



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF 69% SHAREHOLDING IN M/S.
SUNRIDGE FOODS (PRIVATE) LIMITED BY M/S. UNITY FOODS LIMITED.

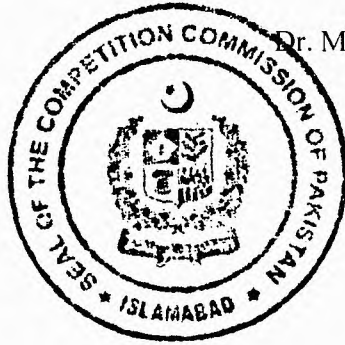
CASE: 1038/Merger-CCP/19

Commission

Ms. Vadiyya S. Khalil
Chairperson

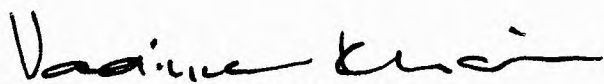
VSK
M. Jolvi

Dr. Muhammad Saleem
Member

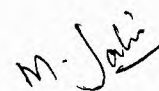


ORDER

1. On 29th May 2019 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**") through which M/s. Unity Foods Limited ("**Acquirer**" or "**Applicant**") intends to acquire % shareholding in M/s. Sunridge Foods (Private) Limited ("**Target**") subject to a signed Share Purchase Agreement between the parties.
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: Refining, manufacturing and sale of edible oil.
 - b. For the Target: Processing and packaging of whole wheat flour.
 - ii. The proposed transaction is an acquisition of % shareholding by the Acquirer in the Target. The relevant product market in this case has been identified as that of "**Processing & Packaging of whole wheat flour**" having a geographic market identified as of "**Pakistan**". The Target is currently active in the relevant market.
 - iii. It is estimated that the market share of the Target is currently % and will remain unchanged post-transaction.
 - 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.



(Vadiyya S. Khalil)
Chairperson



(Dr. Muhammad Saleem)
Member

Islamabad the 28th JUNE, 2019.

