



**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No C-2020/12/796)

**28<sup>th</sup> January 2021**

**Notice under Section 6(2) of the Competition Act, 2002 given by Indorama India 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 11<sup>th</sup> December 2020, the Competition Commission of India (**‘Commission’**) received a notice under Section 6(2) of the Competition Act, 2002 (**‘Act’**), given by Indorama India Private Limited (**‘IIPL’/‘Acquirer’**). The notice was filed pursuant to the execution of Implementation Agreement (**‘IA’**) dated 12<sup>th</sup> November 2020 executed amongst the Acquirer, Grasim Industries Limited (**‘GIL’/‘Seller’**) and Indorama Corporation Pte. Limited (**‘Indorama Corporation Group’**).
2. As per the notice, the Acquirer proposes to acquire Indo Gulf Fertilisers (**‘IGF’/‘Target Business’**), which is the fertiliser division of GIL, on a slump sale basis. [Hereinafter, IIPL and IGF are collectively referred to as **‘Parties’**.]



3. In terms of Regulation 14(3) of the Combination Regulations, the Commission *vide* communication dated 4<sup>th</sup> January 2021 sought certain information and clarifications from the Acquirer, *inter alia*, on delineation, overlaps and market share. The response was submitted on 8<sup>th</sup> January 2021. The Acquirer also submitted additional voluntary submission on 18<sup>th</sup> January 2021.
4. The Acquirer, a private limited company, is a wholly-owned subsidiary of Indorama Holdings B.V., which is a Netherlands based investment holding company. Indorama Holdings B.V., in turn, is a wholly-owned subsidiary of Indorama Corporation Group. The Acquirer is, *inter alia*, engaged in the manufacture, trading and sale of phosphatic fertilisers, speciality plant nutrients and various grades of Nitrogen, Phosphorus and Potassium ('NPK') based fertilisers. Its manufacturing unit is located at Haldia, West Bengal.
5. The Target Business is a division of the Seller, *i.e.* GIL, which is a part of the Aditya Birla conglomerate. It is, *inter alia*, engaged in the business of manufacture, trading and sale of urea, customised fertilisers, and agri-inputs such as plant and soil health products including speciality fertilisers. The manufacturing facility of the Target Business is located at Jagdishpur Industrial Area, District Amethi.
6. As stated in the notice, the Acquirer manufactures and/or sells Zinc Sulphate Monohydrate (Zn 33%), Granulated Boron, Powdered Boron, Calcium Nitrate, City Compost, Single Superphosphate ('SSP'), Diammonium Phosphate ('DAP'), Phosphate rich organic manure (containing sea-weed extract), different compositions of NPK fertilisers, manure, Muriate of Potash ('MOP'), and sulphuric acid. The Target Business manufactures and/or sells Zinc Sulphate Monohydrate (Zn 33%), Granulated Boron, Powdered Boron, Calcium Nitrate, City Compost, Zinc Sulphate (Zn 21%), certain Customised Fertilisers, Urea, Biostimulants, Bentonite Sulphur, different compositions of



NPK fertilisers, Zinc Oxide (Zn 39.5%), Organic Carbon (14% carbon), plant growth regulators, crop seeds, fungicides, herbicides, and insecticides.

7. The fertiliser market is usually delineated on the basis of (i) nutrients (e.g. Nitrogen, Phosphorus, Potassium, Sulphur, Calcium, Magnesium, Zinc, *etc.*), (ii) composition and method of production (e.g. Urea, DAP, MOP, SSP, *etc.*), (iii) manner of application (e.g. fertilisers that are applied as basal dose/ top dressing or mixed with irrigation water at the farmer's site) and/or (iv) customised fertiliser. On the basis of the 'nutrients', fertilisers can be further divided into primary nutrients (e.g. Nitrogen, Phosphorus), secondary nutrients (e.g. Sulphur) and micro-nutrients (e.g. Calcium, Magnesium). Generally, plants require primary nutrients the most, followed by secondary nutrients and micro-nutrients. Based on composition, fertilisers can further be sub-classified as straight fertilisers (such as urea) and complex fertilisers (such as NPK fertilisers). Further, each fertiliser may also be considered as a separate relevant product market.
8. Based on the submission of the Acquirer, it is observed that the Parties exhibit horizontal overlaps in the broad market of manufacture and/or sale of fertilisers. Further, at a narrower segment, the Parties exhibit overlaps in the segments of primary nutrients of Nitrogen, Phosphorous and Potash and in micro-nutrients of Boron and Zinc. On the basis on composition, both parties are present only in segment for compound NPK fertilisers. Further, considering each fertiliser product separately, the Parties exhibit overlaps in sub-segment of Zinc Sulphate, Powdered Boron, Granulated Boron<sup>1</sup>, Calcium Nitrate and City Compost.
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 an appreciable adverse effect on competition in any of the relevant markets.

---

<sup>1</sup> It is submitted by the Acquirer that Powdered and Granulated Boron are not completely substitutable due to their manner of application.



10. Based on the submission of the Acquirer, it is observed that the combined market share of the Parties is in the range of [11-16]% for micro-nutrient Boron and Granulated Boron. Further, in the segment for primary nutrient Potash, micro-nutrient Zinc, sub-segments of Calcium Nitrate, City Compost and Zinc Sulphate, the combined market share of the Parties is in the range of [5-10]% and the incremental market share is insignificant. In segments/sub-segments of primary nutrients Nitrogen and Phosphorous, compound NPK fertilizers and Powdered Boron the combined market share of the Parties is in the range of [0-5]% and the incremental market share is insignificant. Further, each segment/sub-segment is highly fragmented and characterised by the presence of number of players such as Indian Farmers Fertiliser Cooperative Limited, Coromandel International Limited, KRIBHCO, Rashtriya Chemicals and Fertilizers Limited, Chambal Fertilisers and Chemicals Limited and Dharamsi Morarji Chemical Co. Limited.
11. The Parties have submitted in the notice that they do not any exhibit existing or potential vertical/complementary relationships.
12. 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. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.
13. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
14. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
15. The Secretary is directed to communicate to the Acquirer accordingly.