

BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

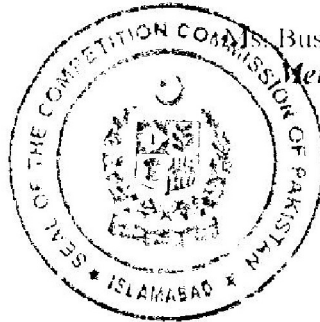
IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S. IBL
IDENTITY (PRIVATE) LIMITED BY M/S. UNIVERSAL VENTURES (PRIVATE)
LIMITED FROM M/S. THE SEARLE COMPANY LIMITED

CASE: 1193/Merger-CCP/2021

Commission

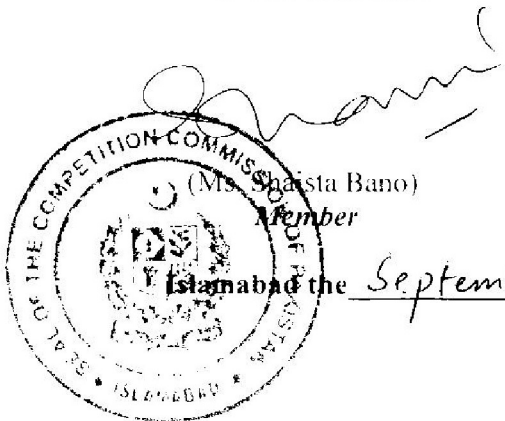
Ms. Shaista Bano
Member

Ms. Bushra Naz
Member



ORDER

1. On 07th July, 2021, the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") submitted by M/s. Universal Ventures (Private) Limited ("**UVPL**" or "**Acquirer**") of the proposed acquisition of ...% shareholding in M/s. IBL Identity (Private) Limited ("**IBL**" or "**Target**") from M/s. The Searle Company Limited ("**SCL**" or "**Seller**") pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (**Merger Control**) Regulations, 2016 ("**Merger Regulations**") in accordance with Share Purchase Agreement ("**Agreement**"). All requisite information/documentation pertaining to the application was completed on 24th September, 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 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 Acquirer: Holding company that has investments in administration through its subsidiary and associated companies.
 - b. For the Target: Manufacturer, exporter, importer and seller of ready-made garments.
 - c. For the Seller: Manufacturer of pharmaceutical and its allied products.
 - ii. The proposed transaction involves the Acquirer proposing to acquire ...% shareholding in the Target representing ... shares. The amount under consideration to be paid by the Acquirer to the Seller is PKR .../- which is deemed to be the transaction value in this case.
 - iii. The relevant product market in this case has been identified as that of "**Manufacturing and Selling of textile products**" while the relevant geographic market identified is "**Pakistan**".
 - iv. Target is currently not operational in the Relevant Market and has closed all its stores since previous fiscal year hence, Acquirer by virtue of acquisition of shares will mark its presence in the relevant markets and will gain full control over the Target.
 - v. The estimated pre-merger market share of the Target, when operative was less than 0.5% in the relevant market.
 - vi. There are no overlaps in the activities of the merger parties in the relevant market. However post-transaction, Acquirer will take over the Target.
3. The intended acquisition of shares does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.



(Ms. Bushra Naz)
Member