

COMPETITION COMMISSION OF INDIA

22nd November, 2012

Combination Registration No. C-2012/11/91

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

1. On 12th November, 2012, Tata Consultancy Services Limited (hereinafter referred to as "TCS"), TCS e-Serve Limited (hereinafter referred to as "e-Serve") and TCS e-Serve International Limited (hereinafter referred to as "TEIL") jointly filed a notice, under sub-section (2) of Section 6 of the Competition Act, 2002 (hereinafter referred to as the "Act"), relating to a proposed combination pursuant to approval of a composite scheme of amalgamation (hereinafter referred to as the "Scheme") under Sections 391 to 394 of the Companies Act, 1956 by the Board of Directors of TCS, e-Serve and TEIL on 19th October, 2012, through separate resolutions.
2. The proposed combination, pursuant to implementation of the Scheme, would consist of two parts, i.e. amalgamation of e-Serve into TCS and the demerger of the SEZ (Special Economic Zone) Undertaking of TEIL into TCS. TEIL is a wholly-owned subsidiary of e-Serve, wherein equity shares constituting 96.26 per cent of the total paid-up share capital of e-Serve are held by TCS. As stated in the Scheme, TEIL SEZ Undertaking means and includes the business of TEIL which is primarily the business of providing Information Technology (IT) and Information Technology Enabled Services (ITES) carried out at SEZ locations at Chennai, Kolkata and Gurgaon, along with all related assets and liabilities, except the assets and liabilities of TEIL which do not form part of TEIL SEZ Undertaking.
3. The proposed combination falls under Section 5 (c) of the Act.
4. As stated in the notice, TCS, e-Serve and TEIL, companies incorporated under the provisions of the Companies Act, 1956, are engaged in the business of providing IT, ITES and Business Process Outsourcing services, both in India and abroad. It is observed, that the proposed combination is a group restructuring exercise and the ultimate control over the activities of e-Serve and TEIL would continue to be exercised by TCS, both prior to as well as pursuant to the proposed combination. The proposed combination is, therefore, not likely to have any adverse competitive effect in India.
5. Considering the facts on record and the details provided in the notice and the assessment of the proposed combination, 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 the Section 31 of the Act.

6. This approval is without prejudice to any other legal/statutory obligations as applicable.
7. This order shall stand revoked if, at any time, the information provided by TCS, e-Serve and TEIL is found to be incorrect.
8. The Secretary is directed to communicate to TCS, e-Serve and TEIL accordingly.

Certified True Copy



Bhupendra Singh
03rd December, 2012

BHUPENDRA SINGH
Deputy Director (FA)
Competition Commission of India
Government of India
New Delhi