



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

MERGER OF M/S. MILLAT EQUIPMENT LIMITED WITH AND INTO M/S.  
MILLAT TRACTORS LIMITED.

CASE: 1457/Merger-CCP/2024

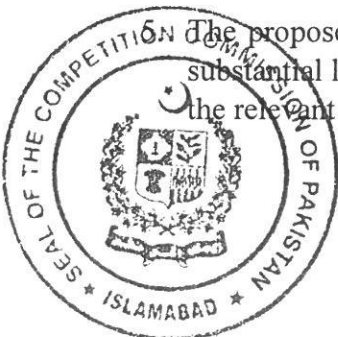
Commission



  
Dr. Kabir Ahmed Sidhu  
Chairman

## ORDER

1. On 20<sup>th</sup> June, 2024, the Competition Commission of Pakistan (hereafter the “**Commission**”) received a pre-merger application (hereafter the “**Application**”) submitted jointly by the following parties:
    - i. M/s. Millat Tractors Limited (hereafter “**MTL**”); and
    - ii. M/s. Millat Equipment Limited (hereafter “**MEL**”).
  2. The Application was made pursuant to Section 11 of the Competition Act, 2010 (hereafter the “**Act**”) read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter the “**Merger Regulations**”).
  3. The proposed transaction entails merger of MEL with and into MTL as per the Scheme of Arrangement. All requisite information/documentation pertaining to the Application was completed on 29<sup>th</sup> October, 2024.
  4. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Commission carried out Phase I competition assessment of the intended transaction which revealed the following facts:
    - 4.1. MTL: M/s. Millat Tractors Limited is a public listed company incorporated in Pakistan, engaged in manufacturing and marketing of agricultural tractors (Massey Ferguson 300 series), forklift trucks, diesel engines, diesel generating sets and a range of allied agricultural and industrial implements.
    - 4.2. MEL: M/s. Millat Equipment Limited is a public limited company incorporated in Pakistan, engaged in manufacturing of gears, shafts hydraulic pumps and engine balancers for agricultural tractors (Massey Ferguson 300 series) manufactured and assembled by MTL.
    - 4.3. As submitted in the Application and set out in the Scheme of Arrangement, MTL shall issue an aggregate of \_\_\_\_\_ shares, credited as fully paid up shares of the face value of PKR \_\_\_\_\_ each, to MEL Shareholders. The basis of swap ratio is MTL share for every \_\_\_\_\_ shares of MEL held by each of MEL shareholders.
    - 4.4. The relevant market in this case has been identified as “**Tractor Parts**” and the relevant geographic market is “**Pakistan**”.
    - 4.5. As per the data provided by the Applicant, since MEL is solely engaged in the manufacturing and supplying of parts only to be used in Messey Ferguson 300 series, therefore there will be no change in the market share of the merger parties.
    - 4.6. Moreover post-transaction, subject to the Scheme and sanction by the Honorable Lahore High Court, MEL would be dissolved and MTL would be the surviving entity.
- The proposed transaction relates to a merger and there is no evidence that suggests any substantial lessening of competition by creating or strengthening of a dominant position in the relevant market. Therefore, it is authorized under Section 31(d)(i) of the Act.



6. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.
7. It is so ordered.

*Kabir*

(Dr. Kabir Ahmed Sidhu)  
*Chairman*



Islamabad the November 14, 2024.