



**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No. C-2014/11/222)

**12.01.2015**

**Notice u/s 6 (2) of the Competition Act, 2002 given by:**

- Wipro GE Healthcare Private Limited
- Mr. S. Ganeshprasad
- Mr. Kiran Thadimarri
- Mr. R. R. Balaji

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

1. On 12<sup>th</sup> November 2014, the Competition Commission of India (“**Commission**”) received a notice under sub-section (2) of Section 6 of the Act, given by Wipro GE Healthcare Private Limited (“**Wipro GE**”) and three individuals namely, Mr. S. Ganeshprasad, Mr. Kiran Thadimarri, and Mr. R. R. Balaji (“**Individuals**”) (hereinafter Wipro GE and Individuals are collectively referred to as “**Parties**”). The notice was filed pursuant to the execution of a Shareholders Agreement and a Share Subscription Agreement between the Parties on 4<sup>th</sup> November 2014.
2. Wipro GE, a private limited company incorporated under the provisions of the Companies Act, 1956, is a joint venture between General Electric Company and Wipro Enterprises Limited. Wipro GE is inter-alia, engaged in manufacturing and distribution of medical equipment and solutions. As stated in the notice, the Individuals are employees of Wipro GE, engaged in its distribution services business.
3. As stated in the notice, the proposed combination envisages a series of inter-connected steps, involving (a) incorporation of a new company (“**NewCo**”) by Mr. S. Ganeshprasad and Mr. Kiran Thadimarri, to provide distribution services in the healthcare sector; (b) subscription of shares of NewCo in agreed percentages by the Parties; (c) dealership agreement which would be executed between NewCo and Wipro



## COMPETITION COMMISSION OF INDIA



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GE regarding the distribution of certain products including diagnostic imaging products, non-imaging products etc. in certain territories spread across India; and (d) transfer of certain assets of Wipro GE including the unexecuted work orders of Wipro GE to NewCo. As the proposed combination involves a series of inter-related steps and assets are being transferred to NewCo, therefore, in terms of sub-regulation (9) of Regulation 5 of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011 (“**Combination Regulations**”), the assets and turnover of Wipro GE have been attributed to those of NewCo for the purpose of Section 5(a) of the Act.

4. In terms of Regulation 14 of the Combination Regulations, vide letter dated 20<sup>th</sup> November, 2014, the Parties were required to remove certain defects and provide information/document(s) by 27<sup>th</sup> November, 2014. The reply was filed by the Parties on 04<sup>th</sup> December, 2014, after seeking extension of time. As the response submitted by the Parties was not complete, in terms of sub-regulation (3) of Regulation 14 of the Combination Regulations, vide letter dated 16<sup>th</sup> December, 2014, the Parties were required to provide the required information/documents by 22<sup>nd</sup> December, 2014, which were provided by them on the due date. As the information provided by the Parties was still incomplete, vide letter dated 29<sup>th</sup> December, 2014, the Parties were again required to remove the defects and provide complete information/document(s) by 05<sup>th</sup> January, 2015 and the response in this regard was submitted by Parties on 31<sup>st</sup> December 2014.
5. The proposed combination relates to the market for distribution services of medical equipment and devices in India. As NewCo is yet to be incorporated and does not have any business operations at present, there is no horizontal overlap or any vertical relationship between the business activities of Wipro GE and NewCo. Further, as stated by the Parties, the existing dealers of Wipro GE will have an option to continue to deal in the products which would be distributed by NewCo pursuant to the proposed combination except that post-combination they would require to interface with the NewCo instead of Wipro GE. Further, Wipro GE shall have a right to sell directly the products which would be distributed by NewCo pursuant to the proposed combination or appoint new dealers for the same. It is, therefore, stated that the proposed combination is likely to result only in restructuring of the existing distribution



## COMPETITION COMMISSION OF INDIA



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business of Wipro GE and is not likely to cause a significant change in the market for distribution services of medical equipment and devices in India.

6. 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 combination after considering the relevant factors mentioned in sub-section (4) of Section 20 of the Act, the Commission is of the opinion that the proposed combination is not likely to have 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.
7. This approval is without prejudice to any other legal/statutory obligations as applicable.
8. This order shall stand revoked if, at any time, the information provided by the parties is found to be incorrect.
9. The Secretary is directed to communicate to the Parties accordingly.