



**BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN**

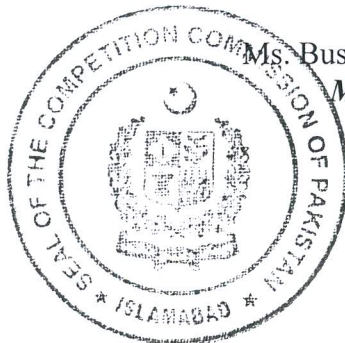
**FIRST PHASE REVIEW**

**IN THE MATTER OF ACQUISITION OF 1% SHAREHOLDING OF M/S.  
VALIDUS ENGINEERING PRIVATE LIMITED BY M/S. ELSEWEDY  
TRANSFORMERS PAKISTAN HOLDING LIMITED.**

**CASE: 1129/Merger-CCP/20**

Commission

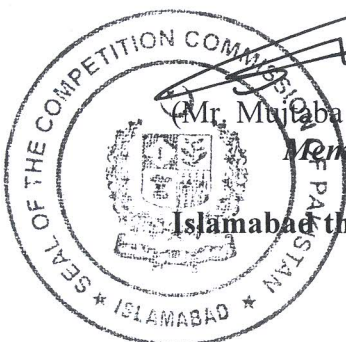
*ML.*  
Mr. Mujtaba Ahmad Lodhi  
*Member*



*[Signature]*  
Ms. Bushra Naz Malik  
*Member*

## ORDER

1. On 30<sup>th</sup> November 2020 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**") from M/s. Elsewedy Transformers Pakistan Holding Limited ("**ETPH**" or "**Acquirer**" or "**Applicant**") whereby it intends to acquire % shareholding M/s. Validus Engineering (Private) Limited ("**Validus**" or "**Target**") M/s. Allied Industries Hub ("**Seller 1**" or "**Allied**"), M/s. SAAS Enterprises (Private) Limited ("**Seller 2**" or "**SAAS**"), Mr. Imran Aftab ("**Seller 3**"), Mr. Shaikh Ather Sultan ("**Seller 4**") and Shaikh Sultan Ahmed ("**Seller 5**") collectively as ("**Sellers**") pursuant to the Framework Agreement ("**Agreement**"). All requisite information/documentation pertaining to the application was completed on January 14, 2021.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of independent research/investigation in the relevant market. The Phase I competition assessment of the intended transaction has resulted in the following findings:
  - i. The business activities of the undertakings concerned are:
    - a. For the Acquirer: Manufactures and sells integrated energy products and services in seven energy segments i.e. Electrical cables and accessories, electrical products, telecommunication, transformers wind energy generation, energy measurement and management, engineering, procurement, and contracting.
    - b. For the Target: manufacturing buying, selling, imports, exports and distribution of all kind of transformers.
  - ii. The proposed transaction involves the Acquirer proposing to buy 0% shareholding (..... shares) of the Target. The transaction consideration is USD ....., which will be remitted from abroad (either from Dubai or Egypt) (Approx. PKR ..... /- as per the date January 13, 2021).
  - iii. The relevant product market in this case has been identified as that of "**Manufacturing and Sale of Electrical Transformers**" while the relevant geographic market identified is "**Pakistan**".
  - iv. As per the Application, market share of the Target can be estimated to be %.
  - v. There are no overlaps in the activities of the merger parties in the relevant market, therefore, post-transaction, market conditions will remain unchanged.
3. The intended acquisition of shares 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.



(Mr. Mujtaba Ahmad Lodhi)  
Member

Islamabad the 19<sup>th</sup> JANUARY, 2020.

(Ms. Bushra Naz Malik)  
Member