



MERGER DECISION NO 30: 2017

DECISION ON THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF AUTO CITY (PTY) LTD FROM GH INVESTMENTS (PTY) LTD AND NOOR M. RIAAN BY BOTH SHEZAN R. MOTANI AND RUSDIN ABDUL S. MOTANI.

PURSUANT to section 60(4)(a)(ii) of the Competition Act (Cap 46:09), notice is hereby given on the decision made by the Competition Authority in respect of the proposed acquisition of the entire issued share capital of Auto City (Pty) Ltd from GH Investments (Pty) Ltd and Noor M. Riaan by both Shezan R. Motani and Rusdin Abdul S. Motani.

The Authority determined through the analysis of the facts of the merger, that the proposed transaction is not likely to result in the prevention or substantial lessening of competition, or endanger the continuity of the services offered in the market for the distribution or retailing of tyres for different types of vehicles and provision of related aftermarket services, given the fact that:

- i. The proposed transaction is not likely to result in substantial lessening of competition, due to the competition constraints such as import competition, low barriers to entry and countervailing power, that exist in the market under consideration;
- ii. The merger would not result in the merged entity attaining any dominant position in the market under consideration. In addition, other competitors will impose competitive constraints on the merged entity; and
- iii. No negative public interests have been identified in this merger.

Pursuant to the provisions of section 55 of the Competition Act, the Authority has approved the proposed acquisition of the entire issued share capital of Auto City (Pty) Ltd from GH Investments (Pty) Ltd and Noor M. Riaan by both Shezan R. Motani and Rusdin Abdul S. Motani with the undertaking that there shall be no retrenchments as a result of the proposed transaction.

However, as stated under section 66 of the Act, this approval does not override or negate any other mandatory statutory approvals or processes that any of the parties to this merger must comply with under the Laws of Botswana.

Dated at Gaborone this 16th day of August 2017.

Tebelelo Pule, Acting Chief Executive Officer, Competition Authority, P/Bag 00101,
Gaborone, Plot 28, Matsitama Road, Tel: 3934278 Fax: 3121013