

COMPETITION COMMISSION OF INDIA

27th December, 2012

Combination Registration No.:C-2012/12/96

Order under Section 31(1) of the Competition Act, 2002

1. On 3rd December, 2012, the Competition Commission of India (hereinafter referred to as the "Commission") received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (hereinafter referred to as "Act") jointly filed by PHL Holdings Private Limited (hereinafter referred as "PHPL") and Piramal Enterprises Limited (hereinafter referred as "PEL").
2. The said notice was given to the Commission pursuant to the approval by the Board of Directors of a composite Scheme of Arrangement under Section 391 to Section 394 read with Sections 78, 100 to 103 and other applicable provisions of the Companies Act, 1956, between PEL, PHPL and their respective shareholders and creditors, through separate Board Resolutions, each date 5th November, 2012. The proposed combination comprises of the amalgamation of PHPL into PEL.
3. In terms of Regulation 14 of the Combination Regulations, on 5th December, 2012, PHPL and PEL were required to remove defects and furnish certain information which was furnished by them on 20th December, 2012.
4. The proposed combination falls under Section 5(c) of the Act.
5. PHPL is an unlisted investment holding company incorporated in India. As per the details disclosed in the notice, currently 100 per cent equity share capital of PHPL is held by Piramal Management Services Private Limited (hereinafter referred as "PMSPL"). It is stated in the notice that PHPL is not engaged into any significant business activity other than holding investment in PEL.
6. PEL is a listed public limited company incorporated in India. As per the details disclosed in the notice, currently, 53.04 per cent of the equity share capital of PEL is held by its promoters, of which PHPL holds 48.73 per cent and the remaining 4.31 per cent is held by individuals, HUF and Trust etc. It has been stated in the notice that PEL is primarily present in the pharmaceuticals, financial



services and information management sectors and that 48.73 per cent equity share capital of PEL, which is currently indirectly held by PMSPL through its wholly owned subsidiary PHPL, pursuant to the implementation of the proposed combination, will be directly held by PMSPL.

7. In view of the aforesaid, it is observed that the proposed combination is an arrangement between the enterprises belonging to the same group and that the control over the activities carried on by PEL before and after the proposed combination would remain unchanged. The proposed combination, therefore, is not likely to give rise to any adverse competition concern in India.
8. Considering the facts on record and the details provided in the notice given under sub-section (2) of Section 6 of the Act and the assessment of the proposed combination, the Commission is of the opinion that the proposed combination is not likely to have an appreciable adverse effect on competition in India and therefore, the Commission hereby approves the proposed combination under sub-section (1) of Section 31 of the Act.
9. This approval is without prejudice to any other legal/statutory obligations as applicable.
10. This order shall stand revoked if, at any time, the information provided by PEL and PHPL is found to be incorrect.
11. The Secretary is directed to communicate the decision of the Commission to PEL and PHPL accordingly.



Certified True Copy


ANIL K. VASHISHT
Office Manager
Competition Commission of India
New Delhi