



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2014/09/208)

13.10.2014

Notice u/s 6 (2) of the Competition Act, 2002 given by:

- Life Healthcare International Proprietary Limited

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

1. On 10.09.2014, 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 the “**Act**”) given by Life Healthcare International Proprietary Limited (hereinafter referred to as “**Life Healthcare**” or the “**Acquirer**”). The notice has been given pursuant to the Share Subscription Agreement entered into between Max Healthcare Institute Limited (hereinafter referred to as “**MHIL**”) and Life Healthcare; Share Purchase Agreement entered into between Life Healthcare, Max India Limited (hereinafter referred to as “**Max India**”) and MHIL; and Amended and Restated Shareholders Agreement entered *inter alios* between Max India, MHIL and Life Healthcare. The abovesaid agreements were executed on 31.08.2014.
2. As stated in the notice, Life Healthcare already holds 26 percent equity share capital of MHIL. The proposed combination relates to acquisition of additional shares of MHIL by Life Healthcare such that Life Healthcare would hold around 46 per cent shareholding of MHIL and post combination Max India and Life Healthcare would have an equal shareholding of MHIL, on a fully diluted basis. The proposed combination falls under Section 5(a) of the Act.



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3. Life Healthcare is a listed company and is in the business of hospital operations in South Africa. As stated in the notice, it has an extensive network of diverse healthcare facilities including hospitals across South Africa.
4. MHIL is a public limited company incorporated under the Companies Act, 1956 and is engaged in healthcare sector in India. MHIL is stated to operate various centres in India, providing health care services in multiple disciplines. MHIL is a subsidiary of Max India, which is a listed company and is *inter alia* engaged in multiple businesses in India i.e. healthcare, IT and financial services, etc. through various subsidiaries and ventures.
5. As stated above, Life Healthcare operates a range of healthcare facilities in various regions of the South Africa, whereas MHIL provides health care services in India. Further, as stated in the notice, Life Healthcare is present in India only through its shareholding in MHIL and post combination, Life Healthcare would further consolidate its shareholding in MHIL. It is, therefore, noted that there is no horizontal overlap in the business activities of Life healthcare and MHIL in the healthcare sector in India. Further, as per the information provided in the notice, Life Healthcare neither provides nor does it procure any products /services from MHIL or its subsidiaries and therefore, there is no vertical relation between the business activities of Life Healthcare and MHIL, in India.
6. 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 combination after considering the relevant factors mentioned in sub-section (4) of Section 20 of the Act, the Commission is of the opinion that the proposed combination is not likely to have 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.



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7. This approval is without prejudice to any other legal/statutory obligation as applicable.
8. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
9. The Secretary is directed to communicate to the Acquirer accordingly.