



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2022/09/965)

10 October 2022

Notice under Section 6(2) of the Competition Act, 2002 given by Platinum Jasmine A 2018 Trust (acting through its trustee, Platinum Owl C 2018 RSC Limited)

CORAM:

Mr. Ashok Kumar Gupta
Chairperson

Ms. Sangeeta Verma
Member

Mr. Bhagwant Singh Bishnoi
Member

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

1. On 6 September 2022, the Competition Commission of India ('**Commission**') received a notice under Section 6(2) of the Competition Act, 2002 ('**Act**'), given by Platinum Jasmine A 2018 Trust (acting through its trustee, Platinum Owl C 2018 RSC Limited) (**Platinum/Acquirer**) for the acquisition of 3 percent of the equity shareholding (on an Outstanding Shares Basis) of Intas Pharmaceuticals Limited (**Intas/Target**) from Dunearn Investments (Mauritius) Pte. Ltd. (**Seller**) (hereinafter the Acquirer and the Target are collectively referred to as the **Parties**) (**Proposed Combination**). The notice was filed pursuant to execution of the following documents: (i) a share purchase agreement executed on 8 August 2022, between the Seller and Platinum (**SPA**); (ii) a



shareholders' agreement executed on 8 August 2022, between Intas, the Seller, Platinum and other existing shareholders of Intas (**SHA**); (iii) an inter-se agreement executed on 8 August 2022, between the Seller and Platinum (**IA**); and (iv) an undertaking executed on 8 August 2022, from Intas and the Promoters of Intas to the Seller and Platinum (**Undertaking**) (the SPA, SHA, IA and Undertaking collectively constitute the **Transaction Documents**). On 4 October 2022, the Acquirer submitted certain additional information/clarifications by way of voluntary submissions.

2. Platinum Owl C 2018 RSC Limited is a restricted scope company (private limited company), incorporated in the Abu Dhabi Global Market (**ADGM**). It is acting in its capacity as trustee for Platinum Jasmine A 2018 Trust, which was established under the laws of the ADGM. Abu Dhabi Investment Authority (**ADIA**), which is a public institution established as an independent investment institution by the Government of the Emirate of Abu Dhabi, is the sole beneficiary and settlor of the Platinum Jasmine A 2018 Trust. ADIA manages a global investment portfolio across more than two dozen asset classes and sub-categories including developed equities, emerging market equities, small cap equities, government bonds, credit, fixed income, real estate, infrastructure, private equity, cash and alternatives.
3. Intas is an unlisted public company engaged in the business of development, manufacture and marketing of pharmaceutical formulations and is the ultimate parent company of the Intas group of companies. Its products include formulations in key therapeutic segments like neurology, psychiatry, cardiology, pain management, gastroenterology, diabetology, nephrology, urology, anti-infective therapy, dermatology, gynaecology, respiratory system, oncology, critical care and ophthalmology. Further, Intas also derives revenue from the manufacture and sale of, inter alia, (a) anti-dandruff shampoos; (b) acne treatment products and other skin care products; and (c) other haircare products. The products of Intas have a pan-India presence and have an extensive portfolio of specialty and generic pharmaceuticals exported globally from its manufacturing facilities in India.



4. The Commission noted that Platinum is not directly engaged in any businesses in which Intas is present. However, one of the portfolio companies of the ADIA group, namely, Galderma India Private Limited (**Galderma**), is engaged in the manufacture and sale of skincare and haircare products, including (a) shampoos; (b) acne treatment products; and (c) other haircare products.
5. Based on the information provided by the Parties, the business activities of Galderma and Intas, appear to overlap in the area of dermatological products at broader level.
6. The Commission, in accordance with its decisional practice of considering the relevant product market in cases involving pharmaceutical products, considered the IQVIA-IMS India Database, which adopts European Pharmaceutical Marketing Research Association's (**EphMRA**) anatomical therapeutic chemical (**ATC**) classification of medicines. The Commission noted that the products of the Parties exhibit overlap at the ATC3 level and/or ATC4 level. With respect to the relevant geographic market, the Commission, in accordance with its decisional practice, considered the relevant geographic market as the territory of India. However, the Commission decided to leave the delineation of the relevant market open as the Proposed Combination, for the reasons detailed in ensuing paragraphs, is not likely to cause an appreciable adverse effect on competition in any of the plausible alternative relevant markets that could be delineated.
7. Accordingly, the overlaps between the business activities of Galderma and Intas can be narrowed down to the following segments and sub-segments in accordance with the ATC 3 and ATC 4 level classification for the purpose of competition assessment:
 - i. Topical Anti-Acne Preparations segment [ATC 3 Code – D10A];
 - ii. Other Dermatological Preparations [ATC 3 Code – D11A];
 - iii. Anti-fungal Dermatologicals [ATC 3 Code – D1A] and sub-segments of (a) Topical dermatological antifungals (ATC 4 code – D1A1); and (b) Topical Scalp Antifungals (ATC 4 code – D1A3);



