

## COMPETITION COMMISSION OF INDIA

29<sup>th</sup> February, 2012

Combination Registration No.: C-2012/02/31

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

1. On 3<sup>rd</sup> February, 2012, the Commission received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (hereinafter referred to as the "Act") of the proposed combination between Orchid Research Laboratories Limited (hereinafter referred to as the "ORLL") and Orchid Chemicals and Pharmaceuticals Limited (hereinafter referred to as the "OCPL").
2. The proposed combination is a merger of ORLL into OCPL pursuant to a scheme of amalgamation under the provisions of Sections 391 to 394 of the Companies Act, 1956.
3. The proposed combination falls under Section 5(c) of the Act.
4. OCPL is a listed company incorporated under the provisions of the Companies Act, 1956. OCPL is a 100 per cent export oriented unit and is engaged in the business of manufacture/production of active pharmaceutical ingredients and formulations which include branded and regulated generics.
5. ORLL is a wholly owned subsidiary of OCPL, incorporated under the provisions of the Companies Act, 1956, in the year 2005, primarily to focus in the areas of discovery and development of new chemical entities. ORLL is engaged in proprietary, novel drug discovery research in the therapeutic areas, namely anti-infectives, anti-inflammatory, metabolic disorders and oncology.
6. As per the details disclosed in the notice, OCPL is engaged in the business of manufacture/production of active pharmaceutical ingredients and formulations whereas ORLL is engaged only in the area of discovery and development of new chemical entities. Further, the ultimate control over the activities carried on by the parties to the combination, before and after the proposed combination, remains with OCPL. The proposed combination is therefore not likely to give rise to any adverse competition concern in India.
7. 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.

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



Certified True Copy

  
ANIL K. VASHISHT  
Office Manager  
Competition Commission of India  
New Delhi  
9/3/12