



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF MERGER OF M/S. OLYMPIA SYNTHETICS LIMITED
WITH AND INTO M/S. OLYMPIA INDUSTRIES (PRIVATE) LIMITED.**

CASE: 1508/Merger-CCP/2024



**Dr. Kabir Ahmed Sidhu
Chairman**

ORDER

1. On 24th December 2024, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) from Olympia Industries (Private) Limited (“**Merger Party 1**”), seeking approval of merger of Olympia Synthetics Limited (“**Merger Party 2**”) with and into Merger Party 1.
2. The Application was filed under Section 11 of the Competition Act, 2010 (the “**Act**”) read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (the “**Merger Regulations**”).

Merger Parties

Merger Party 1

3. Olympia Industries (Private) Limited (**OIL**) is a private limited company incorporated under the laws Pakistan. Its primary activity is to manufacture and sell synthetic carpet, polyester felt, synthetic yarn and knitted fabric.

Merger Party 2

4. Olympia Synthetics Limited (**OSL**) is a public unlisted company incorporated under the laws of Pakistan. Its primary activity is to manufacture and sell bulk filament yarn and recycled polyester fiber.

Transaction

5. Pursuant to the Application and the Scheme of Compromises, Amalgamation and Reconstruction (the “**Agreement**”), the transaction relates to the proposed merger of Merger Party 2 with and into Merger Party 1 through the allotment of _____ shares of Merger Party 1 to the shareholders of Merger Party 2. The agreed swap ratio for the transaction is _____ whereby, for every share of Merger Party _____ Merger Party _____ will issue share to the shareholders of Merger Party 2.

Phase-I Competition Assessment

Procedural Review

6. Based on the Application, the Commission conducted a Phase-I competition assessment of the Application, including supporting documentation, to evaluate compliance with the Act and Merger Regulations, particularly focusing on potential competitive concerns, including market dominance and competition, post-merger.



Relevant Market

7. The relevant product market, for the purposes of this assessment, comprises of **Bulk Filament Yarn** and **Recycled Polyester Fiber**. The relevant geographic market is **Pakistan**, considering supply conditions and consumer preferences in the country.

Market Share

8. As per the Application, the total estimated annual production of recycled polyester yarn is _____ kilograms (KGS), with OSL's capacity accounting for _____ KGS. Similarly, the total estimated annual production of bulk filament yarn is _____ KGS, with OSL's capacity being _____ KGS. Hence, OSL's Market Share for Recycled Polyester Yarn is estimated to be _____ and Market Share for Bulk Filament Yarn is estimated to be _____ %.

Competition Analysis

9. The Merger Parties are vertically integrated. OSL is supplying _____ % of its manufacturing to OIL, and OIL is sourcing _____ % of its raw material needs (recycled polyester yarn and bulk filament yarn) from OSL.
10. Despite the merger, the total estimated market share of OSL will remain unchanged, as both parties are owned by the same shareholders.

Determination

11. The Commission concludes that the proposed Transaction does not create or strengthen a dominant position in the relevant markets, as defined under Section 2(1)(e) read with Section 11 of the Act and the Merger Regulations. The proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
12. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.
13. It is so ordered.



Dr. Kabir Ahmed Sidhu

Chairman

ISLAMABAD,

March 25, 2025.