- iv. Topical Antipsoriasis Products [ATC 3 Code – D5A];
- v. Plain Topical Corticosteroids [ATC 3 Code – D7A]; and
- vi. Topical Corticosteroid Combinations [ATC 3 Code – D7B] and sub-segment of Other Corticosteroid Combinations (ATC 4 code – D7B4).

Topical Anti-Acne Preparations [ATC 3 Code – D10A]

8. Topical anti-acne medications work by reducing oil production and swelling or by treating bacterial infection. These medications are available as both over the counter medications as well as prescription-based medications.
9. As far as presence of the Parties in this segment is concerned, the Commission observed that the combined market share of the parties is estimated to be in the range of [5-10] percent with an increment of less than 5 percent both in terms of value and volume for FY 2021-22. Further, based on the market share estimates, the segment appears to be characterised by the presence of significant competitors, such as, Mankind with [10-15] percent market share both in terms of value and volume, Hegde and Hegde with [10-15] percent market share in terms of value and [5-10] percent market share in terms of volume, among others.

Other Dermatological Preparations [ATC 3 Code – D11A]

10. The segment includes products ranging from antihidrotics, medicated shampoos, androgens for topical use, wart and anti-corn preparations, agents for dermatitis and other dermatologicals.
11. As far as presence of the Parties in this segment is concerned, the Commission observed that the combined market share of the parties is estimated to be in the range of [5-10] percent in terms of value and [0-5] percent in terms of volume with an increment of less than 5 percent both in terms of value and volume for FY 2021-22. Further, based on the



market share estimates, the segment appears to be characterised by presence of other significant competitors, such as, Dr. Reddy's with market share of [5-10] percent in terms of value and [0-5] percent in terms of volume and IPCA Labs, Abbott Healthcare, Cipla and Mankind each holding [0-5] percent market shares in terms of both value and volume.

Anti-fungal Dermatologicals [ATC 3 Code – DIA] and sub-segments of (a) Topical dermatological antifungals (ATC 4 code – DIA1); and (b) Topical Scalp Antifungals (ATC 4 code – DIA3)

12. Antifungals are medicines that kill or stop the growth of fungi (the plural of fungus) that cause infections. There are several classes of antifungal medications and different types of medicines. Antifungals come in different forms, including injections (shots), oral pills or liquids, topical (skin) creams, ointments, gels and sprays and vaginal suppositories amongst other things. The segment can be further classified at ATC 4 level as under:
 - a Topical Dermatological Antifungals [ATC 4 Code – D1A1]- A topical antifungal medication is a cream, solution, lotion, powder, gel, spray or lacquer applied to the skin surface to treat a fungal infection; and
 - b Topical Scalp Antifungals [ATC 4 Code – D1A3]- A topical scalp antifungal medication is used to treat diseases such as tinea capitis and scalp psoriasis. Scalp fungus treatment typically includes a mixture of both oral antifungal medications and medicated shampoos. Antifungal shampoos are mainly used to treat dandruff / seborrheic dermatitis but are used as an adjunct for tinea capitis and scalp psoriasis and Oral antifungals are the primary treatment for scalp ringworm.
13. The Commission observed that that the combined market share of the parties is estimated to be less than 5 percent in the aforesaid segment of Anti-fungal Dermatologicals and also the sub-segments of Topical Dermatological Antifungals and Topical Scalp Antifungals in terms of both value and volume for the FY 2021-22. The segment and both sub-



segments are observed to be characterised by presence of other significant competitors. Based on the market share estimates, the segment of Anti-fungal Dermatologicals and sub-segment of Topical Dermatological Antifungals appears to be led by Glenmark Pharma with market share in the range of [15-20] percent in terms of value and [30-35] percent in terms of volume for the FY 2021-22 for Anti-fungal Dermatologicals and [20-25] percent in terms of value and [35-40] percent in terms of volume for Topical Dermatological Antifungals. The sub-segment of Topical Scalp Antifungals appears to be led by Hegde and Hegde with market share in the range of [15-20] percent in terms of both value and volume.

