

SUMMARY UNDER REGULATION 13 (1B)

a. NAME OF THE PARTIES TO THE COMBINATION

- ***NBCC (India) Limited***
- ***Jaypee Infratech Limited (JIL)***

b. THE TYPE OF THE COMBINATION

The combination of NBCC (India) Limited and Jaypee Infratech Limited falls under section 5(a) of the Competition Act, 2002 i.e. Acquisition of control, shares, voting rights of assets of another enterprise.

Expression of Interest for Jaypee Infratech Limited was invited under Regulation 36A(1) of the Insolvency and Bankruptcy (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 dated 25.10.2018. In line with the same, NBCC submitted EOI on 09.11.2018. Provisional List of Prospective Resolution Application (RA's) was issued on - 19.11.2018. With the last date of submission of Objection to the Provisional List on 24.11.2018, Final List of Prospective Resolution Applications (RA's) would be issued on 04.12.2018.

Post the issuance of Final List, NBCC has to submit Resolution Plan within the timelines of EOI by 05.01.2018. After the submission of Resolution Plan, Voting by CoC will take place, and if approved by 66% of the voting share of CoC, the resolution plan shall be put up to NCLT for approval. Estimated date for submission before NCLT - 21.01.2019.

As per section 24 of the Insolvency and Bankruptcy Code (Second Amendment), 2018 , with respect to amendment to section 31 of the principal Act -

"...Provided that where the resolution plan contains a provision for combination, as referred to in section 5 of the Competition Act, 2002, the resolution applicant shall obtain the approval of the Competition Commission of India under that Act prior to the approval of such resolution plan by the committee of creditors"

Therefore in view of the above, prior to the approval of CoC, NBCC (India) Limited seeks approval of the Competition Commission of India.

c. **THE AREA OF ACTIVITY OF THE PARTIES TO THE COMBINATION**

➤ **NBCC (India) Limited**

NBCC incorporated on 15.11.1960 is a public sector Navratna Schedule 'A' company under administrative control of the Ministry of Urban Development (MoUD). Government of India (GoI) owns 74.29% of its shareholding. The Company is listed since April 2012 on both the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited and had a market capitalization of INR 17136 crore as on March 31, 2018(Source: Closing rate of Rs.190.40 at NSE as on 28.03.2018(last trading day of FY 17-18) multiplied by 90 Crores shares as per Annual Report 17-18). NBCC is engaged in the sectors of Project Management and Consultancy (PMC), Real Estate Development & EPC Contracting. NBCC is ISO 9001:2008 certified from the Bureau of Indian Standards in respect of Project Management and Consultancy.

Services of NBCC (India) Limited

✓ **Project Management Consultancy**

Company's PMC business segment includes providing management and consultancy services for a range of Civil Construction Projects including Residential and Commercial Complexes, Re-development of old GPRA Colonies, Hospitals, Educational Institutions, Infrastructure Works for Security Personnel, Border Fencing as well as Infrastructure Projects such as Roads, Water Supply Systems, Storm Water Drainage Systems, Water Storage Solutions and Solid Waste Management Schemes. PMC contribution is about 90.93% in the company's annual revenue.

✓ **Engineering Procurement & Construction**

In this segment, the company is engaged in providing engineering and construction services including design and execution of Chimneys, Cooling Towers, Coal Handling Plants, Roads, Bridges, Flyovers, Metro Stations, Metro Elevated Tracks, Water Treatment Plants, Sewage Treatment Plants, Solid Waste Management Systems, TV Towers, Airports, Runways, Border Fencing etc. The Company assists its clients / owner in getting clearances from various Govt. departments. EPC contribution is about 8.64% in the company's annual revenue.

✓ **Real Estate (RE)**

Company's Real Estate segment focuses on principally two types of projects (i) residential projects such as apartments and townships and (ii) commercial projects such as corporate office buildings and shops. RE contribution is about 0.43% in the company's annual revenue.

➤ **Jaypee Infratech Limited (JIL)**

Jaypee Infratech Limited (JIL) is a subsidiary of JAL, incorporated in 5th April, 2007 as a Special Purpose Vehicle (SPV) to develop, operate and maintain the Yamuna Expressway in the state of Uttar Pradesh, connecting Noida and Agra along with the right to develop 25 million square metres (approximately 6,175 acres) of land along the Yamuna Expressway at five locations for residential, commercial, amusement, industrial and institutional purposes.

Yamuna Expressway

JIL has developed 165 kilometer long Yamuna Expressway along the Yamuna river connecting Noida and Agra.

Planned expressway facilities (some of which will involve third-party service providers):

- ✓ *13 service roads with total length of 168 kilometres are planned to be constructed concurrently with the expressway*
- ✓ *rest areas with parking, shelters and toilets;*
- ✓ *roadside facilities with fuel stations and coffee shops, restaurants, motels and various other facilities; and*
- ✓ *plantation and landscaping for environmental, safety and aesthetic purposes.*

Real Estate Development

JIL has the right to develop 6,175 acres of land with a 90-year lease, which is expected to consist of 1,235 acre parcels, at each of five different locations along the Yamuna Expressway: one location in Noida, two locations in District Gautam Budh Nagar (part of NCR) and one location each in District Aligarh and District Agra.

Jaypee Infratech's Real Estate developments include developments residential use, commercial use, institutional use and open space. Such developments include :

- ✓ *planned, integrated modern residential city*
- ✓ *landscaped parks and gardens*
- ✓ *multiple clubhouses with swimming pools,*
- ✓ *fitness and other recreational and institutional facilities and amenities*
- ✓ *commercial developments*
- ✓ *thematic gardens*
- ✓ *nine-hole chip and putt golf course*
- ✓ *educational facilities ranging from nursery to senior secondary education*

Services provided by Jaypee Infratech through its Subsidiary, Jaypee Healthcare limited:

- ✓ *Cutting edge technology for diagnostics, medical and surgical treatment modalities like: a complement of 150 Critical Care Beds, 15 Modular Operation Theaters, Four Cardiac Catheterization Laboratory, Radiology and Imaging solutions, Radiation Oncology solutions like IGRT, Nuclear Medicine modalities like the PET-CT etc. and shall be amongst the 19 other JCI accredited hospitals in India.*
- ✓ *Centres of Excellence in Cardiology & Cardiac Surgery, Neurology & Neuro Surgery, Orthopedics& Joints, Solid Organ Transplant, Minimal Access Surgery, Oncology (Medical, Surgery & Radiation), Plastic, Aesthetic & Reconstructive Surgery and IVF to name a few*

d. THE RELEVANT MARKET(S)

In the context of NBCC-Jaypee Infratech Limited Combination, the relevant market comprises of major real estate development companies in the domestic market those engaged in carrying similar lines of business. NBCC (India) limited, being a part of Construction sector, deals in PMC, EPC and RE projects involving Residential and commercial projects. On the other hand, JIL is a subsidiary of JAL, incorporated as a Special Purpose Vehicle (SPV) to develop, operate and maintain the Yamuna Expressway in the state of Uttar Pradesh, connecting Noida and Agra along with the right to develop 25 million square metres (approximately 6,175 acres) of land along the Yamuna Expressway at five locations for residential, commercial, amusement, industrial and institutional purposes. Considering the Relevant Market, NBCC and Jaypee Infratech Limited are both involved in providing Real Estate Development Services primarily focusing on residential and commercial developments.

Analysing the relevant market in terms of values of sales, it was observed that the total market size represents roughly around Rs. 18,243.99 Crores out of which the combination of NBCC and JIL represents merely -2.77% of the total market share i.e. -Rs. 506.11 crores.
