

## Summary of the Proposed Combination

*[In terms of Regulations 13(1A) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011].*

### **A. Name of the parties to the combination**

1. The names of the parties to the combination are:
  - (a) South Elm Investments B.V. (**SEI/Acquirer**); and
  - (b) Micro Life Sciences Private Limited (**Micro Life/Target**).

SEI and Micro Life are collectively referred to as the **Parties**.

### **B. Nature and purpose of the combination**

2. The proposed transaction involves an acquisition of minority stake in Micro Life Sciences Private Limited (**Micro Life/Target**) by SEI (**Proposed Transaction**).
3. The Proposed Transaction is notifiable under Section 5(a)(ii)(B) of the Competition Act, 2002.

### **C. Products, services and business(es) of the parties to the combination**

4. **SEI / Warburg Pincus LLC**: SEI is an investment holding company incorporated under the laws of Netherlands. The shareholders of SEI are certain private equity funds managed by Warburg Pincus LLC. SEI does not have any physical presence in India.
5. Warburg Pincus LLC is a member-owned private equity firm headquartered in New York, United States, and acts as a manager to certain private equity funds. It has invested over USD 100 billion in more than 1,000 companies across 40 countries. The portfolio companies owned by the private equity

funds and/or affiliates of such private equity funds are active in a variety of sectors, including energy, financial services, healthcare and consumer, industrial and business services, technology.

6. **Micro Life:** The Target is a company incorporated in India, which is primarily engaged in the following business activities in India along with subsidiaries: manufacture and sale of (a) medical devices in various categories such as stents, Percutaneous Transluminal Coronary Angioplasty catheters, heart valves, orthopedic implants, and endo-surgery products (such as sutures, staplers, meshes and intrauterine devices); (b) in-vitro diagnostics analyzers and reagents; and (c) over the counter (OTC) products like products COVID self-test kits and pregnancy test kits, in India. The Target (through its subsidiaries) is also engaged in the B2C sale of certain specialized medical devices (such as surgical robots and ultrasonic energy devices) to hospitals and has research and development (R&D) facilities for in-vitro diagnostic, orthopedic, endo-surgery and cardiovascular solutions.

**D. Respective markets in which the parties to the combination operate**

7. There are no direct horizontal overlaps, vertical relationships or complementary relationships between SEI and the Target (including its subsidiaries).
8. However, it is submitted that an affiliate of Warburg Pincus LLC has an investment in one company, which is engaged in businesses that may be considered as horizontally and/or vertically related to the activities of the Target (including its subsidiaries) in India. However, the Proposed Transaction will not lead to any change in the competitive landscape or cause any appreciable adverse effect on competition in India, irrespective of the manner in which the relevant markets are defined.

9. Nevertheless, to aid the Hon'ble Competition Commission of India's assessment, information pertaining to the following minor horizontal and vertical relationships have been provided:
10. **Horizontal overlap:** *Market for retail/B2C sale of drugs (comprising pharmaceutical products, medical devices and over-the-counter products) in India.*
11. **Vertical Overlap 1**
- (a) Upstream market for manufacture and sale of drugs in India; and
  - (b) Downstream market for B2B sale of drugs in India.
12. **Vertical Overlap 2**
- (a) Upstream market for manufacture and sale of drugs in India; and
  - (b) Downstream market for B2C sale of drugs in India.
13. **Vertical Overlap 3**
- (a) Upstream market for manufacture and sale of in vitro diagnostic devices/kits in India; and
  - (b) Downstream market for provision of diagnostic services in India.
14. Given that, *inter alia*,: (a) the market shares of the parties are extremely miniscule in each of the relevant markets identified above; and (b) each of these relevant markets are characterized by the presence of several larger and well-established players, the Proposed Transaction will neither cause nor is likely to cause any appreciable adverse effect on competition in India.

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