



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF SHAREHOLDING IN M/S. MASTER
MOTORS LIMITED BY M/S. CHANGAN AUTOMOBILE INVESTMENT
(SHENZHEN) CORPORATION

CASE: 1044/Merger-CCP/19

Commission

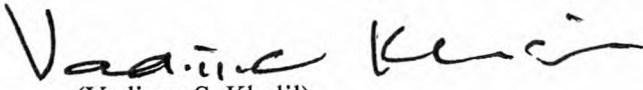
Ms. Vadiyya S. Khalil
Chairperson



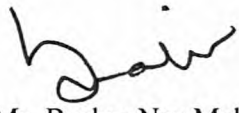
Ms. Bushra Naz Malik
Member

ORDER

1. On 2nd July 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 M/s. Changan Automobile Investment (Shenzhen) Corporation ("**Acquirer**" or "**Applicant**") intends to subscribe to _____ share capital of M/s. Master Motors Limited ("**Target**") by way of share purchase. All the requisite information/documentation pertaining to the application was completed by the applicant on 17th July 2019.
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: Principally engaged in car rental (excluding car rental with operator), sales of automobiles and spare parts, automotive industry, investment in industrial development and investment consulting.
 - b. For the Target: Manufacturing, assembling and selling automobiles.
 - ii. The proposed transaction is an acquisition by way of subscription of _____ share capital of the Target by the Acquirer. The Target is engaged in the relevant product market of "**Automobiles manufacturing and sale of commercial vehicle**" having a geographic market identified as of "**Pakistan**".
 - iii. Currently, in Pakistan the Target has a market share of less than _____. The relevant market is very competitive with a number of market players.
 - iv. 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.


(Vadiyya S. Khalil)

Chairperson


(Ms. Bushra Naz Malik)
Member



Islamabad, the 22nd Aug, 2019.