

## **SUMMARY OF THE PROPOSED COMBINATION**

*[In terms of Regulations 13 (1A) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations), 2011]*

### **A. Name of the parties to the combination**

1. The names of the parties to the combination are:
  - a. Stone Plant Investments B.V. (**SPI**);
  - b. Imperial Auto Industries Limited (**IAIL**); and
  - c. SJ Rubber Industries Limited (**SJRIL**)
2. SPI, IAIL and SJRIL are collectively referred to as the **Parties**.

### **B. The nature and purpose of the combination**

3. The **Proposed Transaction** involves: (a) SPI's acquisition of 70% of the equity shares of IAIL; and (b) SPI's acquisition of indirect control over the affairs and management of SJRIL.
4. The Proposed Transaction collectively entails the following steps:
  - a. Step 1- IAIL will acquire 100% shareholding in SJRIL, by way of a share swap arrangement, as a condition precedent to SPI's investment in IAIL;
  - b. Step 2- In the first tranche, SPI proposes to acquire 51% of the shareholding of IAIL; and
  - c. Step 3- After a time period of 1 year from Step 2 and as a part of the second tranche, SPI will additionally acquire a 19% shareholding of IAIL.

5. The Proposed Transaction is an acquisition under Sections 5(a)(i)(A) and 5(b)(i)(A) of the Competition Act, 2002.

**C. The products, services and business(es) of the Parties to the combination**

**SPI**

6. SPI is an investment holding company incorporated under the laws of Netherlands and its objective is to hold long-term investments. The shareholders of SPI are certain private equity funds managed by Warburg Pincus LLC. SPI does not have any business presence in India.
7. Warburg Pincus LLC is a member-owned private equity firm headquartered in New York, United States, and acts as a manager to certain private equity funds. The portfolio companies owned by the private equity funds and/or affiliates of such private equity funds, are active in a variety of sectors, including energy, financial services, healthcare and consumer, industrial and business services, technology.

**IAIL**

8. IAIL was incorporated in 1975 and has its registered office in New Delhi. IAIL (along with its subsidiaries and controlled entities) is engaged in the business of manufacturing fluid transmission products for automobile and off-highway sectors (including fluid transmission products for agricultural equipment/ vehicles). IAIL has two wholly-owned subsidiaries outside India called Imperial Auto USA

Corporation (U.S.A) and SB Rohrform Und Schlauchtechnik GmbH (Germany). Further details of IAIL are available at <https://imperialauto.in/>.

## **SJRIL**

9. SJRIL is an Indian company that is engaged in the manufacture and sale of manufactured rubber compounds in India. These rubber compounds are used to make specific products such as rubber hoses. It is clarified that IAIL and SJRIL are currently group companies, having common promoters.

### **D. The respective markets in which the Parties to the combination operate**

10. There are no horizontal overlaps, vertical relationships or complementary relationships between SPI/"Warburg Portcos" (i.e., companies in which certain affiliates and/or private equity funds managed by Warburg Pincus LLC have made investments) and IAIL/SJRIL in India. Absent any such overlaps in India, a delineation of the relevant market is not necessitated and may be left open.

### **E. 'Green Channel' Notification**

11. Given that there are no horizontal overlaps, vertical relationships, or complementary businesses between SPI/Warburg Portcos and IAIL/SJRIL in India, the Proposed Transaction does not raise any risk of an appreciable adverse effect on competition in India and is being notified under the Green Channel route, under Regulation 5A and Schedule III of the Competition

Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011) (as amended).

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