

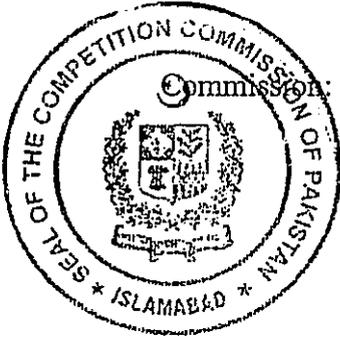


BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF THE ACQUISITION OF           % SHAREHOLDING OF M/S.  
ALCHEMATIVE (PRIVATE) LIMITED AND    % SHAREHOLDING OF M/S.  
ALCHEMATIVE DMCC BY M/S. DEVSINC (PVT) LIMITED FROM MR.  
MUHAMMAD UMAR FAROOQ RANA, MRS. BUSHRA UMAR, AND MR.  
KHAWAJA MUHAMMAD TAYYAB ZAHID.

CASE NO. 1566/Merger-CCP/2025



Dr. Kabir Ahmed Sidhu  
*Chairman*

## ORDER

1. On 05 September 2025, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) from M/s. Devsinc (Private) Limited (the “**Applicant**” or the “**Acquirer**”). The Application sought approval for the acquisition of % of the issued and paid-up capital of Alchemative (Private) Limited (“**Target 1**”) and % shareholding of M/s. Alchemative DMCC (“**Target 2**”) by the Acquirer from Mr. Muhammad Umar Farooq Rana, Mrs. Bushra Umar, and Mr. Khawaja Muhammad Tayyab Zahid (collectively as “**Sellers**”). The transaction is being executed in accordance with the terms and conditions set out in the Share Operation Agreement, dated 13 January 2025 (the “**Agreement**”).
2. The Application was filed under Section 11 of the Competition Act, 2010 (the “**Act**”), read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (the “**Merger Regulations**”).

### Merger Parties

#### Acquirer

3. Devsinc (Private) Limited (**DPL**) is a private limited company incorporated in Pakistan on 14 April 2021. Its principal activity is to acquire, establish, and run data centre offices and to provide consultancy and data processing software development services.

#### Target 1

4. Alchemative (Private) Limited (**APL**) is a private limited company incorporated in Pakistan on 22 February 2019. Its principal activity is E-commerce enablement, payment integration, and web and mobile app development.

#### Target 2

5. Alchemative DMCC (**ADMCC**) is a limited liability company incorporated in Dubai on 12 December 2018. It is engaged in the business of information technology consultancy, computer system consultancy, internet content providing services and web designing, software house, social media application development and management. However, it does not provide any services in Pakistan.



## **Sellers**

6. In APL, Mr. Muhammad Umar Farooq Rana holds \_\_\_\_\_ shares (representing \_\_\_\_\_ %) of the total shareholding. Mrs. Bushra Umar holds \_\_\_\_\_ shares (representing \_\_\_\_\_ %), while Mr. Khawaja Muhammad Tayyab Zahid holds \_\_\_\_\_ shares (representing \_\_\_\_\_ %). Together, these holdings constitute \_\_\_\_\_ % of the company's total \_\_\_\_\_ shares.
7. In ADMCC, Mr. Muhammad Umar Farooq Rana holds all \_\_\_\_\_ shares (representing \_\_\_\_\_ %) of the shareholding.

## **Transaction**

8. The transaction involves the acquisition by the Acquirer of \_\_\_\_\_ ordinary shares representing \_\_\_\_\_ % shareholding of APL from the Sellers and \_\_\_\_\_ ordinary shares representing \_\_\_\_\_ % shareholding of ADMCC from the Seller. (the "Transaction").
9. The consideration for the Transaction is a mix of cash and share issuance. Cash consideration is being paid to two sellers; i.e i. PKR \_\_\_\_\_ to Mr. Khawaja Muhammad Tayyab Zahid, and ii. PKR \_\_\_\_\_ to Ms. Bushra Umar. Share consideration is being issued to Mr. Umar Farooq Rana, comprising \_\_\_\_\_ newly issued ordinary shares in the Acquirer, representing \_\_\_\_\_ % of the paid-up capital of the Acquirer at the time of the Agreement.

