



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

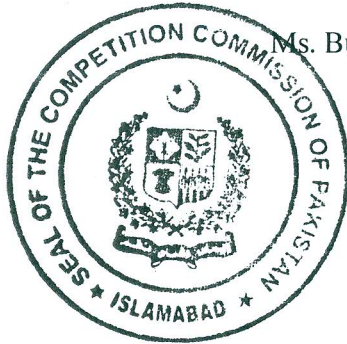
IN THE MATTER OF ACQUISITION OF \_\_\_\_\_% SHAREHOLDING IN  
M/S. NISHAT HOTELS AND PROPERTIES LIMITED BY M/S. SECURITY  
GENERAL INSURANCE COMPANY LIMITED.

CASE: 1079/Merger-CCP/20

Commission

Ms. Shaista Bano Gilani  
*Acting Chairperson*

Ms. Bushra Naz Malik  
*Member*

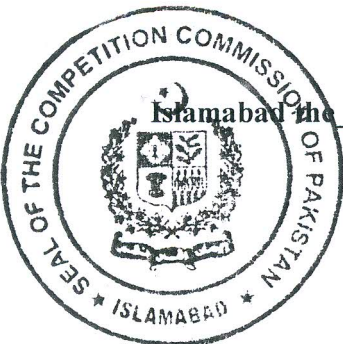


## ORDER

1. On 17<sup>th</sup> February 2020 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**") from M/s. Security General Insurance Company Limited ("**Acquirer**" or "**Applicant**") for the acquisition of \_\_\_\_\_% shareholding in M/s. Nishat Hotels and Properties Limited ("**Target**"). All the requisite information/documentation pertaining to the application was completed by the applicant on 4<sup>th</sup> April 2020.
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 undertakings concerned are:
    - a. For the Acquirer: Providing general insurance services in spheres of fire, marine, motor and miscellaneous.
    - b. For the Target: To own, manage, establish, operate a shopping mall, hotel and banquet halls.
  - ii. The proposed transaction involves the Acquirer proposing to buy \_\_\_\_\_% of the fully paid shares of the Target. The transaction consideration is PKR \_\_\_\_\_.
  - iii. The Target belongs to the relevant product market of "**Hospitality**" having a geographic market identified as of "**Lahore city**". There are no official statistics and data on the market size for the hospitality business in Lahore. There are no overlaps in the relevant market between the merger parties.
  - iv. Post-transaction, there will be no impact in the relevant market.
  - v. 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.

  
(Ms. Shaista Bano Gilani)  
*Acting Chairperson*

  
(Ms. Bushra Naz Malik)  
*Member*



Islamabad the MAY 08, 2020.