



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

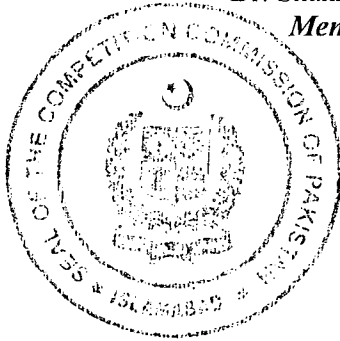
IN THE MATTER OF ACQUISITION OF SHAREHOLDING IN M/S.  
ALFALAH SECURITIES (PRIVATE) LIMITED BY M/S. CLSA JV HOLDINGS  
PRIVATE LIMITED

CASE: 996/Merger-CCP/18

Commission

Ms. Vadiyya S. Khalil  
*Chairperson*

Dr. Shahzad Ansar  
*Member*



## ORDER

1. On 17<sup>th</sup> September 2018 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**") through which M/s. CLSA JV Holdings Private Limited ("**Acquirer**" or "**Applicant**") intends to acquire shareholding in M/s. Alfalah Securities (Private) Limited ("**Target**") by way of share purchase. All the requisite information/documents pertaining to the application was completed by the applicant on 3<sup>rd</sup> October 2018.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and its observations on the basis of independent research/investigation in the relevant market. The Phase I competition assessment of the intended acquisition has resulted in the following findings:
  - i. The business activities of the undertakings concerned are:
    - a. For the Acquirer: Investment Holding Company
    - b. For the Target: Buying and selling equities, performing equity arbitrage, and facilitating CFS transactions for institutional and retail clients.
  - ii. The proposed transaction is an acquisition of . shareholding in the Target by the Acquirer. Currently, only the Target is engaged in the relevant product markets of "**Stock Brokerage Services**", "**Book-Running**" and "**Underwriting**" having a geographic market identified as of "**Pakistan**". The Acquirer is active in the same markets in other jurisdictions and hence, no overlaps exist between the merger parties in Pakistan.
  - iii. Presently, the Target has a market share of . in Stock Brokerage Services segment, . in Book-Running segment and no share in Underwriting as the Target did not underwrite any transaction in the previous year. Post-transaction, the market share of the Target will remain unchanged.
  - iv. The transaction is not likely to result in the creation or strengthening of a dominant position in the relevant market. The intended merger does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("**Act**").
3. In conclusion, the proposed transaction is not likely to substantially lessen competition through the creation or strengthening of a dominant position in the relevant market. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.

*Vadiyya S. Khalil*

(Vadiyya S. Khalil)  
*Chairperson*

*Dr. Shahzad Ansar*

(Dr. Shahzad Ansar)  
*Member*

Islamabad the *November 22*, 2018.

