Summary of the combination as mandated under regulation 13(1B) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011

A. Parties to the Combination

The parties to the combination are Karvy Data Management Service Limited being KDMSL and Mphasis Limited being Mphasis.

B. Type of Combination

Under the combination, a part of the domestic BPM/BPO services business of Mphasis is to be transferred to KDMSL. KDMSL will acquire a part of the said business of Mphasis for a total consideration of INR 2,75,00,000 (Rupees two crores seventy five lakhs only). For the purposes of the Competition Act, 2002, the said transaction is a “combination” under Section 5 (a) (i) (A) of the said Act as the assets of the Parties to the Proposed Combination in India exceed INR 1500 crores (Indian Rupees one thousand five hundred crores).

C. Area of Activities of the Parties

The Parties to the Proposed Combination can be said to be operating in the ‘IT-BPM/BPO sector’. The IT-BPM/BPO sector may be divided into four main categories (i) services (ii) software products (iii) e-commerce and (iv) hardware. The services segment may also be further divided into sub-categories viz, (i) IT services (ii) BPM/BPM/BPO and (iii) Engineering R&D and Product Development. The market players in the IT-BPM/BPO sector operate on a worldwide basis and mostly, even the customers have worldwide tenders for such services.
While Mphasis operates in most categories of the IT-BPM/BPO industry, KDMSL primarily operates in the domestic BPM/BPO vertical of the IT-BPM/BPO segment along with providing related IT enabled services.

D. Relevant Market

Since the Proposed Combination relates only to the acquisition of the domestic BPM/BPO business of Mphasis, and as KDMSL only operates in the domestic sector, the relevant product market for the purposes of this Proposed Combination would only extend to domestic BPM/BPO services.