



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

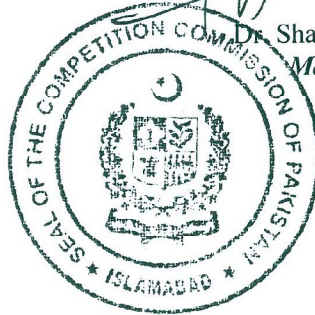
IN THE MATTER OF ACQUISITION OF % SHAREHOLDING IN M/S. OPAL  
LABORATORIES (PRIVATE) LIMITED BY MR. DANISH ELAHI FROM M/S.  
WELLINNOVA LIFE SCIENCES (PRIVATE) LIMITED

CASE: 1069/Merger-CCP/19

Commission

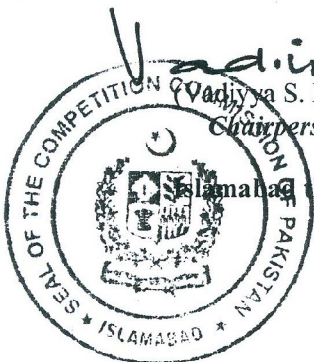
Ms. Vadiyya S. Khalil  
*Chairperson*

Dr. Shahzad Ansar  
*Member*



## ORDER

1. On 19<sup>th</sup> December 2019 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**") through which Mr. Danish Elahi ("**Acquirer**") intends to acquire \_\_\_\_\_% shareholding in M/s. Opal Laboratories (Private) Limited ("**Target**") from M/s. Wellinova Life Sciences (Private) Limited ("**Seller**") in accordance with the terms of the Investment Agreement. All the requisite information/documentation pertaining to the application was completed by the applicant on 21<sup>st</sup> February 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 acquisition has resulted in the following findings:
  - i. The business activities of the undertakings concerned are:
    - a. For the Acquirer: Business Individual.
    - b. For the Target: Manufacturing and trading of medicine and drugs.
    - c. For the Seller: Mandated to carry on the business of, *inter alia*, trading and distribution of medicine and drugs.
  - ii. The proposed transaction consists of acquisition of \_\_\_\_\_ % shareholding in the Target by the Acquirer from the Seller. The relevant product market has been set as of "**Manufacturing and trading of medicine and drugs**" in which the Target is currently operating within **Pakistan**, where the conditions of competition are sufficiently homogeneous.
  - iii. Pharmaceutical Industry operates in a heavily regulated environment, stringent and closely monitored and administered by Drug Regulatory Authority of Pakistan (DRAP).
  - iv. Currently, the Target has a share of approximately \_\_\_\_\_ %. Post-transaction, the market dynamics will remain unchanged as the Acquirer is not operating in the relevant product market. The consideration for the transaction is estimated to be PKR : \_\_\_\_\_ 1.
  - 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.



*Adiyya S. Khalil*  
Chairperson  
Islamabad the 9<sup>th</sup> MARCH, 2020.

*Dr. Shahzad Ansari*  
(Dr. Shahzad Ansari)  
Member