

## **Summary of the Combination**

*[In terms of Regulation 13 (1B) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations), 2011, as amended on 1 July 2015]*

### **Name of the Parties to the Combination**

1. The names of the Parties to the Combination are McNally Bharat Engineering Company Limited (“**MBECL**”) and EMC Limited (“**EMC**”) (together, “**the Parties**”).

### **Type of Combination**

2. The Proposed Combination is an acquisition of shareholding in MBECL by EMC through an Investment Agreement dated 30 June 2015. MBECL, the target in the Proposed Combination, is a public listed company currently controlled by the Williamson Magor group (Promoter group) which has 29.73% shareholding in MBECL.
3. The Promoter group, MBECL and EMC have entered into an Investment Agreement through which EMC will subscribe to 19.77% of the share capital of MBECL as per the terms, conditions and provisions set forth in the Investment Agreement.
4. The Proposed Combination will also result in an application under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 pursuant to

which Williamson Magor & Company Limited, a Promoter group company, and EMC will jointly make a public announcement and comply with the open offer process.

5. The Investment Agreement further contemplates that EMC and the Promoter group will be in joint control and management of MBECL.

### **Area of activity of the Parties to the Combination**

6. MBECL's main business activity involves supply of equipment for the generation of power, whereas EMC's business activity is for the supply of equipment for Transmission and Distribution ("**T&D**") of power. MBECL is also active in (i) process projects such as mineral and zinc beneficiation plants; (ii) construction of cement, steel and mining plants; and (iii) infrastructure and construction projects. Other than its T&D offering, EMC is active in railway infrastructure projects. EMC also does electrical automation, and provides electrification for power plants, cement plants etc.

### **Relevant Market(s)**

7. Both Parties are active in the relevant product market for "*supply of electrical equipment for T&D.*" However, the only overlap between the Parties is with respect to the "*supply of Substations up to 400 KV*" which is considered separately as a segment within this overall market. The relevant geographic market is submitted by the Parties to be "*the territory of India*".