



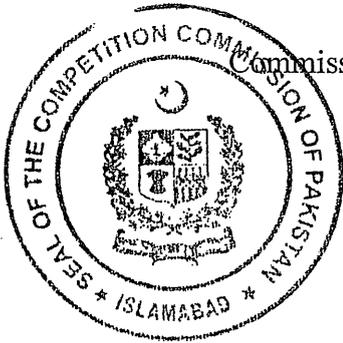
**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF THE DEMERGER OF CERTAIN ASSETS, LIABILITIES,
AND OBLIGATIONS FROM M/S. DADA ENTERPRISES (PRIVATE) LIMITED
AND M/S. DADA DAIRIES (PRIVATE) LIMITED, AND THE SIMULTANEOUS
TRANSFER OF THE SAME TO M/S. DADA FOOTWEAR (PRIVATE) LIMITED
AND M/S. DADA FARMS (PRIVATE) LIMITED.**

CASE NO. 1579/Merger-CCP/2025

**Dr. Kabir Ahmed Sidhu
Chairman**



Commission:

ORDER

1. On 12 November 2025, M/s. Dada Enterprises (Private) Limited ("**Party 1**" or "**DEPL**"), M/s. Dada Dairies (Private) Limited ("**Party 2**" or "**DDPL**"), M/s. Dada Footwear (Private) Limited ("**Party 3**" or "**DFWPL**") and M/s. Dada Farms (Private) Limited ("**Party 4**" or "**DFPL**") (all parties collectively as "**Merger Parties**") submitted a pre-merger application (the "**Application**") to the Competition Commission of Pakistan (the "**Commission**"). The Application pertains to the proposed demerger of certain Assets, Liabilities and Obligations DEPL and DDPL to DFWPL and DFPL in accordance with the Scheme of Arrangement (the "**Scheme**") dated 30 March 2025.
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

Party 1

3. Dada Enterprises (Private) Limited, a private limited company, incorporated on 21 June 1963 in Pakistan. It is engaged in processing and sale of leather, manufacturing and sale of footwear.

Party 2

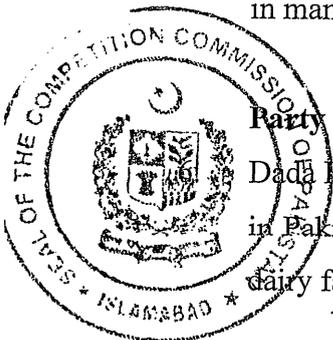
4. Dada Dairies (Private) Limited, a private limited company, incorporated on 23 April 2010 in Pakistan. It is engaged in dairy farming and is a subsidiary of DEPL.

Party 3

5. Dada Footwear (Private) Limited, a private limited company, incorporated on 26 June 2023 in Pakistan. Currently, it is not active^x, however, once operational it will be engaged in manufacturing and sale of footwear and is an associated company of DEPL.

Party 4

- Dada Farms (Private) Limited, a private limited company, incorporated on 27 June 2023 in Pakistan. Currently, it is not active; however, once operational it will be engaged in dairy farming and is an associated company of DEPL.



Transaction

7. As per the Agreement, assets pertaining to the Footwear Business of DEPL and Dairies Business of its subsidiary DDPL are being transferred to DFWPL and DFPL respectively. It is a non-cash restructuring through internal asset transfers. No monetary consideration is involved, and shareholding ratios will remain unchanged post-restructuring. (the “**Transaction**”). The Transaction is an internal corporate restructuring in the form of a court-sanctioned de-merger.

Phase-I Competition Assessment

Procedural Review

8. Based on the Application, the Commission undertook a Phase-I review to assess the competitive implications of the Transaction. The evaluation included an examination of the documentation to determine compliance with the provisions of the Act and the Merger Regulations, with particular focus on potential competitive concerns, including the likelihood of the creation or strengthening of a dominant position post-Transaction.

Relevant Market

9. DEPL processes and sells leather, exporting mainly to Italy and Vietnam, and also manufactures footwear exclusively for export, primarily to Germany. DDPL is engaged in dairy farming, while DFWPL and DFPL are newly incorporated entities that have not yet commenced business operations.
10. Keeping in view the foregoing, the relevant product market in this case is determined as, “**Processed Leather**” and “**Dairy Farming**” and the geographic market is defined as “**Pakistan**”.

Market Share

11. In FY2025, DEPL accounted for an estimated % of Pakistan’s total leather exports, with operations largely export-oriented (around %) and a negligible share of less than % of the domestic leather market.

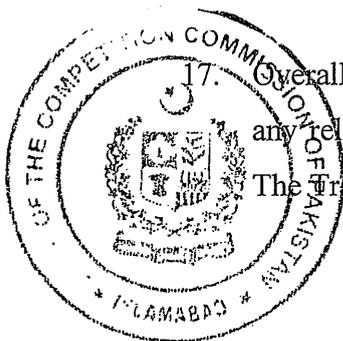
DDPL milk production represented **less than** % of Pakistan’s total national milk output in FY2025, reflecting a small market presence within a largely informal dairy sector but with long-term growth potential.



Competition Analysis

13. The proposed carve-out of specific business segments from DEPL and DDPL into newly incorporated entities, DFWPL and DFPL, represents an internal corporate reorganization rather than a structural change in the relevant markets. The transaction involves the transfer of assets and liabilities related to footwear manufacturing and dairy farming within the same corporate group, with no introduction of new shareholders or combination with competing firms.
14. DEPL's leather processing and export operations, which account for an estimated less than % of Pakistan's total leather local sales. As a result, the competitive landscape of the leather market remains unchanged, with no impact on market concentration, pricing behavior, or access to customers.
15. Similarly, the dairy farming operations carved out from DDPL into DFPL represent well below % of Pakistan's total milk production. Given the fragmented and largely informal nature of the dairy sector, the transfer of these operations does not materially affect market structure, supply conditions, or competitive dynamics.
16. There is no horizontal or vertical overlap arising from the carve-out and transfer of the footwear and dairy farming businesses from DEPL and DDPL into DFWPL and DFPL in any relevant markets in Pakistan. The transaction does not eliminate any competitive constraint, nor does it alter the existing market structure. The carve-out merely results in an internal realignment of assets and liabilities. As DEPL and DDPL already exercised full control over the respective footwear and dairy operations prior to the carve-out, the market shares, competitive positioning, and commercial footprint of these businesses remain unchanged post-restructuring, and they will continue to operate in the same manner as before, with no impact on the nature or intensity of competition in the relevant markets.

Overall, the proposed restructuring does not create or strengthen a dominant position in any relevant market, nor does it raise concerns of foreclosure or reduced competition. The transaction is unlikely to result in any appreciable adverse effect on competition.



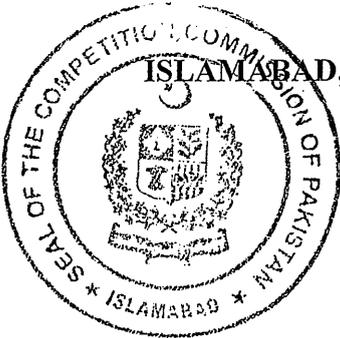
Determination

18. Based on the information provided, the Commission concludes that the proposed 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.
19. 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.
20. It is so ordered.



Dr. Kabir Ahmed Sidhu

(Chairman)



ISLAMABAD, January 2nd, 2025.