



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

ACQUISITION OF % SHAREHOLDING OF M/S. BALUCHISTAN WHEELS
LIMITED BY M/S. RMS (PRIVATE) LIMITED FROM MR. RAZAK BENGALI, MR.
MUHAMMAD SIDDIQUE MISRI AND MR. MUHAMMAD IRFAN GHANI

CASE: 1409/Merger-CCP/2023

(Dr. Kabir Ahmed Sidhu)
Chairman



Commission

(Mr. Saeed Ahmad Nawaz)
Member

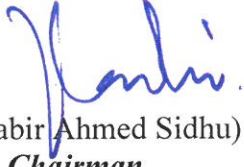
ORDER

1. On 13th November 2023 the Competition Commission of Pakistan (hereafter "**Commission**") received a pre-merger application (hereafter "**Application**") from RMS (Private) Limited ("**RMS**" or "**Acquirer**").
2. The Application was made pursuant to Section 11 of the Competition Act, 2010 (hereafter "**Act**") read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter "**Merger Regulations**").
3. The proposed transaction entails the acquisition of % shareholding of M/s. Baluchistan Wheels Limited ("**BWL**" or "**Target**") by the Acquirer from Mr. Razak H.M. Bengali ("**Seller 1**"), Mr. Muhammad Siddique Misri ("**Seller 2**") and Mr. Muhammad Irfan Ghani ("**Seller 3**") (hereafter collectively as "**Sellers**") pursuant to the Share Purchase Agreement (hereafter "**Agreement**") dated 09th October 2023. All requisite information/documentation pertaining to the Application was completed on 14th February 2024.
4. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Phase I competition assessment of the intended transaction has revealed the following facts:
 - 4.1. The business activities of the undertakings concerned are:
 - 4.1.1. Acquirer: A private limited company existing under the laws of Pakistan. It's engaged in the construction and development of real estate and infrastructures.
 - 4.1.2. Target: A publicly listed company existing under the laws of Pakistan. It's engaged in manufacturing and marketing automotive wheel rims for trucks, buses, tractors, cars, and mini-commercial vehicles.
 - 4.1.3. Sellers: Current shareholders of the Target.
 - 4.2. As per the Agreement, the Acquirer will purchase % ordinary shares (% shareholding) at PKR per share of the Target from the Sellers. The total estimated amount under consideration to be paid amounts to PKR '-. Post-transaction the Target will become a subsidiary of the Acquirer.
 - 4.3. The relevant product markets, in this case, have been identified as "**Steel Wheel Rims-Passenger Vehicle, Commercial Vehicle, and Tractor**" and the relevant geographic market is "**Pakistan**".
 - 4.4. As submitted in the Application, the estimated market share of Target for Car/Jeep/Pick-up is %, Truck/Bus is %, and for Tractors it stands at %, which will remain unchanged post-transaction as the Acquirer is not active in the relevant market.
5. The intended transaction relates to acquisition of shares and no evidence suggests any substantial lessening of competition by creating or strengthening a dominant position in the

relevant market. Therefore, it is authorized under Section 31(d)(i) of the Act. Therefore, it is hereby authorized under Section 31(1)(d)(i) of the Act.

6. In the subject transaction, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.

7. It is so ordered.



(Dr. Kabir Ahmed Sidhu)
Chairman


(Mr. Saeed Ahmad Nawaz)
Member

Islamabad the February 21st, 2024.

