



COMPETITION COMMISSION OF INDIA

(Combination Registration No.C-2021/09/871)

18.10.2021

Notice under Section 6 (2) of the Competition Act, 2002 filed by Starnmeer B.V.

CORAM:

Mr. Ashok Kumar Gupta
Chairperson

Ms. Sangeeta Verma
Member

Mr. Bhagwant Singh Bishnoi
Member

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

1. On 08.09.2021, Competition Commission of India (**Commission**) received a notice under sub-section (2) of Section 6 of the Competition Act, 2002 (**Act**) filed by Starnmeer B.V. (**Acquirer/ Starnmeer**). The notice has been filed pursuant to the Share Purchase Agreement dated 19.08.2020 (**SPA**) between the existing shareholders of the Global Content Alpha Partners Holdco Pte. Ltd. (**Target/ GCAPH**) and the Acquirer. Hereinafter, the Acquirer and the Target, will be collectively referred to as '**Parties**'.
2. The proposed combination relates to the acquisition of up to the entire issued share capital of the Target from its existing shareholders by Starnmeer (**Proposed**



Combination). As an outcome of the Proposed Combination, Starnmeer will acquire complete control of GCAPH.

3. In terms of Regulation 14 of Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (**Combination Regulations**), the Commission, *vide* its email dated 21.10.2021, sought certain information(s)/ clarification(s), *inter alia*, relating to the activities of the Parties; the response to the same was received on 28.10.2021 (**Response**).
4. Starnmeer has been incorporated in the Netherlands for the purposes of the Proposed Combination. It is an entity which is ultimately owned and controlled by funds comprising the Baring Private Equity Asia Fund VII (**BPEA Fund VII**) - a fund affiliated with Baring Private Equity Asia Pte. Ltd. (**BPEA**), an international private equity firm with a focus on private equity investments in Asia.
5. It is submitted in the notice that Starnmeer neither has any investments nor is itself engaged in the provision or supply of any products and services in India. However, BPEA group, to which Starnmeer belongs, and its Affiliates, advise various private equity funds that are active in several markets. The Affiliates currently, *inter alia*, hold investments in various entities that are engaged in the provision of Information Technology (**IT**) and IT enabled services (**ITeS**) in India (**Portfolio Entities**). The Portfolio Entities of BPEA operating within the IT and ITES sector in India are Hexaware Technologies Limited, Virtusa Corporation, CitiusTech Healthcare Technology Private Limited, Coforge Limited, TELUS International and AGS Health Private Limited. Further, the Baring Asia Private Equity Fund VIII is in the process of acquiring the Hinduja Global Solutions' Healthcare BPO business (**HGSH BPO**).
6. GCAPH is the ultimate holding company of all the companies within its group. It is headquartered in and incorporated under the laws of Singapore. It has a global presence with operations in India, Philippines, USA and some other countries. Broadly, it is engaged in the provision of services within the IT & ITeS sector (more specifically Business Process Outsourcing (**BPO**) services) and caters to customers engaged in the Communications, Media, and Services (**CMS**) sector and the education



sector. In India, it is present through its subsidiaries namely, LearningMate Solutions Private Limited, SPI Technologies India Private Limited, Scope e-Knowledge Center Private Limited, Scientific Publishing Services Private Limited.

7. In relation to the identification of overlaps and relevant markets, it is, *inter alia*, submitted in the notice that the activities of the Parties overlap at the broader level in the market for IT services and ITeS in India (**Broad Relevant Market**) and at a narrower level in the segment of BPO Services in India (**Narrower Relevant Segment**). Further, on the basis of customer base their activities overlap at the narrowest level in the segment for provision of IT & ITeS services to customers engaged in the CMS Sector in India (**Narrowest Relevant Segment-1**) and the segment for provision of BPO Services to customers engaged in the CMS Sector in India (**Narrowest Relevant Segment-2**).
8. The Commission decided to leave the delineation of the relevant market open as it was observed that the Proposed Combination is not likely to cause an appreciable adverse effect on competition in any of the relevant markets.
9. Based on the submissions, it is noted that the combined market shares of the Parties in the Broad Relevant Market as well as in the Narrower/Narrowest Relevant Segments as identified by the Parties are insignificant. Moreover, it is stated that the markets/segments comprise other players such as Tata Consultancy Services, IBM, Wipro, Deloitte, Amazon, Hitachi, Tech Mahindra, Startek, Concentrix and Infosys, which will continue to pose competitive constraints. Further, in relation to vertical relationships, the Parties have submitted that none of the Portfolio Entities have any existing vertical relationships with the Target in India. In view of the foregoing, it appears that the Proposed Combination is not likely to raise any competition concern.
10. Considering the facts on record, 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 Proposed Combination is not likely to have an appreciable adverse effect



Combination Registration No. C-2021/01/871



on competition in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.

11. This order shall stand revoked if, at any time, the information provided by the Acquirers is found to be incorrect.
12. The information provided by the Parties shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
13. The Secretary is directed to communicate to the Parties accordingly.