



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

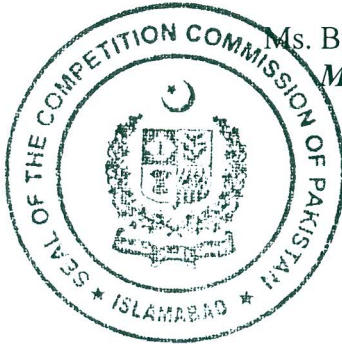
**IN THE MATTER OF ACQUISITION OF % SHARE CAPITAL IN M/S.
INTERNATIONAL BRANDS LIMITED BY M/S. UNIVERSAL VENTURES
(PRIVATE) LIMITED**

CASE: 1131/Merger-CCP/20

Commission

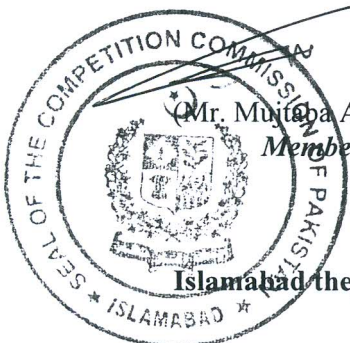
Mr. Mujtaba Ahmad Lodhi
Member

Ms. Bushra Naz
Member



ORDER

1. On 07th December, 2020 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") submitted by M/s. Universal Ventures (Private) Limited ("**UVL**" or "**Acquirer**") of the proposed acquisition of % share capital in M/s. International Brands Limited ("**IBL**" or "**Target**") from Mr. Shahid Abdulla ("**Seller 1**"), Mr. Asad Abdulla ("**Seller 2**"), Mr. Ayaz Abdulla ("**Seller 3**"), Mrs. Ayesha Zaid Zakaria ("**Seller 4**") & M/s. United Distributors Pakistan Limited ("**Seller 5**") collectively as ("**Sellers**") pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") pursuant to Board Resolution ("**Board Resolution**"). Upon preliminary investigation, it was found that some required information was missing and the last correspondence in relation to missing information was received on April 09, 2021.
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 markets. 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 Acquirer: involved in the business of holding company, including coordinating the administration, finances and activities of subsidiary companies or associated companies.
 - b. For Target: hold and manage investments in other group companies.
 - c. Seller 1,2,3 & 4 : individuals
 - d. Seller 5: involved in manufacturing, trading and distribution of pesticides, fertilizers and other allied products
 - ii. Pursuant to the Application, the proposed transaction is an equity investment of % of the issued share capital in the Target by Acquirer from the Sellers. The Acquirer intends to acquire to up to ordinary shares of the Target and the transaction amount is expected to be in the range of PKR -/- to PKR -/- per share. The total estimated transaction amount is in the range of PKR to PKR
 - iii. The relevant markets in this case have been identified as business of "**importing, manufacturing and selling of pharmaceutical products**", "**distribution of goods, commodities & pharmaceutical products**", "**IT solutions-software and hardware**" & "**consultation for franchises**" and the relevant geographic market is "**Pakistan**".
 - iv. The only wholly owned subsidiary of the Acquirer, United Retail (SMC-Private) Limited, formally known as Home Makers (SMC-Private) Limited, is primarily engaged in the business of all kinds furniture made from wooden, steel, iron, plastic, fibre, etc. The Acquirer is not active in the relevant market hence, there are no overlaps between the merging parties. Thus, post transaction the market shares will remain unchanged.
3. In conclusion, the proposed transaction does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("**Act**"). The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.



(Mr. Mujtaba Ahmad Lodhi)
Member

(Ms. Bushra Naz)
Member

Islamabad the 22nd APRIL, 2021.