

**BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN**

**IN THE MATTER OF  
FIRST PHASE REVIEW**

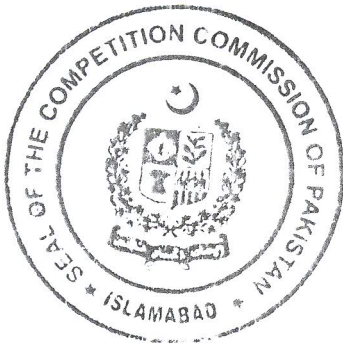
**ACQUISITION OF        SHARES OF IGI  
INSURANCE LIMITED BY SYED Haider ALI**

**CASE: 796/Merger-CCP/16**

Commission

Mr. Shahzad Ansar  
Member

Mr. Ikram Ul Haque Qureshi  
Member



# ORDER

## I Background

- 1 On 11 March 2016, the Acquirer, Syed Haider Ali (SHA) through its authorized representative, submitted a pre-merger application (the "application") to the Commission, notifying the acquisition of \_\_\_\_\_ shares of IGI Insurance Limited (The Target) by SHA, increasing his stakes from 5.10% to \_\_\_\_\_, along with the necessary information as well as a cheque of Rs- \_\_\_\_\_ as processing fee, applicable under Regulation 5(6) of the Competition (Merger Control) Regulations, 2007 (the "Regulations"). The case is examined as under:

## II Merger Parties

### 2 Acquirer

Syed Haider Ali (SHA) is an entrepreneur and is the Chief Executive Officer of IGI Life Insurance Limited and Packages Limited. He holds directorship in several other companies including IGI Insurance Limited, International Steels Limited, Nestle Pakistan Limited, Packages Lanka Private Limited and other more well known entities. He is also the board member of Ali Institute of Education, World Wide Fund for Nature, International Chamber Commerce Pakistan and Lahore University of Management Sciences. Though Acquirer is CEO of the group company of target but both companies have different relevant market.

### 4 Target

IGI Insurance Limited is a Packages Group Company that was incorporated as a Public Limited Company. It is engaged in providing general insurance services in spheres of Fire, Marine, Motor health and Miscellaneous. IGI Insurance holds \_\_\_\_\_ market share in the General Insurance business.

IGI Insurance Limited had total assets valuing PKR \_\_\_\_\_ Its turnover remained at PKR \_\_\_\_\_ on 31<sup>st</sup> December 2014.

## III Transaction

- 5 The proposed transaction involves acquisition of \_\_\_\_\_ shares of the target at a price of Rs \_\_\_\_\_ by SHA, increasing his stakes in the target from \_\_\_\_\_ to \_\_\_\_\_. The proposed transaction is estimated at PKR \_\_\_\_\_. The transaction is aimed at earning dividends and capital gains.

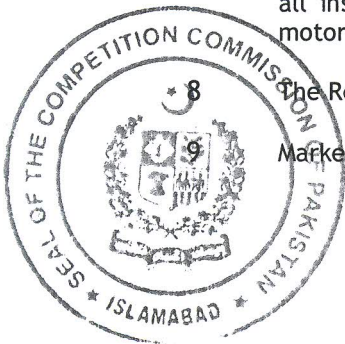
- 6 The transaction meets the notification thresholds as prescribed in Regulation 4(2)(a)(b)&(c) of the Merger Regulations, with the undertakings being merged having assets valuing more than PKR 1.0 billion. Further, the turnover of the undertakings being merged is more than PKR 1.0 billion. The transaction value also exceeds PKR 100 million.

## IV Relevant Market:

- 7 The relevant market in this case is the General Insurance market that encompasses all insurance product except life insurance e.g. fire, marine, corporate vehicle, motor, health and miscellaneous.

The Relevant Geographic market is Pakistan.

Market position in the relevant market is as under:



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Company Name	Market Share(%)
EFU General Insurance	
Jubilee General Insurance	
Adamjee Insurance Company Limited	
<b>IGI Insurance Limited</b>	
Others (25 companies)	

**V Findings of the Phase I investigation on the competition assessment**

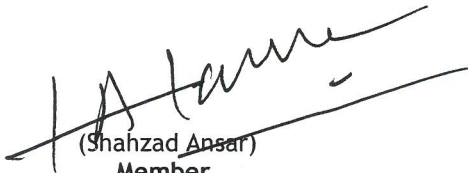
10 The competition assessment in Phase I has resulted in the following finding:

- The proposed transaction involves acquisition of shares of IGI Insurance Limited by the Acquirer increasing his stakes from . However, as the acquirer is an individual and does not hold any shareholding in any of the competitors of IGI Insurance Limited, the acquisition would not result in creating competition issues in the relevant market. This acquisition is aimed at earning dividends and capital gains. The merger does not meet the presumption of dominance as determined under Section 2(1)(e) read with Section 3 of the Competition Act 2010 (the "Act").

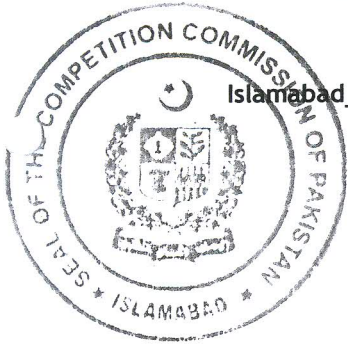
**VI Conclusion**

11 In conclusion, there is no evidence that suggests a substantial lessening of competition by creating or strengthening of dominant position in the relevant market. The proposed transaction is hereby authorized under Section 31(1) (d) (i) of the Act.

12 It is so ordered.

  
(Shahzad Ansar)  
Member

  
(Ikram Ul Haque Qureshi)  
Member



Islamabad 1st April, 2016