



Fair Competition  
For Greater Good

**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No. C-2016/01/369)

10<sup>th</sup> March 2016

**Notice under Section 6 (2) of the Competition Act, 2002 given by Deccan Fine Chemicals (India) Private Limited**

**CORAM:**

Mr. Devender Kumar Sikri  
Chairperson

Mr. S.L. Bunker  
Member

Mr. Sudhir Mital  
Member

Mr. Augustine Peter  
Member

Mr. U.C. Nahta  
Member

Mr. M.S. Sahoo  
Member

Mr. G.P. Mittal  
Member

**Legal Representative:** M/s Deval Patel Associates

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

1. On 19<sup>th</sup> January 2016, the Competition Commission of India (hereinafter referred to as the “**Commission**”) received a notice given by Deccan Fine Chemicals (India) Private Limited (“**Deccan**”/ “**Acquirer**”) under Section 6(2) of the Competition Act, 2002 (“**Act**”).
2. The proposed combination relates to the acquisition of an agrochemical manufacturing facility of Syngenta India Limited (“**SIL**”/ “**Seller**”) located at Goa (“**Goa Plant**” /



“Target”) by Deccan, on slump sale basis, pursuant a Business Transfer Agreement executed between Deccan and SIL on 21<sup>st</sup> December 2015.

3. At the time of filing the notice, certain deficiencies in information were noted which the Acquirer undertook to provide by 25<sup>th</sup> January 2016. The same were furnished on 25<sup>th</sup> January 2016 by email. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, the Acquirer was required to provide certain information vide letter dated 11<sup>th</sup> February 2016 and the same was provided on 17<sup>th</sup> February 2016.
4. Deccan, a private limited company incorporated under the Companies Act, 1956, is engaged in the manufacture and sale of active ingredients and intermediates used in agricultural chemicals, veterinary medicines and other chemicals. As per the information provided in the notice, it derives the majority of its revenue from exports to several countries.
5. SIL, a company incorporated under the Companies Act 1956, is engaged in the businesses of crop protection and seeds in India. Under its crop protection business, SIL manufactures and sells, agrochemicals such as herbicides, pesticides, and insecticides to domestic as well as foreign companies. In respect of its seeds business, SIL, *interalia*, exports & imports hybrid seeds and also sells seeds in the domestic market after processing and packing. The Target manufactures several agrochemicals at both active ingredient and formulation level.
6. As per information provided in the notice, even though the Target manufactures several crop protection chemical products, horizontal overlap exists only in respect of production and sale of active ingredient of Pretilachlor (“PAI”), a rice specific herbicide. In this regard, it has been stated that SIL exports the entire PAI produced by the Target or converts the same into its formulation for export purposes. On the other hand, the Acquirer sells entire PAI in India. Thus, effectively there is no horizontal overlap in respect of PAI. Further, it has been noted that there are several other substitute rice herbicides such as butachlor and anilphos, available in the domestic market.
7. With regard to vertical relationships, it has been stated in the notice that the SIL purchases PAI from Deccan for producing its formulations for export purposes only. It has been stated that post combination, SIL will continue to purchase PAI from Deccan. In this regard, it is noted that post combination Acquirer and Seller would be two independent enterprises. Further, there are other players such as Nagarjuna Agrichem and Hyderabad Chemicals, active in manufacture and sale of PAI in India.



## COMPETITION COMMISSION OF INDIA



*Fair Competition  
For Greater Good*

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 assessment of the proposed combination on the basis of factors stated in sub-section (4) of Section 20 of the Act, the Commission is of the opinion that that proposed combination is not likely to have an appreciable adverse effect on competition in India and therefore, the Commission hereby approves the same under sub-section (1) of section 31 of the Act.
9. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
10. The Secretary is directed to communicate to the Acquirer accordingly.