



COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2017/02/488)



12th April, 2017

**Notice under sub-section (2) of Section 6 of the Competition Act, 2002 given by Tempo
Acquisition, LLC**

CORAM:

Mr. Devender Kumar Sikri
Chairperson

Mr. S. L. Bunker
Member

Mr. Sudhir Mital
Member

Mr. U. C. Nahta
Member

Mr. G. P. Mittal
Member

Legal representatives: Shardul Amarchand Mangaldas & Co.

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

1. On 28th February, 2017, the Competition Commission of India (“**Commission**”) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (“**Act**”) filed by Tempo Acquisition, LLC (“**Tempo**” or “**Acquirer**”).
2. The notice for the proposed combination has been filed pursuant to execution of Global Agreement between Tempo and Aon Plc (“**Aon**”) on 9th February, 2017. The proposed combination contemplates acquisition by Tempo of certain businesses, such as, (i) developing and implementing software and services solution for health and welfare and retirement benefits administration services, cloud based human resources business process outsourcing



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- administration and implementation services *etc.*; and (ii) providing HR and other related communication consulting services, (“**Tempo Business**”), from Aon.
3. Tempo proposes to acquire Tempo Business from Aon by acquiring direct and indirect subsidiaries of Aon namely, Hewitt Associates LLC, Hewitt Financial Services LLC, Aon Hewitt Financial Advisors, LLC, Aon Hewitt Benefit Payment Services, LLC, Reward Plus of America Corporation, Hewitt Associates Caribe, Inc., Aon Hewitt Intermediaries, Inc., Aon Hewitt LLC, Sheppard Canada Holding N.S. ULC and Aon HR Services India Private Limited, which are engaged in the said business.
 4. With respect to India, pursuant to the proposed combination, Tempo proposes to acquire entire equity shareholding of Aon HR Services India Pvt. Ltd. (“**Aon HR**” or “**Indian Target**”) from Aon Mauritius Holdings (“**Aon Mauritius**” or “**Indian Seller**”). Aon HR is engaged in provision of human resources business process outsourcing services, benefits administration services and financial business process outsourcing services (“**Target Business**”) to subsidiaries of Aon based outside India. It has no market facing business activities in India.
 5. Prior to the proposed combination, internal reorganisation of Aon has been completed and the Target Business has been transferred to Aon HR. Based on the submission of the parties, the Commission observed that the proposed combination is not related to the internal restructuring of business of Aon in India.
 6. Tempo, incorporated on 6th February, 2017 in Delaware, is a limited liability company and a wholly owned subsidiary of Blackstone Capital Partners VII NQ L.P. (“**Blackstone Capital**”). Blackstone capital is a fund advised / managed by affiliates of The Blackstone Group L.P. (“**Blackstone**”). As stated in the notice, Tempo is currently not engaged in any business activity and does not have any presence in India.
 7. Blackstone, headquartered in the United States of America, is a global alternative asset manager and is listed on the New York Stock Exchange. Blackstone operates as an investment management firm. Blackstone has investments in certain companies, namely, Intelenet Global Services Limited (“**Intelenet**”), Mphasis Limited (“**Mphasis**”) and Msource (India) Private Limited (“**Msource**”) which are engaged in the similar business activities as Aon HR.



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(Hereinafter, Intelenet, Mphasis and Msource are collectively referred to as “**Portfolio Companies**”).

8. Aon, incorporated in England, is the parent entity of the Aon group of companies and is listed at New York Stock Exchange. Aon is a global provider of risk management, insurance brokerage, reinsurance brokerage and human resources solutions and outsourcing services.
9. Aon HR, incorporated under the Companies Act, 2013, is wholly owned subsidiary of Aon Mauritius. As aforementioned, Aon HR, currently, provides BPO services to subsidiaries of Aon based outside India and has no market facing business activities in India. Pursuant to the proposed combination, Aon HR proposes to continue providing BPO services for the Target Business.
10. The Commission analysed the horizontal overlaps between: (i) the Acquirer and the Target Business of Aon; and (ii) Portfolio Companies of Blackstone and the Target Business of Aon. The Acquirer has submitted that Tempo is an investment vehicle incorporated solely for the purpose of the proposed combination and is not engaged in any business activities. Accordingly, Tempo and Aon do not produce / provide similar or identical or substitutable products or services either directly or indirectly. Furthermore, though Portfolio Companies of Blackstone are engaged in provision of BPO services in India, Aon HR provides BPO services to subsidiaries of Aon based outside India and hence, there is no overlap.
11. Further, the Commission observed that there is neither any vertical relationship between the Acquirer and Aon HR in India nor between Aon and any of the Portfolio Companies of Blackstone, in India.
12. Considering facts on record, details provided in the notice given under sub-section (2) of Section 6 of the Act and assessment 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.



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13. This order shall stand revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
14. The information provided by the Acquirers is confidential at this stage, in terms of and subject to the provisions of Section 57 of the Act.
15. The Secretary is directed to communicate to the Acquirer accordingly.