

**Summary of the Combination as required under section 13(1B) of the Combination Regulations**

**A. Parties to the Combination**

The Parties to the combination are Shell India Markets Private Limited (“**SIMPL**”) as the Seller and Hindustan Colas Private Limited (“**HINCOL**”) as the Purchaser.

**B. Type of Combination**

SIMPL and HINCOL have entered into a Sale and Purchase Agreement dated 23 July 2015 (“**Agreement**”) pursuant to which HINCOL will, on the completion date, acquire SIMPL’s Bitumen Business comprising of emulsion and modified bitumen manufacturing plant located on the land parcels leased by WBIIDC situated at Plot No. 54 (Part), Uluberia Industrial Growth Centre, Dist. Howrah, West Bengal and other assets of SIMPL situated within the precincts of the aforesaid facility at Uluberia and used in connection with the plant for an aggregate of (i) a lump sum consideration of Rs. 11,50,00,000 (Rupees Eleven Crores and Fifty Lakhs Only);(ii) the value of stocks of SIMPL on the completion date in relation to the specialized Bitumen Business, as may be mutually decided between HINCOL and SIMPL; (iii) an amount of Rs 11,41,425 (Rupees Eleven Lakhs Forty One Thousand Four Hundred and Twenty Five only) being the security deposit provided by SIMPL to West Bengal Electricity Distribution Company Limited for the electricity connection at the Uluberia facility; and (iv) an amount of Rs. 40,000 (Rupees Forty Thousand only) as the advance rent till 2034 paid by SIMPL in respect of the leased land. Out of the total consideration, on the date of signing of the Agreement HINCOL has paid

as and by way of a deposit a sum of Rs.4,00,00,000 (Rupees Four Crores Only).

The balance amount will be paid on the date of completion.

For the purposes of the Competition Act, 2002, the said transaction is a combination under section 5 (a)(i)(A) of the Act as the assets of the Parties to the proposed combination exceed Rs. 1,500 Crores and the turnover of the Parties to the proposed combination exceed Rs. 4,500 Crores.

### **C. Area of activities of the parties**

SIMPL and HINCOL manufacture and sell certain modified forms of bitumen (or asphalt) primarily used as alternatives or additives to bitumen used for construction of roads viz., bitumen emulsion, polymer modified bitumen, crumb rubber modified bitumen and bitumen cutbacks. In addition, to the bitumen related business, SIMPL is also engaged in the sale of fuel and lubricants in India, and also runs a research and development center and finance back-office in India which assists various Shell entities and joint ventures across the globe. As a result of the proposed transaction, SIMPL will no longer manufacture bitumen products in India. HINCOL has no other business.

### **D. Relevant Market**

The current combination is limited to the sale and purchase of the Bitumen Business of SIMPL. The products manufactured and sold by the Parties are value added bituminous products and used either as alternatives or as additives to bitumen to increase the performance of the latter. Manufacturing and sale of

bitumen emulsion which comprises of approximately 80 % of the total market for value added bituminous products used for road construction is the main product of the target Bitumen Business. The market of bitumen emulsions has been presented on a conservative basis as forming a separate relevant product market. The relevant geographic market comprise of the states of Bihar, Orissa, Chhattisgarh, West Bengal, Assam, Nagaland, Manipur, Mizoram, Jharkhand, Arunachal Pradesh and Meghalaya.