



**BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN**

**FIRST PHASE REVIEW**

**IN THE MATTER OF ACQUISITION OF \_\_\_% SHAREHOLDING OF M/S. ETIHAD  
POWER GENERATION LIMITED BY M/S. ETIHAD ALLOYS (PRIVATE) LIMITED FROM  
SELLER.**

**CASE: 1285/Merger-CCP/2022**

Commission

Ms. Rahat Kaunain Hassan  
*Chairperson*


ML.

Mr. Mujtaba Ahmad Lodhi  
*Member*



## ORDER

1. On 26<sup>th</sup> April, 2022 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed acquisition of shares under Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") whereby, M/s. Etihad Alloys (Private) Limited ("**EAL**" or "**Acquirer**") is acquiring \_\_\_\_\_% shareholding of M/s. Etihad Power Generation Limited ("**EPG**" or "**Target**") from Mr. Mohammad Munir ("**Mr. Munir**" or "**Seller**"), in accordance with Share Sale Purchase Agreement ("**Agreement**"). All requisite information/documentation pertaining to the Application was completed on 20<sup>th</sup> May, 2022.
2. The Commission has examined the Application as well as all the documents attached therewith, the information provided by the concerned undertaking and the market scenario. The Phase I competition assessment of the intended transaction has resulted in the following findings:
  - i. The undertakings concerned are:
    - a. Acquirer: Manufacturing of steel and other metal alloys.
    - b. Target: Bagasse-based power generation and provision of electricity to its sister concern.
    - c. Seller: Natural person, has 100% shareholding of the Target.
  - ii. As per the Agreement, the transaction is acquisition of \_\_\_\_\_ shares ( \_\_\_\_\_% shareholding except for \_\_\_\_\_ qualification shares) of the Target from the Seller. Total consideration to be paid for \_\_\_\_\_ shares is estimated to be PKR \_\_\_\_\_.
  - iii. The relevant product market in this case has been identified as "**Private – Power Generation**" while the relevant geographic market is "**Rahim Yar Khan- Punjab**" as power is provided in the specified region.
  - iv. As per the Application, currently the Target has not commenced operations yet and the Target has an estimated power production capacity of ( \_\_\_\_\_ ) MW. However, after operations, the Target will not distribute generated power through a distribution company as an IPP but will only supply to the Acquirer, which will become its parent company.
  - v. Post-transaction, the market condition will remain unchanged.
3. In conclusion, the proposed transaction does not meet the presumption of dominance as determined under Section 2(1)(e) read with section 3 of the Act. The proposed transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
4. It is so ordered.

  
(Ms. Rahat Kaunain Hassan)  
*Chairperson*

  
(Mr. Mujtaba Ahmad Lodhi)  
*Member*

