



COMPETITION COMMISSION OF INDIA

(Combination Registration No. C-2015/03/253)

24th April 2015

Notice under section 6(2) of the Competition Act, 2002 filed by Sion Investment Holdings Pte. Limited

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

1. On 3rd March 2015, the Competition Commission of India ('**Commission**') received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 ('**Act**') given by Sion Investment Holdings Pte. Limited ('**Sion**' or '**Acquirer**'). The proposed combination contemplates acquisition of up to 100 percent share capital of CMS Info Systems Limited ('**CMS**') by Sion, pursuant to the execution of two share purchase agreements, both dated 16th February 2015 ('**SPAs**'), namely, (i) the SPA entered into between Blackstone FP Capital Partners (Mauritius) V Ltd. ('**Blackstone**'), Sion and CMS ('**Blackstone SPA**') and (ii) the SPA, *inter alia*, entered into between certain individuals and CMS Computers Limited (collectively referred to as the **Indian Sellers**), Sion and CMS ('**Indian Seller SPA**'). The Blackstone SPA and the Indian Sellers SPA are collectively referred to as the '**Proposed Combination**'.
2. The Blackstone SPA relates to the purchase by Sion of 56.15 percent of the equity share capital of CMS, as held by Blackstone, on a fully diluted basis and the Indian Seller SPA relates to the purchase by Sion of 38.69 percent of the equity share capital of CMS, as held by the Indian Sellers, on a fully diluted basis. Further, as stated in the notice, the remaining 5.16 percent equity share capital of CMS, that is at present held by an employee through the employee stock ownership plan, may be acquired by Sion either in part or fully.
3. As stated in the notice, Sion is an investment vehicle registered in Singapore and a wholly owned subsidiary of the partnerships that constitute The Baring Asia Private Equity Fund VI ('**Fund VI**'). Fund VI is a part of Baring Private Equity Asia ('**Baring**'), a private equity investment fund in Asia. Baring has investments



in companies across a broad spectrum of industries and geographies ('**Portfolio Companies**'). Further, as stated in the notice, none of the Portfolio Companies have any horizontal or vertical overlap with CMS or any of its subsidiaries, in India.

4. CMS, incorporated under the Companies Act 1956, is an unlisted public company. It is engaged in business activities such as ATM services which include cash replenishment in ATMs, bank automation including deployment of cash dispensers and cash deposit machines, retail cash management services which includes picking up cash from retail stores etc. and depositing it in a bank, card solutions which includes personalization of secure financial cards and smart cards etc. As per the information provided in the notice and other documents on record, CMS has three subsidiaries in India, namely, Securitrans India Private Limited, CMS Securitas Limited and CMS Marshall Limited which are, *inter alia*, engaged in the aforementioned business activities of CMS.
5. In terms of Regulation 14 of the Combination Regulations, vide letter dated 18th March 2015, the Acquirer was required to remove certain defects and provide information/document(s) latest by 23rd March 2015. The Acquirer submitted its reply on the due date. However, as the response submitted by the Acquirer had certain defects, vide letter dated 30th March 2015, the Acquirer was again asked to remove the defects and provide certain information/document(s) by 6th April 2015. The Acquirer filed its response on due date. Further, vide letter dated 8th April 2015, which was in continuation to the Commission's communication dated 30th March 2015, the Acquirer was again required to remove certain defects in its response dated 6th April 2015 by 13th April 2015. The Acquirer filed its response on due date. Further, vide letter dated 20th April 2015, under Regulation 5 and Regulation 19 of the Combination Regulations, the Acquirer was required to provide the additional information, which the Acquirer furnished on 22nd April 2015.
6. As stated earlier, Sion is an investment vehicle and a part of Baring, a private equity fund, whereas, CMS and its subsidiaries are engaged, *inter alia*, in the business of ATM services which include cash replenishment in ATMs, bank automation including deployment of cash dispensers and cash deposit machines, retail cash management services etc. Further, as aforementioned, none of the Portfolio



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Companies of Baring group are engaged in any business in which CMS and/or any of its subsidiaries are operating in India. Accordingly, there are no horizontal overlaps between the parties to the proposed combination. Further, as stated in the notice, there is also no vertical relationship between any of the Portfolio Companies and CMS and/or any of its subsidiaries.

7. Considering the facts on record and the details provided in the notice, 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 obligation as applicable.
9. This order shall stand revoked if, at any time, the information provided by the parties is found to be incorrect.
10. The Secretary is directed to communicate to the Acquirer accordingly.