



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

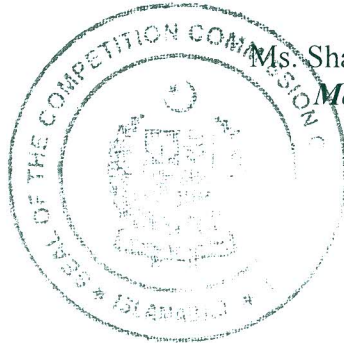
MERGER OF M/S. AVENUE BUILDERS (PRIVATE) LIMITED AND M/S. GREEN
HEIGHTS LLP WITH AND INTO M/S. WADOOD BUILDERS (PRIVATE) LIMITED

CASE: 1237/Merger-CCP/2021

Commission

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Mr. Mujtaba Ahmad Lodhi
Member



Ms. Shaista Bano
Member

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ORDER

1. On 5th January, 2021 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed merger 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. Wadood Builders (Private) Limited ("**WBL**" or "**Merger Party 1**"), whereby, M/s. Avenue Builders (Private) Limited ("**ABL**" or "**Merger Party 2**") and M/s. Green Heights Limited Liability Partnership ("**GH**" or "**Merger Party 3**") will merge with and into Merger Party 1 in accordance with Scheme of Amalgamation ("**Agreement**"). All requisite information/documentation pertaining to the application was completed on 12th January, 2022.
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 Merger Party 1: building and development of real estate.
 - b. For Merger Party 2: building and development of real estate.
 - c. For Merger Party 3: marketing and development of real estate.
 - ii. As per the Agreement, Merger Party 1 will split its paid up share i.e. shares into 2 amounting to shares. Subsequently, out of shares, shares will be allotted to shareholders of Merger Party 2. Merger Party 1 intends to swap Merger Party 2's share i.e. share with swap ratio of 1:1. Merger Party 3 will not be allotted any shares as it is a joint venture between Merger Party 1 and Merger Party 2. Total amount under consideration for the assets of Merger Party 2 and Merger Party 3 is estimated to be PKR
 - iii. The relevant product/service market in this case have been identified as "**Real Estate – Building and Development**" and the relevant geographic market is "**Gulberg, Islamabad**".
 - iv. As per the Application, total estimated area of commercial projects in Gulberg is Square Yards ("**Sq2**"), of which 2,017 Sq2 is jointly acquired by the all the Parties. Therefore, total market share of all the merger parties can be estimated to be %, which will remain unchanged post-transaction.
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.

(Mr. Mujtaba Ahmad Lodhi)
Member

(Ms. Shaista Bano)
Member

Islamabad the 14th JANUARY, 2022.

