



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION BY M/S. GRINDLEWALD FZE AND M/S.
MAHMOOD TEXTILE MILLS LIMITED OF % SHARES IN M/S. ORIENT
POWER COMPANY (PVT.) LTD

CASE: 930/Merger-CCP/17

Commission


Ms. Vadiyya Khalil
Chairperson




M. Jahi
Dr. Muhammad Saleem
Member

ORDER

1. On 13th of December, 2017, 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**") through which M/s. Grindlewald FZE ("**Acquirer No. 1**") and M/s. Mahmood Textile Mills Limited ("**Acquirer No. 2**") (collectively "**Acquirers**") intend to acquire _____ shares of M/s. Orient Power Company (Pvt.) Ltd ("**Target**") by way of share purchase.
2. The Commission has examined the pre-merger 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 acquisition has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For Acquirer No. 1: Investment in Industrial Enterprises and Management.
 - b. For Acquirer No. 2: Production and sale of Yarn and Grey Cloth.
 - c. For the Target: Construction, Ownership and Operation of a _____ MW combined cycle dual fuel power plant at Balloki, District Kasur, Pakistan.
 - ii. The proposed transaction is an acquisition of at least _____ shares of the Target by the Acquirers. The Target and the Acquirers operate in different relevant product and geographic market creating a conglomerate relationship between the two.
 - iii. The Acquirers or Target do not have a dominant position in the relevant market. Post-merger there will be no change in the market structure of the relevant market. The proposed transaction will not result in elimination of any competitor and the market dynamics of the relevant market will remain unchanged, including the market share of the Target, which will remain at _____.
 - iv. The transaction is not likely to result in the creation or strengthening of dominant position in the relevant market. The intended merger does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act, 2010 ("**Act**").
3. In conclusion, the proposed transaction is unlikely to substantially lessen competition through the creation or strengthening of a dominant position in the relevant market. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.


Ms. Vadiyya Khalil
Chairperson


Dr. Muhammad Saleem
Member

Islamabad the 10th January 2017

