

SUMMARY OF THE PROPOSED COMBINATION

[In terms of Regulation 13 (1A) of the Competition Commission of India (Procedure in regard to the Transaction of Business relating to Combinations), 2011 (as amended)]

A. NAME OF THE PARTIES TO THE COMBINATION

1. Indorama India Private Limited (formerly known as IRC Agrochemicals Private Limited) (**Acquirer**);
2. Grasim Industries Limited (**Seller**); and
3. Indo Gulf Fertilisers (fertiliser division of Grasim Industries Limited) (**Target Business**).

B. NATURE AND PURPOSE OF THE COMBINATION

1. The Proposed Combination is the acquisition of the Target Business by the Acquirer as a going concern on a slump sale basis through a scheme under Sections 230-232 of the Companies Act 2013, in return of a lump-sum consideration from the Acquirer.
2. The Proposed Combination falls within the jurisdictional threshold laid out under Section 5(a)(1)(A) of the Competition Act, 2002.
3. The purpose of the Proposed Combination is as follows:

- a. For the Seller, the purpose of the Proposed Combination is to enable it to release capital and resources to focus and pursue growth in its core business.
- b. For the Acquirer, the purpose of the Proposed Combination is to create value for its shareholders and for allowing it to expand its range of the products.

C. THE PRODUCTS, SERVICES AND BUSINESS(ES) OF THE PARTIES TO THE COMBINATION

1. In India, the Acquirer is principally engaged in manufacture, trading and sale of fertilisers, primarily, phosphatic fertilisers and speciality plant nutrients.
2. The Seller is engaged in production of viscose staple fibre, chlor-alkali, fertiliser (through Target Business), textiles and insulators. Through its subsidiaries it is also engaged in producing cement and providing financial services.
3. The Target Business (a division of the Seller) is principally engaged in manufacture, trade and sale of urea, customised fertilisers, agri-inputs, crop protection, plant and soil health products and specialty fertilizers.

D. THE RESPECTIVE MARKETS IN WHICH THE PARTIES TO THE COMBINATION OPERATE

1. At the outset, the Parties to the Proposed Combination submit that the exact definition of relevant market(s) can be left open as there is no competition concern in any of the identified relevant markets. The markets pertaining to the Proposed Combination are highly regulated with substantial existing competition. The Parties are only trading the overlap products. Moreover, the increase in the market shares on account of the Proposed Combination is not significant.

2. Without prejudice, if the Hon'ble Commission were to require market definitions, the narrowest possible definitions of relevant markets, based on horizontal overlap products identified by the Parties are as follows:
 - a. *market for manufacture and sale Zinc Sulphate (Zinc 33%) in India.*

 - b. *market for manufacture and/or sale of granulated Boron in India*

 - c. *market for manufacture and/or sale of powdered Boron in India.*

 - d. *market for manufacture and sale of Calcium nitrate in India*

 - e. *market for manufacture and sale of city compost in India*

3. There are no existing or potential vertical relationships between the Target Business or the Acquirer.
4. Products of the Acquirer and the Target Business are not complementary in nature.