Topical Antipsoriasis Products [ATC 3 Code – D5A]

14. Topical antipsoriatics are agents, which are applied on the surface, locally to treat psoriasis. These topical agents are available as creams, lotions, ointments and shampoos. Psoriasis is a chronic skin condition with itchy, dry, scaly patches.
15. The Commission observed that that the combined market share of the parties is estimated to be less than 5 percent in the aforesaid segment of Topical Antipsoriasis Products. The segment is observed to be characterised by presence of other significant competitors. Based on the market share estimates, the segment of Topical Antipsoriasis Products appears to be led by USV with market share in the range of [45-50] percent in terms of value and [50-55] percent in terms of volume. Glenmark Pharma is another significant competitor with market share in the range of [15-20] percent in terms of value and [5-10] percent in terms of volume.

Plain Topical Corticosteroids [ATC 3 Code – D7A]

16. Plain Topical Corticosteroids are types of steroids that are applied externally onto the skin. These medicines help reduce irritation and inflammation in the area where they are applied



and are used to treat various skin disorders such as dermatitis, eczema, psoriasis, and certain skin infections.

17. As far as presence of the Parties in this segment is concerned, the Commission observed that the combined market share of the parties is estimated to be in the range of [5-10] percent in terms of value and [0-5] percent in terms of volume with an increment of less than 5 percent both in terms of value and volume for FY 2021-22. Further, based on the market share estimates, the segment appears to be characterised by presence of other significant competitors. The market is led by such GlaxoSmithKline with market shares in the range of [25-30] percent in terms of value and [40-45] percent in terms of volume. The other significant competitors include Glenmark market share of [20-25] percent in terms of value and [10-15] percent in terms of volume and Hegde and Hegde with market share in the range of [5-10] percent both in terms of value and volume.

Topical Corticosteroid Combinations [ATC 3 Code – D7B] and sub-segment of Other Corticosteroid Combinations (ATC 4 code – D7B4)

18. The Commission observed that that the combined market share of the parties is estimated to be less than 5 percent in the aforesaid segment of Topical Corticosteroid Combinations in terms of both the value and volume for the FY 2021-22 and the same is in the range of [5-10] percent in terms of value and [0-5] percent in terms of volume for the sub-segment of Other Corticosteroid Combinations. The segment and both sub-segments are observed to be characterised by presence of other significant competitors. Based on the market share estimates, the segment of Topical Corticosteroid Combinations appears to be led by GlaxoSmithKline with market share in the range of [25-30] percent in terms of value and [45-50] percent in terms of volume. The sub-segment of Other Corticosteroid Combinations appears to be led by Zydus Cadilla with the market share in the range of [30-35] percent in terms of value and [25-30] percent in terms of volume. The other significant competitors of the Parties in the segment of Topical Corticosteroid Combinations include Glenmark, Macleods Pharma, Abbott each having market share in



- the range of [5-10] percent in terms of value and [0-5] percent in terms of volume. The other significant competitors of the Parties in the sub-segment of Other Corticosteroid Combinations include Ajanta Pharma [15-20] percent, Zee Labs [5-10] percent etc.
19. The Commission noted that certain segments as discussed above are not further sub-segmented at an ATC 4 level in the IQVIA IMS database. The Commission considered the need for undertaking further classification and assessment in such cases, in particular, the segments of Topical Antipsoriasis Market and the Plain Topical Corticosteroids Market¹. In this regard, the Acquirer submitted that each of the products that fall within the Topical Antipsoriasis Market and the Plain Topical Corticosteroids Market offer the same end-use. Considering the submissions of the Acquirer, the Commission decided that there is no need to examine these segments considering any further narrow classifications.
20. Based on the consideration of overall presence of the Parties in terms of market share estimates in value/volume for FY 2021-22 and further considering the presence of other significant competitors, it appears that the Proposed Combination is not likely to result in any appreciable adverse effect on competition in any of the segment/sub-segment identified above.
21. As regards the existing/potential vertical relationships, the Acquirer submitted that the APIs required for manufacturing products in any of the aforesaid segments/sub-segments are not manufactured by either Galderma and Intas and consequently there is no vertical integration between Galderma and Intas pursuant to the Proposed Transaction for products in any of the segments/sub-segments identified above.
22. Considering the material on record including the details provided in the Notice and the assessment of the Proposed Combination based on the factors stated in Section 20(4) of the Act, the Commission is of the opinion that the Proposed Combination is not likely to

¹ In other such segments, either the overall presence or increment resulting from the Proposed Combination, was not found to be significant enough even at the level of API / molecular formulation.



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have any appreciable adverse effect on competition in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.

23. This order may be revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
24. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
25. The Secretary is directed to communicate to the Acquirer accordingly.