

BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

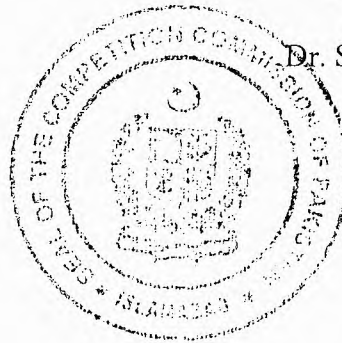
IN THE MATTER OF ACQUISITION      SHAREHOLDING IN M/S. MAGNETI  
MARELLI S.P.A. BY M/S. CK HOLDINGS CO., LIMITED

CASE: 1007/Mergers-CCP/18

Commission

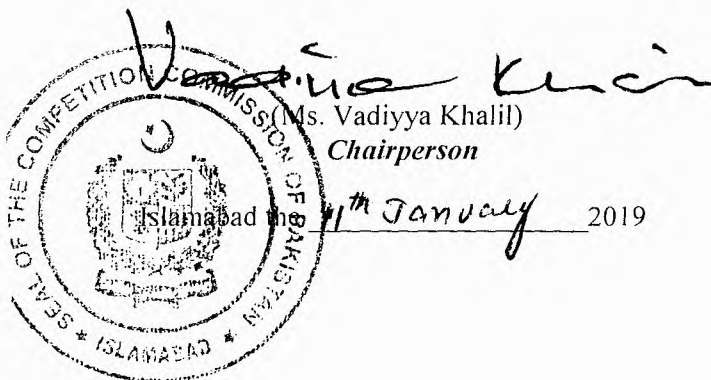
Ms. Vadiyya Khalil  
*Chairperson*


Dr. Shahzad Ansar  
*Member*



## ORDER

1. The Competition Commission of Pakistan ("**Commission**") is in receipt of a pre-merger application ("**Application**") dated 28<sup>th</sup> November 2018 sent by M/s. CK Holdings Co., Limited ("**CK Holdings**" or "**Acquirer**") notifying the Commission of its acquisition of \_\_\_\_\_ shareholding in, and sole control of, M/s. Magneti Marelli S.p.A. ("**Magneti Marelli**" or "**Target**") along with its subsidiaries and affiliates, pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**").
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 concerned parties are:
    - a. For the Acquirer: Manufacture of cockpit module and interior products, climate control systems, engine cooling products, automotive compressors, exhaust systems and electronic products.
    - b. For the Target: Manufacture of automotive lighting products, power train products, electronic systems, suspension systems and shock absorbers, exhaust systems, aftermarket parts and services and motorsport products.
  - ii. As per the Application, CK Holdings intends to acquire \_\_\_\_\_ shareholding in, and sole control of, Magneti Marelli along with its subsidiaries and affiliates. The consideration for this acquisition is \_\_\_\_\_ (approximately \_\_\_\_\_) which is the transaction value in this case.
  - iii. The relevant product market is that of manufacturing and wholesale distribution of automotive spare parts for light vehicles, whereas the relevant geographic market is Pakistan. The market share of the Target is less than \_\_\_\_\_. This will remain unchanged, post-transaction, as the Acquirer is not active in Pakistan.
  - iv. The transaction is not likely to result in the creation or strengthening of dominant position in the relevant market. The intended acquisition does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act.
3. In conclusion, the proposed transaction is unlikely 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.



  
(Dr. Shahzad Ansar)  
Member