



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

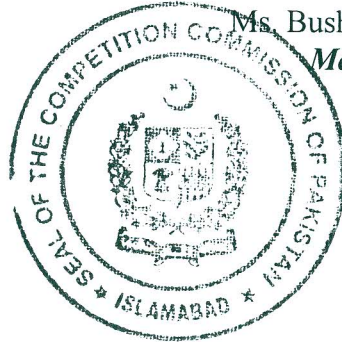
IN THE MATTER OF ACQUISITION OF : % SHAREHOLDING IN M/S. RETAILISTAN
(PRIVATE) LIMITED BY M/S. SYSTEMS VENTURES (PRIVATE) LIMITED

CASE: 1182/Merger-CCP/2021

Commission

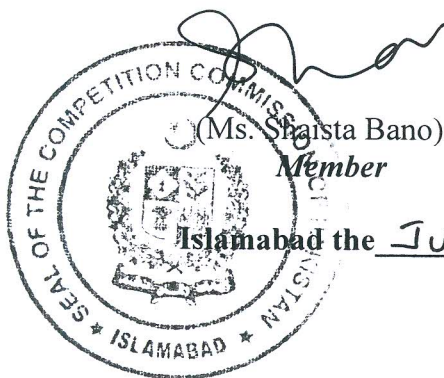
Ms. Shaista Bano
Member

Ms. Bushra Naz Malik
Member



ORDER

1. On 1st July, 2021 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed acquisition pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") from M/s. Systems Ventures (Private) Limited ("**SVL**" or "**Acquirer**") whereby it intends to acquire 77% shareholding in M/s. Retailistan (Private) Limited ("**RL**" or "**Target**") in accordance with the Share Subscription Agreement ("**Agreement**").
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of an independent research/investigation in the relevant market. The Phase I competition assessment of the intended transaction has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For the Ultimate Acquirer: software development, trading of software and business process outsourcing services.
 - b. For the Acquirer: consultancy in the field of software development, IT and project management, system design, development and implementation
 - c. For the Target: services of software designing, development, implementation, maintenance, testing and benchmarking, and to provide internet/web based applications.
 - ii. Pursuant to the Application, the proposed transaction involves the Acquirer proposing to subscribe to 77% of the issued share capital (comprising of ordinary shares) of the Target. The amount under consideration for this transaction can be estimated to be PKR 1/-
 - iii. The relevant market in this case has been identified as "**Software Solutions-Sales and Distribution**" and the geographic market is "**Pakistan**". However, as per the applicants internal estimate, it has an estimated market share of less than 1%, which will remain same post-transaction. There are no overlaps between the Merger Parties.
 - iv. The nature of the business offering of the Target include disruption of the conventional sales & distribution ecosystems in Pakistan via innovative tech-stack and digitizing the retail landscape. As this market is nascent it is difficult to ascertain the market share of the target and its competitors.
3. In conclusion, the proposed transaction does not meet the presumption of dominance as determined under Section (2) (1) (e). The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.



(Ms. Bushra Naz Malik)
Member

Islamabad the JULY 13, 2021.