



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF SHAREHOLDING IN
M/S HASCOL PETROLEUM LIMITED BY M/S VITOL DUBAI LIMITED FROM
M/S MARSHAL GAS PRIVATE LIMITED.

CASE: 929/Merger-CCP/17

Commission


Ms. Vadiyya S. Khalil
Chairperson


Dr. Muhammad Saleem
Member



ORDER

1. On 11th 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 Vitol Dubai Limited ("**Acquirer**" or "**Applicant**") intends to acquire equity stake of M/s Hascol Petroleum Limited ("**Target**") by way of share purchase from M/s Marshal Gas Private Limited ("**Seller**").
2. The Commission has examined the 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 the Acquirer: Oil Marketing Company and commodities trader.
 - b. For the Target: Purchase, storage and marketing of petroleum products such as fuel, oil, high-speed diesel, gasoline and lubricants.
 - c. For the Seller: Oil and Gas marketing.
 - ii. The proposed transaction is an acquisition of shareholding in the Target by the Acquirer from the Seller. The Target operates in relevant product market of "**Oil Marketing Companies**" having a geographic market identified as of "**Pakistan**".
 - iii. The relevant market consists of players. The market leader in terms of sales is PSO with % market share, followed by Shell Pakistan with . The Target has of the market share. Post-merger, the Acquirer's stake in the Target will increase to . The proposed transaction will not result in elimination of any competitor and the market dynamics of the relevant market will remain unchanged.
 - iv. The transaction is not likely to result in the creation or strengthening of a 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 not likely 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.


(Vadiyya S. Khalil)
Chairperson


(Dr. Muhammad Saleem)
Member

Islamabad the 18th January 2018 .

