



Fair Competition
For Greater Good

**COMPETITION COMMISSION OF INDIA
(Combination Registration No.C-2015/07/294)**

04.08.2015

**Notice u/s 6(2) of the Competition Act, 2002 given by:
Karvy Data Management Services Limited**

CORAM:

Mr. Ashok Chawla
Chairperson

Mr. S. L. Bunker
Member

Mr. Sudhir Mital
Member

Mr. Augustine Peter
Member

Mr. U. C. Nahta
Member

Mr. M. S. Sahoo
Member

Mr. G. P. Mittal
Member

Legal Representative: Nishith Desai Associates

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

1. On 16th July 2015, the Commission received a notice given by Karvy Data Management Services Limited (“**Acquirer**”) under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”).
2. The notice was given in respect of a proposed combination between the Acquirer and Mphasis Limited (“**Seller**”), as a result of which the Acquirer will acquire the Seller’s domestic business process management or outsourcing (“**BPM/BPO**”).



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business which consists of (i) certain contracts pertaining to clients located in Bhubaneswar and Baroda; (ii) identified lease agreements; and (iii) around 2000 employees (the “**Proposed Combination**”). The Acquirer and the Seller are, hereinafter, collectively referred to as “**Parties**”.

3. The Acquirer is an unlisted public limited company. It is engaged in the business of providing business and knowledge process outsourcing and large scale transaction processing and management services including related information technology enabled services to customers in India.
4. The Seller is a listed public limited company. It is an information technology solutions provider offering applications, BPM/BPO and infrastructure services globally.
5. It is observed that the Parties provide similar services in the BPM/BPO segment across different industries in India. Thus, the relevant product market in the present case is the market for provision of BPM/BPO services to customers in India. Further, it is noted that the BPM/BPO industry is spread across various states in India and caters to customers across the country and that the conditions for BPM/BPO services would be homogenous across India. Accordingly, the relevant geographic market is the whole of India.
6. It is observed that post combination, the market share of the Acquirer would not be significant. Further, the presence of a large number of players in the domestic BPM/BPO sector including the presence of strong competitors such as, Concentrix, Aegis Limited, Firstsource Solutions Limited, etc., would act as a competitive constraint on the Acquirer.
7. Considering the facts on record and the details provided in the notice given under sub section (2) of section 6 of the Act and assessment of the proposed combination on the basis of factors stated 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 an appreciable adverse effect on competition in India and therefore, the Commission hereby approves the same under sub section (1) of section 31 of the Act.
8. This Order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.



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9. The Secretary is directed to communicate to the Acquirer accordingly.

(S.L. Bunker)
Member

(Sudhir Mital)
Member

(Augustine Peter)
Member

(U.C. Nahta)
Member

(M. S. Sahoo)
Member

(G.P. Mittal)
Member

(Ashok Chawla)
Chairperson