

Press Release dated 08.12.2014

CCI approves the proposed merger between Sun Pharma and Ranbaxy subject to modification

On 06.05.2014, the Competition Commission of India (Commission) received a notice from Sun Pharmaceuticals Industries Limited (Sun Pharma) and Ranbaxy Laboratories Limited (Ranbaxy) in relation to the merger of Ranbaxy into Sun Pharma.

On the basis of combined market share of the parties, incremental market share as a result of the proposed combination, market share of the competitors, number of significant players in the relevant market, etc., the Commission focussed its investigation on some relevant markets for formulations where the proposed combination was likely to have an appreciable adverse effect on competition in the relevant market in India. In addition to these relevant markets, the Commission also investigated two pipeline products of Ranbaxy and possibility of any vertical foreclosure in the market for active pharmaceutical ingredients (APIs).

On the basis of the replies submitted by the parties, the Commission after having considered the same decided that the adverse effect of the proposed combination on competition can be eliminated by suitable modification under the provisions of the Competition Act, 2002.

Accordingly, the Commission in its meeting held on 05.12.2014 approved the proposed merger between Sun Pharma and Ranbaxy, subject to the parties *inter alia* carrying out the divestiture of their products relating to seven relevant markets for formulations. Further, the Commission also directed that the proposed merger shall not take effect before the parties have carried out the divestiture of the products so specified as per the order of the Commission.

For more details, please visit

<http://www.cci.gov.in/May2011/OrderOfCommission/CombinationOrders/C-2014-05-170.pdf>
