



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

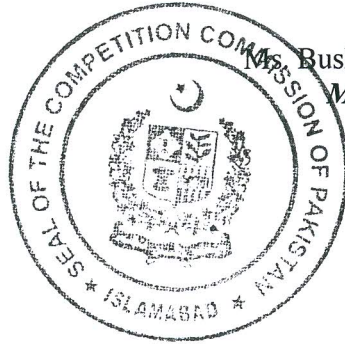
IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S. DELLA
TOFFOLA S.P.A. AND M/S. DT INVEST S.R.L. FROM SELLERS BY M/S.
INVESTINDUSTRIAL ADVISORS LIMITED.

CASE: 1112/Merger-CCP/20

Commission

Mr. Mujtaba Ahmad Lodhi
Member

Mrs. Bushra Naz Malik
Member



ORDER

1. On 9th September 2020 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**") from M/s. Investindustrial Advisors Limited ("**IAL**" or "**Acquirer**") whereby it intends to acquire % shareholding M/s. Della Toffola S.P.A. ("**DT**") and M/s. DT Invest ("**DT Invest**") collectively as ("**Targets**") by purchasing shares from three individuals Mr. Vittorio Della Toffola, Mr. Francesco Della Toffola and Mr. Luciano Della Toffola ("**Sellers**"), pursuant to the Share Purchase Agreement ("**SPA**"). All requisite information/documentation pertaining to the application was completed on October 27, 2020.
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 transaction has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For the Acquirer: Management of investment funds
 - b. For the Targets:
 - i. DT is engaged in manufacturing of machinery and equipment for food, beverages and tobacco.
 - ii. DT Invest activity is to control group of companies operating mainly in the field of techniques for the food industrial and stainless steel processing sectors.
 - ii. The proposed transaction involves the Acquirer proposing to buy 100% shareholding of the Targets. The transaction consideration is EUR 1 (Approx. PKR as on October 28, 2020).
 - iii. The relevant product market in this case has been identified as that of "**Process Equipment and Spare Parts for Beverage Processing**" while the relevant geographic market identified is Pakistan. As per the data supplied by the Applicant, estimated market share of DT is less than % based on sales made in Pakistan. However, DT invest has no presence in Pakistan
 - iv. There are no overlaps in the activities of the merger parties, therefore, post-transaction, market shares will remain unchanged.
3. Ancillary restriction have been reported with this transaction, which may require exemption under Section 5 of the Act, read with Regulation 4 of the Competition Commission (Exemption) Regulation, 2020.
4. 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.
5. It is so ordered.

(Mr. Muntaba Ahmad Lodhi)
Member

(Ms. Bushra Naz Malik)
Member

Islamabad the NOVEMBER 3, 2020.

