



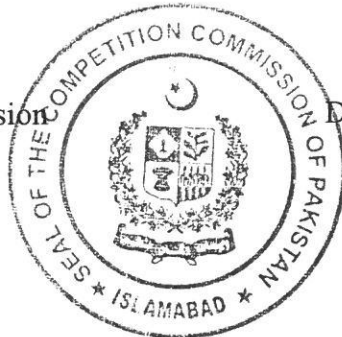
**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF SEARLE
PAKISTAN LIMITED BY IJARA CAPITAL PARTNERS LIMITED AND NOVENTA
PHARMA (PRIVATE) LIMITED FROM THE SEARLE COMPANY LIMITED.**

CASE: 1497/Merger-CCP/2024

Commission



Dr. Kabir Ahmed Sidhu

Chairman

ORDER

1. On 18th November 2024, the Competition Commission of Pakistan (hereafter the “**Commission**”) received a pre-merger application (the “**Application**”) from Ijara Capital Partners Limited (the “**Acquirer 1**”).
2. The Application was submitted in accordance with 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

Acquirer 1:

3. Ijara Capital Partners Limited (**ICPL**) is a public unlisted company incorporated under the laws of Pakistan, engaged in the private equity and venture capital fund management services.

Acquirer 2:

4. Noventa Pharma (Private) (**NPL**) is a private limited company incorporated under the laws of Pakistan. It has been established as a Special Purpose Vehicle by ICPL.

Target:

5. Searle Pakistan Limited (**SPL**) is a public unlisted company incorporated under the laws of Pakistan, engaged in import, manufacture and sale of pharmaceutical products.

Seller:

6. Searle Company Limited (**SCL**) is a publicly listed company incorporated under the laws of Pakistan, engaged in manufacturing of pharmaceutical and other consumer products.

Transaction:

The proposed transaction involves the acquisition of _____ % shareholding in SPL (the “**Target**”) by Acquirer 1 and Acquirer 2, from the Seller, pursuant to a Share Purchase Agreement dated 29th October 2024 (the “**Agreement**”).



8. As per the Agreement: (i) the Acquirer 1 will acquire _____ ordinary shares (_____ % shareholding) of the Target; and (ii) the Acquirer 2 will acquire _____ ordinary shares (_____ % shareholding) of the Target from the Seller. The total consideration for the transaction is PKR _____ (the “**Transaction**”).

Procedural Review

9. The Commission reviewed the Application, supporting documentation, and submissions made by the parties to the proposed transaction. A Phase I competition assessment was conducted to evaluate the proposed Transaction’s compliance with the Act and Merger Regulations and its impact on the competitive structure of the relevant market below.

Phase I Competition Assessment

Relevant Market:

10. Based on the information submitted by the applicant and Target’s business, the relevant product market has been identified as “**Pharmaceutical Products.**” However, this market can be segmented into therapeutic classes (e.g., cardiovascular drugs, antibiotics) and branded vs. generic pharmaceuticals.
11. The relevant geographic market is defined as “**Pakistan,**” given the local regulatory requirements and distribution constraints.

Market Share:

12. As per the Application, total sales in pharmaceutical products for 2024 is PKR _____, while the Target’s estimated market share for the same period was PKR _____ (approximately _____ %), and this share is expected to remain unchanged, post-transaction.

Type of Merger:

13. Given the low market share of the Target and the lack of significant overlap in operations of the Target and the Acquirers, the transaction is unlikely to result in horizontal anti-competitive effects. Since, the transaction is conglomerate in nature, no significant vertical integration concerns were identified.



14. The pharmaceutical sector in Pakistan operates under a regulated framework and characterized by moderate barriers to entry, including regulatory approvals and capital requirements. The Transaction is unlikely to raise these barriers further and impact consumers anti-competitively.

Determination

15. 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. The proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.

16. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.

17. It is so ordered.


Dr. Kabir Ahmed Sidhu

Chairman



ISLAMABAD the January 14, 2025.