



**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

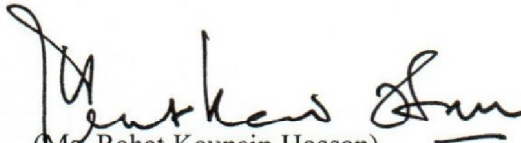
Ms. Rahat Kaunain Hassan
Chairperson

Mujtaba Ahmad Lodhi
Member



ORDER

1. On 26th 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 20th 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



Islamabad, the JUNE 20th, 2022.