



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF
M/S. NIMIR RESINS LIMITED BY M/S. RUDOLF PAKISTAN (PRIVATE)
LIMITED.**

CASE: 1509/Merger-CCP/2024



**Dr. Kabir Ahmed Sidhu
Chairman**

ORDER

1. On 31st December 2024, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) from Rudolf Pakistan (Private) Limited (the “**Acquirer**”) seeking approval for acquisition of a % shareholding in Nimir Resins Limited (the “**Target**”) from Mr. Zafar Mahmood, Mr. Khalid Mumtaz, Mr. Qazi Imran, Mr. Afzal, Mr. Umar Iqbal, and Mr. Aamir Jamil (the “**Sellers**”), collectively holding a % stake in the Target.
2. The Application was filed in accordance with Section 11 of the Competition Act, 2010 (the “**Act**”) and the Competition (Merger Control) Regulations, 2016 (the “**Merger Regulations**”), which regulates the merger review process.

Merger Parties

Acquirer

3. Rudolf Pakistan (Private) Limited (**RPPL**), a Pakistan-registered private company affiliated with Germany's Rudolf Group, is a leading provider of textile chemical solutions, specializing in high-performance products for textile manufacturers.

Target

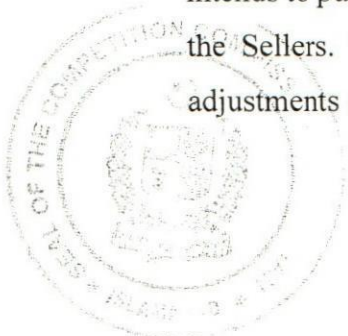
4. Nimir Resins Limited (**NRL**) is a public limited company listed on the Pakistan Stock Exchange. Since joining the Nimir Group in 2016, the NRL has established itself as one of the leading manufacturers of resins and specialty chemicals catering to industries such as paints, coatings, textiles chemicals, and paper.

Sellers

5. The individuals Mr. Zafar Mahmood, Mr. Khalid Mumtaz, Mr. Qazi Imran, Mr. Afzal, Mr. Umar Iqbal, and Mr. Aamir Jamil collectively own % of the Target’s shares.

Transaction

6. As stated in the Application and Agreement from the Sellers, under the Share Sale and Purchase Agreement dated 26th December 2024 (the “**Agreement**”), the Acquirer intends to purchase a % shareholding in the issued share capital of the Target from the Sellers. The total transaction value is PKR million, subject to customary adjustments as outlined in the Agreement (the “**Transaction**”).



7. Currently, the Acquirer, along with its CEO, Mr. Mansoor Haider Jawaid (jointly), holds _____ shares, representing a _____ % stake in the Target. Through this Transaction, the Acquirer plans to acquire an additional _____ shares (_____ % equity) from the Sellers, increasing its total shareholding to _____ shares, equivalent to a _____ % ownership stake in the Target.

Phase-I Competition Assessment

Procedural Review

8. The Commission reviewed the Application, supporting documentation, and submissions made by the parties to the proposed Transaction. A Phase-I competition assessment was conducted to evaluate the proposed Transaction's compliance with the Act and Merger Regulations and its impact on the competition in the relevant market identified below.

Relevant Market

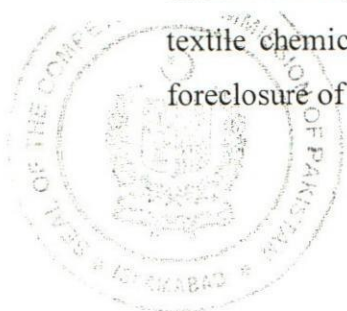
9. The relevant product market in this case has been identified as "**Textile Chemicals**" which may encompass a broad range of chemical products specifically used for textile processing, including dyeing, finishing, and coating. These chemicals are critical inputs for textile manufacturers to achieve desired quality standards. The relevant geographic market is identified as "**Pakistan**," given the stated domestic scope of the Target's business activities and operations.

Market Share

10. According to the Application, the Acquirer holds a market share of _____ %, whereas the Target possesses a _____ % stake. Post-Transaction, their total market share will amount to _____ % in the relevant market.

Competition Impact

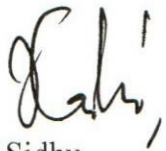
11. According to the Application, the Acquirer is already engaged in buying and selling some textile chemicals from the Target. The Transaction qualifies as a horizontal merger under the Act, as both the Acquirer and Target operate in overlapping segments of the textile chemicals market. No evidence suggests that the Transaction would result in foreclosure of competitors or reduced market access for other players.



12. As stated by the Applicant, the completion of the Transaction is expected to have minimal impact on the textile chemical market, aside from the possible introduction of new domestically manufactured products in collaboration with the Rudolf Group, which are presently being imported.
13. The textile chemicals market in Pakistan is characterized by numerous players, including domestic manufacturers and international suppliers, ensuring a competitive environment. The presence of multiple suppliers and relatively low entry barriers facilitate market contestability.
14. The Transaction is likely to result in operational efficiencies and synergies, including enhanced production capabilities and access to complementary expertise, which can benefit consumers through improved product quality and innovation. Based on the assessment, the Transaction is unlikely to harm competition or create barriers to entry in the relevant market.

Determination

15. The Commission determines that the Transaction does not raise substantive competition concerns and complies with Section 11 of the Act and the Merger Regulations, and is hereby authorized under Section 31(1)(d)(i) of the Act.
16. This authorization is granted pursuant to the Act and the Merger Regulations. Matters beyond the Commission's jurisdiction remain subject to applicable laws, judicial orders, and regulatory oversight.
17. It is so ordered.


Dr. Kabir Ahmed Sidhu
Chairman

ISLAMABAD, the 11th DAY OF FEBRUARY, 2025.

