



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION BY M/S. EVERCARE HEALTH FUND L. P.  
OF M/S. GATE HEALTHCARE 1 PAK (PRIVATE) LIMITED, M/S. AVICENNA  
HEALTHCARE 1 PAK (PRIVATE) LIMITED AND M/S. ISLAMABAD  
DIAGNOSTIC CENTRE (PRIVATE) LIMITED.

CASE: 1024/Merger-CCP/19

Commission

Ms. Vadiyya S. Khalil  
*Chairperson*

Muhammad Saleem  
*Member*



## ORDER

1. On 25<sup>th</sup> February 2019 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") from M/s. Evercare Health Fund Genpar. L. P. ("**Applicant**") 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. Evercare Health Fund L. P. ("**Acquirer**") intends to acquire the businesses comprising M/s. Gate Healthcare 1 Pak (Private) Limited ("**Target 1**"), M/s. Avicenna Healthcare 1 Pak (Private) Limited ("**Target 2**") and M/s. Islamabad Diagnostic Centre (Private) Limited ("**Target 3**"), collectively ("**the Pakistani Portfolio Companies**" or "**the Targets**"), by way of controlling and managing assets. All the requisite information/documents pertaining to the application was completed by the applicant on April 5, 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: purchase, hold, dispose of, or otherwise deal with investments for its own account and to engage or participate in any other lawful investment or related activities
    - b. For Target 1: Brownfield health care services project in partnership with 12 senior doctors to establish a 200+ bed multi-specialty tertiary care hospital in Lahore
    - c. For Target 2: Owns an area of land which is reserved for the creation of a 450 bed tertiary care hospital in Karachi.
    - d. For Target 3: Provides healthcare services, in particular advanced diagnostics services in radiology and pathology in few cities of Pakistan
  - ii. The proposed transaction is an acquisition of certain assets and funds leading to indirect control over the Pakistani Portfolio Companies by the Acquirer.
  - iii. Currently only Target 3 is active in Pakistan and is engaged in the relevant product market of "**Diagnostic Services**" having a geographic market identified as of "**Islamabad and Punjab**", while both Targets 1 and 2 belong to the relevant product market of "**Healthcare Services**" having a geographic market of "**Lahore**" and "**Karachi**" respectively. Target 3 has a market share of approximately while Targets 1 and 2 are non-operational.
  - 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.



Sadiyya S. Khalil  
Chairperson

Islamabad the 17<sup>th</sup> APRIL, 2019.

M. Jaleel  
(Dr. Muhammad Saleem)  
Member