



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF : ____ % SHAREHOLDING IN M/S. INDUS POWER
LIMITED BY M/S. JCM POWER NETHERLANDS HOLDINGS B. V. FROM M/S. TRISMO
INVESTMENTS LIMITED.

CASE: 1113/Merger-CCP/20

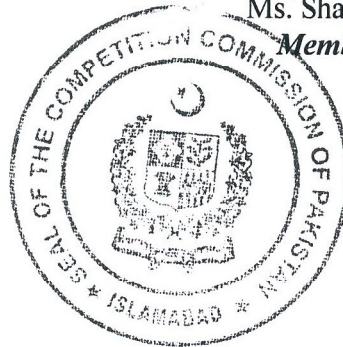
Commission

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Mr. Mujtaba Ahmad Lodhi
Member

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Ms. Shaista Bano
Member



ORDER

1. On 14th September 2020 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") from M/s. Trismo Investments Limited ("**Applicant**" or "**Seller**") 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. JCM Power Corporation ("**Ultimate Acquirer**") intends to acquire : % shareholding in M/s. Indus Power Limited ("**Target**") via M/s. JCM Power Netherlands Holdings B. V. ("**Acquirer**") from the Seller. This will enable the Ultimate Acquirer to have management control of M/s. Hawa Energy (Private) Limited ("**Ultimate Target**") indirectly controlled by the Target, following the acquisition. Presently, the Ultimate Acquirer presently has a majority stake in M/s. Jhimpir Power (Pvt) Limited ("**JPPL**"), which is also active in the relevant product market. Upon preliminary investigation, it was found that some required information was missing and the last correspondence in relation to missing information was received on November 13, 2020.

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 transaction has resulted in the following findings:

- i. The business activities of the undertakings concerned are:
 - a. For the Acquirer: Acquiring and holding its investments in emerging markets.
 - b. For the Ultimate Acquirer: Develops and operates renewable energy projects in growth markets.
 - c. For the Target: Investment in project companies.
 - d. For the Ultimate Target: owner of a 50MW wind power project in Jhimpir, District Thatta, Province of Sindh, Pakistan
 - e. For the Seller: Investment holding company.
- ii. The proposed transaction involves the Acquirer purchasing : % shareholding in the Target from the Seller. The total consideration for the transaction is estimated to be USD (equivalent to PKR as of 24/09/20).
- iii. The relevant product market has been identified as "**Renewable Energy - Wind Power Generation**" having a geographic market identified as of "**Pakistan**", excluding areas served by K-Electric. Based on generation capacity and the data available, it can be assumed that the Ultimate Target achieves a market share of approximately : % similar to that of JPPL in Wind power Generation. Post-transaction, a combined share of the Ultimate Target and JPPL can be estimated at : %.
- iv. The intended merger does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act.

3. In conclusion, the proposed 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. Mujtaba Ahmad Lodhi)
Member

Islamabad the November 17th, 2020.

(Ms. Shaista Bano)
Member