

SUMMARY OF THE COMBINATION

A Summary of the proposed combination as required under Regulation 13(1B) of the Competition Commission of India (Procedure in Regard to the Transaction of Business Relating to Combinations) Regulations, 2011 is as follows:

(a) Parties to the Combination

- (i) Sundaram Finance Limited ("**SFL**" / "**Acquirer**");
- (ii) Sundaram BNP Paribas Home Finance Limited ("**SHFL**" / "**Target**") and
- (iii) BNP Paribas Personal Finance, SA ("**Seller**")

(b) Type of the Combination

The Proposed Combination relates to the proposed acquisition of 49.9% of equity shareholding of the **Seller** in **SHFL/ Target**. The Acquirer presently holds 50.1 % of equity shareholding in SHFL which on completion of the Proposed Combination will result in the Acquirer holding the entire 100% of the equity shareholding, leading to sole control of SHFL by SFL. Thereafter, SHFL shall be a wholly owned subsidiary of SFL.

The Proposed Combination is in the nature of an acquisition under Section 5(a) of the Competition Act.

The Share Purchase Agreement contemplating the purchase and sale of 49.9% equity shareholding of SHFL by SFL has been signed by the Parties on 21st June, 2019.

(c) Area of Activity of the Parties to the Combination

About SFL: Sundaram Finance Limited is a Chennai based deposit-taking Non Banking Financial Company (“**NBFC**”) registered with the RBI, primarily engaged in financing the purchase of commercial vehicles, cars, construction equipment and tractors. It accepts fixed deposits from the public and also distributes a wide array of financial services/products. In addition, through its subsidiaries, associates and joint ventures, it has a diversified presence in mutual funds, home finance, general insurance and Business Process Outsourcing (BPO). It is a listed company and has a nation-wide presence with nearly 658 branches across India.

About SHFL: SHFL is a deposit-taking Housing Finance Company (“**HFC**”) in India registered with the National Housing Bank (“**NHB**”). It is engaged in the business of providing long-term finance to individuals/corporates in India for construction/acquisition of residential dwelling units in India. It is a joint venture between SFL and the Seller which offers the following range of products in India:

- Home loans
- Home extension loans
- Home improvement loans
- Loans to buy land

- Loan against mortgage of property (LAMP)

In addition, SHFL also accepts fixed deposits from the public. Presently SHFL has 115 branches all across India.

About BNP Paribas Personal Finance, SA/ Seller: Seller is a wholly-owned subsidiary of BNP Paribas, SA (“BNPP”). BNPP is a leading European bank present in India through its branches in eight key cities in India, offering banking services. It also offers services in wealth management, securities, home finance and life insurance through various joint venture partners in India.

(d) The Relevant Market(s) to which the Combination Relates

The Proposed Combination relates to the **market for provision of housing finance in India**. However, given the absence of any adverse appreciable effect of competition concerns arising from the Proposed Combination, the definition of the relevant market may be left open.

It may be noted that this Proposed Combination is not leading to elimination of any market player or change in market structure.
