



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF 7 % SHAREHOLDING IN M/S.  
FOUNDATION WIND ENERGY-II LIMITED BY M/S. FAUJI FOUNDATION  
FROM M/S. IIF WIND TWO LIMITED

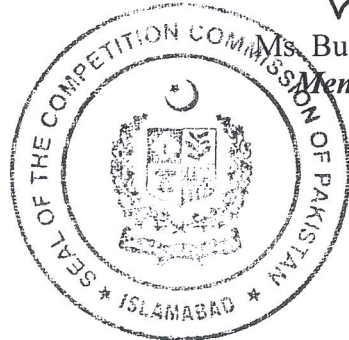
CASE: 1146/Merger-CCP/21

Commission

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Mr. Mujtaba Ahmad Lodhi

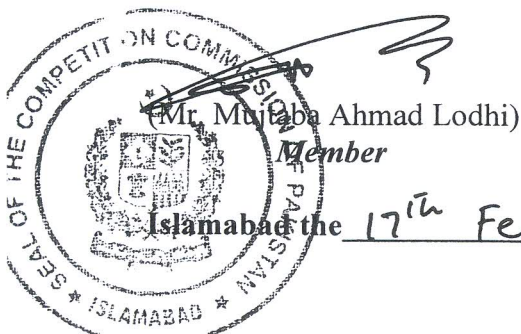
*Member*



Ms. Bushra Naz  
*Member*

## ORDER

1. On February 03, 2021 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**") whereby M/s. Fauji Foundation ("**Applicant**" or "**Acquirer**") intends to acquire % shareholding in M/s. Foundation Wind Energy-II Limited ("**Target Company**") from M/s. IIF Wind Two Limited ("**Seller**") pursuant to a Share Purchase Agreement.
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 an 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: A Charitable Trust set up in order to provide employment opportunities to Pakistani ex-military personnel and to generate funds for the welfare of army widows, and families of deceased.
    - b. For Target: To undertake the business of power generation and sale.
    - c. For the Seller: A Special Purpose Vehicle incorporated for investment holding.
  - ii. The proposed transaction involves the Acquirer intending to purchase ordinary shares of PKR 10/- each, representing approximately % of the issued and paid-up capital of the Target from the Seller. Upon completion of the Transaction, the Acquirer shall hold % shareholding in the Target Company while the Seller would have sold all of its holding.
  - iii. The transaction consideration value is PKR , , , , , /-. The funds will be transferred into the Seller's account, maintained abroad, from Pakistan.
  - iv. The relevant product market identified in this case is that of "**Renewable Energy - Wind Power Generation**" having a geographic market identified as of "**Pakistan**", excluding areas served by K-Electric. Based on the data provided in the application, currently, the Target has approximately % share in the relevant market based on power generation capacity.
  - v. Post-transaction, the market conditions will remain unchanged, while the Acquirer will have an increased stake in the Target through this transaction.
3. In conclusion, the intended 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.



(Mr. Muztaba Ahmad Lodhi)  
Member

Islamabad the 17<sup>th</sup> February, 2021.

(Ms. Bushra Naz)  
Member