




BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW


IN THE MATTER OF JOINT VENTURE BETWEEN M/S. CHINA POWER
INTERNATIONAL MAINTENANCE ENGINEERING COMPANY LIMITED AND
M/S. HUB POWER HOLDINGS LIMITED.

CASE: 1239/Merger-CCP/21

Commission

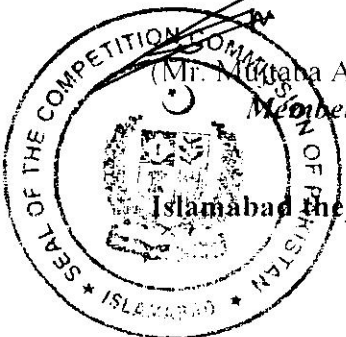

Mr. Mujtaba Ahmad Lodhi
Member




Shaista Bano
Member

ORDER

1. On 11th November, 2021 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") submitted jointly by M/s. China Power International Maintenance Engineering Company Limited ("**CPIME**" or "**JV Partner 1**") and M/s. Hub Power Holdings Limited ("**HPhL**" or "**JV Partner 2**") of their intended joint venture, collectively creating a limited liability company ("**Company**") pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") in accordance to Joint Venture Agreement ("**Agreement**"). All requisite information/documentation pertaining to the application was completed on November 30, 2021.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of an 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 JV Partner 1: Operation and maintenance of coal fired power plants
 - b. For JV Partner 2: Holding Company.
 - ii. Pursuant to the Agreement, the proposed transaction involves JV Partner 1 and JV Partner 2 to contribute their respective equities in the paid up capital of the Company in cash where initial equity is USD (approx. ... % of which is a foreign direct investment) equivalent to PKR
 - iii. The relevant product/service market in this case has been identified as "**Operation and Maintenance services to Power Plants – Thermal**" and the relevant geographic market is "**Pakistan**". Company is newly incorporated entity and has not generated any sales, however, based on the data provided in the application, the Company's market share is expected to be ... % at post-transaction.
3. In conclusion, the proposed transaction 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.
4. It is so ordered.



(Mr. Ahmad Lodhi)
Member

6th December, 2021.

(Ms. Shaista Bano)
Member