

BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

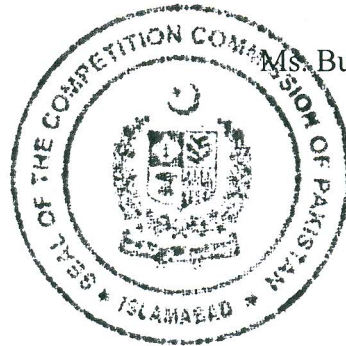
FIRST PHASE REVIEW

IN THE MATTER OF SUBSCRIPTION OF ACQUISITION OF UP TO ..... SHARES  
IN SINO SINDH RESOURCES (PVT.) LTD BY M/S. SHANGHAI ELECTRIC (GROUP)  
CORPORATION

CASE: 1059/Merger-CCP/19

Commission

Ms. Vadiyya Khalil  
*Chairperson*



Ms. Bushra Naz Malik  
*Member*

## ORDER

1. The Competition Commission of Pakistan ("**Commission**") is in receipt of a pre-merger application ("**Application**") sent by M/s. Sino Sindh Resources (Pvt.) Ltd ("**Sino Sindh**" or "**Target**"), notifying the Commission of the acquisition of up to \_\_\_\_\_ shares in Sino Sindh by M/s. Shanghai Electric (Group) Corporation ("**Shanghai Electric**" or "**Acquirer**"), 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: EPC contractor for power engineering projects, equipment supply, labor contracts, industrial investment, machinery manufacturing and sales, provision of technical consultation and training for domestic and exported projects, state owned properties operation and management, domestic trade, design, fabrication and advertising.
    - b. For the Target: Quarrying, mining of hard coal.
  - ii. As per the Application, Shanghai Electric intends to acquire up to \_\_\_\_\_ shares in Sino Sindh. The consideration for this acquisition is US\$ \_\_\_\_\_ (*approximately PKR* \_\_\_\_\_) which is the transaction value in this case.
  - iii. The relevant product market is coal mining and quarrying, while the relevant geographic market is Pakistan. Sino Sindh will have a share of \_\_\_\_\_ of the relevant market, with imports factored into the assessment. 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 acquisition 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*



(Ms. Bushra Naz Malik)  
*Member*



Islamabad the 27<sup>th</sup> September 2019