



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

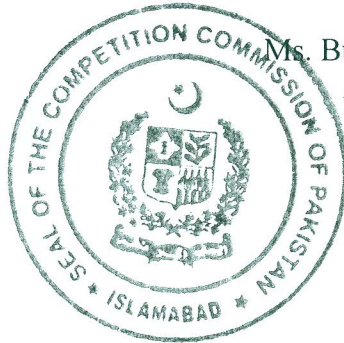
FIRST PHASE REVIEW

**IN THE MATTER OF MERGER OF M/S. SPI INSURANCE COMPANY LIMITED
WITH AND INTO M/S. THE UNITED INSURANCE COMPANY OF PAKISTAN
LIMITED**

CASE: 1199/Merger-CCP/21

Commission


Ms. Shaista Bano
Member




Ms. Bushra Naz Malik
Member

ORDER

1. On 27th August, 2021 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. The United Insurance Company of Pakistan ("**UIC**" or "**Merger Party 1**") whereby it intends to merge M/s. SPI Insurance Company Limited ("**SPI**" or "**Merger Party 2**") with and into Merger Party 1 in accordance with the Scheme of Merger ("**Agreement**").
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of an 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 Merger Party 1: Non-life Insurance Business
 - b. For the Merger Party 2: Non-life Insurance Business
 - ii. Pursuant to the Agreement, the transaction under consideration is a share swap on the basis of a swap ratio (). The issued share capital of UIC is PKR According to the swap ratio, in exchange of total issued and fully paid up shares of the SPI, total number of ordinary shares of UIC, having face value of Rs. 10/- each, is worked out to be shares. The transaction value can be estimated to be PKR /-.
 - iii. The relevant market, in this case, has been identified as "**Non-life Insurance (General Insurance)**" and the geographic market is "**Pakistan**".
 - iv. The estimated market share of SPI in Pakistan is % while that of UIC is % in the relevant market.
 - v. There are overlaps between the merger parties. Post-transaction overall market share of the merged entity can be estimated to be %.
3. In conclusion, the proposed transaction does not meet the presumption of dominance as determined under Section (2) (1) (e). The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.


(Ms. Shaista Bano)

Member


(Ms. Bushra Naz Malik)

Member

Islamabad the September 14th, 2021.

