directed to communicate to the Notifying Parties accordingly.



**Certified True Copy**

  
धर्मा दसारी / Dharma Dasari  
सहायक निदेशक (सी.एस.) / Assistant Director (CS)  
भारतीय प्रतिस्पर्धा आयोग  
Competition Commission of India  
नई दिल्ली / New Delhi