## **Phase-I Competition Assessment**

### **Procedural Review**

10. Based on the Application and the subsequent information obtained, the Commission conducted a Phase-I competition assessment, including a review of the supporting documentation, to evaluate compliance with the Act and the Merger Regulations. The assessment specifically focused on potential competitive concerns, including issues related to market dominance and the overall impact on competition post-merger.

### **Relevant Market**

11. The Acquirer is engaged in scaled custom software development, DevOps, and enterprise delivery. These services involve building tailored software that can grow with a business, using modern tools to enable fast and reliable updates. DevOps integrates development and operations to support smooth and automated deployment, while enterprise delivery ensures that software meets the requirements of large organizations, including strong



security, high performance, and seamless integration. It has been submitted that these services are not provided by the Acquirer in the local Pakistani market.

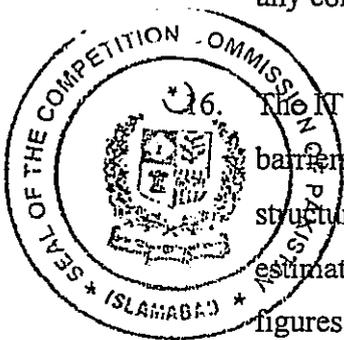
12. On the other hand, Target 1 is active in E-commerce enablement, payment integration, web and mobile development and Target 2 is active in the business of information technology consultancy, computer system consultancy, internet content providing services and web designing, software house, social media application development, and management. Moreover, Target 2 does not provide any services in Pakistan.
13. Given the above, the relevant product market is identified as “IT and IT-Enabled Services”. The geographic market for the purposes of this assessment is defined as “Pakistan”.

#### Market Share

14. As per the Acquirer, the total market value of the local Information Technology (IT) and Information Technology Enable Services (ITES) sector in Pakistan is approximately PKR [redacted] for the year 2024. Within this context, Target 1’s total business value, comprising PKR [redacted] in local sales and PKR [redacted] in exports, represents only about [redacted] % of the total market, indicating an extremely small presence in the overall IT services landscape.

#### Competition Analysis

15. As per the Application, both acquirer and targets are active in geographically distinct markets of IT and IT- Enabled Services sector. The Acquirer/DPL is engaged in export of enterprise-level software solutions. Target 1/APL operates primarily in web development, e-commerce enablement, and IT consultancy services in Pakistan, whereas, Target 2/ADMCC is not active in Pakistan. As the Acquirer has no operational presence in Pakistan, the Transaction will neither affect the existing market structure nor result in any concentration of market power.



The IT services market in Pakistan is characterized by numerous active players and low barriers to entry, which collectively contribute to a highly fragmented and competitive structure. Prominent competitors such as Codup (Private) Limited and Folio3 are estimated to hold market shares of approximately [redacted] % and [redacted] %, respectively. These figures underscore the relatively small scale of Target 1’s operations within the broader market and demonstrate that the post-transaction entity would remain a minor player with

negligible influence on market dynamics. The combined entity's market share would remain significantly below any threshold that could raise concerns or indicate potential market dominance, post-Transaction.

17. The Transaction is not expected to raise any competition concerns, as there are no overlaps and APL's negligible market share makes it unlikely to create or strengthen a dominant position. The relevant market in Pakistan is expected to remain open and competitive, with numerous active players continuing to provide a diverse range of services to local and international clients. The Transaction is primarily of strategic and operational significance to the parties involved, rather than posing any risk of distorting the competitive structure of the market.

**Ancillary Restrictions**

18. The Application revealed the presence of certain ancillary restraints within the Agreement, which may require exemption under Section 5 of the Act, read with Regulation 4 of the Competition Commission (Exemption) Regulation 2020.

**Determination**

19. Based on the information provided, the Commission concludes that the Transaction does not create or strengthen a dominant position in the relevant market, as defined under Section 2(1)(e), read with Section 11 of the Act and the Merger Regulations. Accordingly, the proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
20. Notwithstanding the above, matters which may fall outside the scope of the Commission's jurisdiction remain subject to applicable laws, judicial orders, and the oversight of relevant regulatory bodies.
21. It is so ordered.



Dr. Kabir Ahmed Sidhu  
(Chairman)



ISLAMABAD, DEC 22<sup>nd</sup>, 2025.