

Summary of the Proposed Combination

[in terms of Regulation 13(1A) of the Competition Commission of India (Procedure in regard to the Transaction of Business relating to Combinations) Regulations, 2011 (as amended)]

A. Name of the parties to the combination

1. The parties to the combination are:

- (a) Panatone Finvest Limited (“**Acquirer**”); and
- (b) Tata Communications Limited (“**Target / TCL**”).

The Acquirer and the Target are collectively referred to as “**Parties**”.

B. The nature and purpose of the combination

2. The Proposed Combination envisages the proposed acquisition of such shareholding not exceeding 26.12% by the Acquirer in the Target (“**Proposed Combination**”). The Proposed Combination emanates from the recommendations of the Department of Public Asset and Management (“**DIPAM**”) in terms of the letter dated 12 January 2021 and the approval of the Cabinet Committee on Economic Affairs (“**CCEA**”) dated 30 December 2020, as a result of which the Government of India (“**GoI**”) proposes to divest its equity shareholding of 26.12% in the Target and the approval of the board of directors of the Acquirer dated 22 January 2021.

3. As a result of the Proposed Combination, the Acquirer Group / Tata group¹ would increase its shareholding from 48.87% to such shareholding not

¹ All entities ultimately controlled by Tata Sons Private Limited (“**Tata Sons**”).

exceeding 74.99%. Thus, the Proposed Combination is in the nature of an acquisition within the meaning of Section 5(a) of the Competition Act, 2002 (“Act”).

C. The products, services and business(es) of the parties to the combination

Acquirer

2. The Acquirer is a Systemically Important Non-Deposit Taking Core Investment Company (“**CIC-ND-SI**”) registered with the Reserve Bank of India and is a subsidiary of Tata Sons and belongs to the Tata group.

Target

3. TCL is part of the Tata group and is a facilities-based service provider of a broad range of integrated communications services. It generates revenue from three business segments - wholesale voice, enterprise and carrier data and others. In India, TCL is, directly and indirectly through its subsidiaries, engaged in the following activities:
 - (i) International Long-Distance services (“**ILD**”) – voice;
 - (ii) National Long-Distance services (“**NLD**”) – voice;
 - (iii) Undersea cable systems (“**UCS**”);
 - (iv) Internet Service Provider (“**ISP**”), offering connectivity, messaging, Internet telephony; and
 - (v) Enterprise business providing valued added services.
4. Further, the 3 subsidiaries of TCL also provide the following services:

- (i) Tata Communications Transformation Services Limited (“**TCTSL**”) provides business outsourcing services, network management and other services,
- (ii) Tata Communications Payment Solutions Limited (“**TCPSL**”) provides Automated Teller Machine (“**ATM**”) business services in India; and
- (iii) Tata Communications Collaboration Services Private Limited (“**TCCSP**”) provides audiotext (conferencing) services in India.

D. The respective markets in which the parties to the combination operate

5. The Proposed Combination would not lead to any change in the competitive landscape in any plausible relevant market given that the Proposed Combination is only an incremental share acquisition, and therefore, the precise scope of the relevant market may be left open. Notwithstanding the above, for the sake of completeness and with a view to assist the Commission, it is submitted that the following markets can be analyzed for the purposes of the Proposed Combination:

- (i) Market for provision of ILD services in India;
- (ii) Market for provision of NLD services in India;
- (iii) Market for provision of ISP services in India;
- (iv) Market for provision of Enterprise services in India;
- (v) Market for UCS on a worldwide basis; and
- (vi) Market for provision of ATM machine services on a pan-India basis.

The above markets are collectively referred to as the “**Relevant Markets**”.
