



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF : % SHARES OF M/S. SANPAK
ENGINEERING INDUSTRIES (PVT.) LIMITED BY M/S. SANDAN HOLDINGS
CORPORATION

CASE: 1064/Merger-CCP/19

Commission

Ms. Vadiyya Khalil 

Chairperson




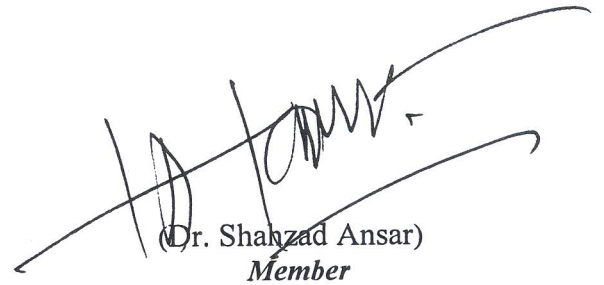

Dr. Shahzad Ansar

Member

ORDER

1. The Competition Commission of Pakistan ("**Commission**") is in receipt of a pre-merger application ("**Application**") sent by M/s. Sandan Holdings Corporation ("**SHC**" or "**Acquirer**"), notifying the Commission of its acquisition of % shares in M/s. Sanpak Engineering Industries (Pvt.) Limited ("**SEIL**" or "**Target**"), pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**").
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 transaction has resulted in the following findings:
 - i. The business activities of the concerned parties are:
 - a. For the Acquirer: Manufacturer of automotive air conditioning systems and other automobile parts.
 - b. For the Target: Import of completely knocked down ("**CKD**") parts of automobile air conditioning systems, their assembly and sale.
 - ii. As per the Application, SHC intends to acquire % ordinary shares of SEIL, i.e. % of voting shares. The consideration for the proposed transaction is PKR , which is the transaction value in this case.
 - iii. The relevant product market is that of the import of CKD parts of automobile air conditioning systems, their assembly and sale, while the relevant geographic market is Pakistan. The Target has a share of % of the relevant market. This will remain unchanged, post-transaction.
 - iv. The transaction is not likely to result in the creation or strengthening of dominant position in the relevant market. The intended transaction does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the 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. Shahzad Ansar)
Member



Islamabad the 20th December 2019