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**SUMMARY UNDER REGULATION 13 (1A) 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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**(a) Parties to the Combination**

1. The parties to the combination are:
  - a. Assets Care & Reconstruction Enterprise Limited (**ACRE**), in its limited capacity as the Trustee of each of the Trusts (**ACRE Trusts**);
  - b. ACRE Trusts; and
  - c. Jayaswal Neco Industries Limited (**JNIL**).
2. ACRE and ACRE Trusts are collectively referred to as the **Acquirers**. JNIL is referred to as the **Target**. The Acquirers and the Target are collectively referred to as the **Parties**.

**(b) Nature and purpose of the Combination**

3. The proposed transaction relates to a debt restructuring, leading to an acquisition of certain shareholding in JNIL, through a fresh issuance of shares, by converting part of the existing debt into equity shareholding (**Proposed Transaction**).
4. By way of background, JNIL had availed of various loans and financial assistances (**Existing Facilities**) from certain banks (**Original Lenders**). However, since JNIL was facing liquidity constraints, it became difficult for JNIL to service its debt obligations. Consequently, the Existing Facilities turned Non-Performing Assets in the books of the Original Lenders. Over time, the Original Lenders severally assigned their loans (together with all their rights, title, interests, liabilities, and underlying security interests) to the 11 (Eleven) independent trusts created by ACRE (i.e., the ACRE Trusts). The ACRE Trusts collectively, having ACRE acting as their Trustee, as on date hold 100% (One Hundred per cent) of the outstanding debt of JNIL.
5. In order to acquire the Existing Facilities from the Original Lenders, and as permitted under the Foreign Exchange Management (Debt Instruments) Regulations, 2019, each

ACRE Trust has issued security receipts to certain qualified buyers, against capital received from them.

6. There exist no overlaps between ACRE, the ACRE Trusts, and JNIL. Accordingly, the Proposed Transaction is being filed under Section 5(a) of the Competition Act, 2002 (**Competition Act**) read with Schedule III, sub-regulation (1) of Regulation 5A of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (**Green Channel filing**) introduced by the Hon'ble Competition Commission of India and effective from 15 August 2019.
7. The purpose of the Proposed Transaction is as follows:
  - a. For the Acquirers: The economic and commercial objective of the Proposed Transaction is (i) to receive repayment of the debt as restructured pursuant to the Proposed Transaction; and (ii) to restructure the debt by converting a part of the debt into equity.
  - b. For the Target: By way of the conversion of part debt into equity, JNIL will reduce its post-restructured debt, boost its net worth, and reduce future debt servicing on the converted portion of debt while retaining management control and majority equity shareholding with the existing promoters.

**(c) Products, services and businesses of the Parties to the Combination**

ACRE

8. ACRE is registered with the Reserve Bank of India as an asset reconstruction company, under the Securitization and Reconstruction of the Financial Assets and Enforcement of Security Interest Act, 2002 (**SARFAESI Act**). It is primarily engaged in the acquisition and recovery of bad loans of banks and financial institutions. ACRE does not have any operations outside India.

ACRE Trusts

9. The ACRE Trusts were each set up for the purpose of acquiring the Existing Facilities from each of the Original Lenders. The ACRE Trusts have been set-up by ACRE for the

purposes of, and in accordance with, the SARFAESI Act. Therefore, the ACRE Trusts do not carry out any activities, other than holding JNIL's debt.

Target / JNIL

10. JNIL is primarily engaged in the business of manufacturing of steel billets; rolled products; pig iron; sponge iron; pellets; captive power generation; captive mining; and iron and steel castings.
11. JNIL operates a steel plant and a foundry division. However, it is submitted that the Parties do not exhibit any direct horizontal and/or vertical overlaps, and/or the Parties are not engaged in complementary businesses in India.

Green Channel Filing

12. The Proposed Transaction raises no risk of any adverse effect on competition as per Section 6(1) of the Competition Act, and is being notified as a Green Channel filing as the Parties do not have any: (i) horizontal overlaps, (ii) vertical overlaps, or (iii) complementary businesses.

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