

BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF 10% SHARES IN M/S. PAKISTAN  
CABLES LIMITED BY M/S. INTERNATIONAL INDUSTRIES LIMITED

CASE: 932/Merger-CCP/17

Commission

Ms. Vadiyya Khalil  
*Chairperson*




*M. Jaleel*  
Dr. Muhammad Saleem  
*Member*

## ORDER

1. The Competition Commission of Pakistan ("**Commission**") is in receipt of a pre-merger application ("**Application**") dated 21<sup>st</sup> December 2017 (received by the Commission on the 26<sup>th</sup> of December 2017) sent by M/s. International Industries Limited ("**IIL**" or "**Acquirer**") notifying the Commission of its acquisition of \_\_\_\_\_ shares in M/s. Pakistan Cables Limited ("**PCL**" or "**Target**") from Ms. Farhana Yusuf Shah and Mrs. Saadia Rasheed ("**Sellers**") pursuant to a Share Purchase Agreement ("**Agreement**").
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 IIL: Production of steel, stainless steel and plastic pipes.
    - b. For PCL: Manufacturing of cables.
  - ii. As per the Application, the Acquirer intends to purchase \_\_\_\_\_ shares of the Target from the Sellers, pursuant to a Share Purchase Agreement. The total consideration for this purchase is PKR \_\_\_\_\_ which is the transaction value in this case.
  - iii. As the Target in this case manufactures cables, the relevant product market has been identified as the business of the manufacturing cables. Since the products manufactured by the Target are available across the country, where the conditions of competition are sufficiently homogenous, the relevant geographic market is Pakistan. The Target's share of the relevant market is \_\_\_\_\_ which will remain unchanged post-transaction. The Acquirer is not present in the relevant market, as it is a manufacturer of steel, stainless steel and plastic pipes, which makes this transaction conglomerate in nature.
  - 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 31<sup>st</sup> January 2018

