



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

ACQUISITION OF % SHAREHOLDING OF M/S. EFU HEALTH INSURANCE LIMITED BY M/S. EFU LIFE ASSURANCE FROM M/S. EFU SERVICES (PRIVATE) LIMITED, MR. JAHANGIR SIDDIQUE, MR. SAIFUDDIN N. ZOOMKAWALA, MR. RAFIQUE R. BHIMJEE, MR. HASANALI ABDULLAH, MR. DAANISH BHIMJEE AND MS. MAHWISH BHIMJEE.

CASE: 1408/Merger-CCP/2023

(Dr. Kabir Ahmed Sidhu)  
*Chairman*



Commission

(Mr. Saeed Ahmad Nawaz)  
*Member*

## ORDER

1. On 13<sup>th</sup> November, 2023 the Competition Commission of Pakistan (hereafter "Commission") received a pre-merger application (hereafter "Application") from M/s. EFU Life Assurance (hereafter "EFU Life" or "Acquirer").
2. The Application was made pursuant to Section 11 of the Competition Act, 2010 (hereafter "Act") read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter "Merger Regulations").
3. The proposed transaction entails acquisition of % shareholding of M/s. EFU Health Insurance Limited (hereafter "EFU Health" or "Target") by the Acquirer from M/s. EFU Services (Private) Limited (hereafter "EFU Services" or "Seller 1"), Mr. Jahangir Siddique (hereafter "Seller 2"), Mr. Saifuddin N. Zoomkawala (hereafter "Seller 3"), Mr. Rafique R. Bhimjee (hereafter "Seller 4"), Mr. Hasanali Abdullah (hereafter "Seller 5"), Mr. Daanish Bhimjee (hereafter "Seller 6") and Ms. Mahwish Bhimjee (hereafter "Seller 7") (hereafter collectively as "Sellers") pursuant to the Share Subscription and Purchase Agreements (hereafter "Agreements") dated 27<sup>th</sup> October, 2023. All requisite information/documentation pertaining to the Application was completed on 8<sup>th</sup> December, 2023.
4. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Phase I competition assessment of the intended transaction has revealed the following facts:

4.1. The business activities of the undertakings concerned are:

4.1.1. Acquirer: A public listed company existing under the laws of Pakistan. Its engaged in life insurance business including ordinary life business, pension fund business and accident and health business<sup>1</sup>.

4.1.2. Target: An unlisted public limited company existing under the laws of Islamic Republic of Pakistan. Its principal activity is to sell health insurance and health takaful cover in Pakistan.

4.1.3. Sellers: Current shareholders of the Target.

4.2. As per the Agreements, the transaction relates to acquisition of shares ( % shareholding) of EFU Health by EFU Life from all the Sellers. EFU Life will issue its ordinary shares (face value PKR 10) to the Sellers at a swap ratio of 0.10:1 in the following manner:

Categories of Shareholders	Shares held in EFU Health	Shares being issued of EFU Life
EFU Services		
Mr. Jahangir Siddiqui		

<sup>1</sup> The accident and health business statutory consists mainly of policies which are pure protection policies covering accidental and disability risks. The Acquirer does not actively participate in the accident and health business market.

Mr. Saifuddin N. Zoomkawala		
Mr. Rafique R. Bhimjee		
Mr. Hasanali Abdullah		1 )
Mr. Daanish Bhimjee		
Ms. Mahwish Bhimjee		
<b>Total Shares</b>		

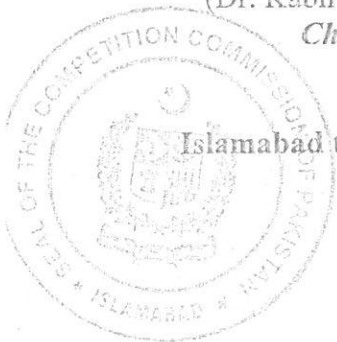
- 4.3. The transaction is being made through allotment of shares which as per closing of the 3 months were trading at an average of PKR . Therefore, value of the transaction is deemed to be upto PKR
- 4.4. The relevant product market, in this case, has been identified as “**Non-life Insurance - Health Insurance and Health Takaful**” and the relevant geographic market is “**Pakistan**”.
- 4.5. As submitted in the Application, Target has an estimated market share of % in the relevant market, which will remain unchanged post-transaction as the Acquirer is not active in the relevant market.
5. The proposed transaction will not result in dominance of the Acquirer in the relevant market, post-transaction, as determined under Section 2(1)(e) read with Section 3 of the Act. Therefore, it is hereby authorized under Section 31(1)(d)(i) of the Act.
6. In the subject transaction, matters which may fall outside the scope of the Commission’s purview, remain subject to applicable laws.
7. It is so ordered,



(Dr. Kabir Ahmed Sidhu)  
*Chairman*



(Mr. Saeed Ahmad Nawaz)  
*Member*



Islamabad the February 02<sup>nd</sup>, 2024.