



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF _____ SHARES OF KHOSKI SUGAR MILLS
PRIVATE LIMITED BY TANDO ALLAYAR SUGAR MILLS PRIVATE LIMITED**

CASE: 943/Merger-CCP/18

Commission

Ms. Vadiyya Khalil
Chairperson



M. Jaleel
Dr. Muhammad Saleem
Member

ORDER

1. On 08 February, 2018 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 Tando Allayar Sugar Mills Private Limited ("**TSML**" or "**Applicant**") intends to acquire _____ shares of Khoski Sugar Mills Private Limited ("**KSML**") by way of share purchase.
2. The Commission has examined the pre-merger 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 have resulted that:
 - i. The business activities of the undertakings concerned are:
 - a. For the TSML: {
 - b. For the KSML: { Sugar And Allied Products }
 - ii. The proposed transaction is an acquisition of _____ shares of KSML by the TSML. Both entities operate in same relevant product and geographic market creating a horizontal relationship between the two.
 - iii. The relevant market in this case is Sugar and Allied Products. Both entities are associated companies belong to the same line of business, the notified acquisition is an internal reorganization of the existing shareholding of both companies with the aim upon completion of the notified merger KSML will become wholly owned subsidiary of TSML. The proposed transaction will not result in elimination of any competitor and the market dynamics of the relevant market will remain unchanged.
 - iv. The transaction is not likely to result in the creation or strengthening of 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 Act.
3. In conclusion, the proposed transaction is unlikely 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 Khalil

Ms. Vadiyya Khalil

Chairperson

M. Saleem

Dr. Muhammad Saleem

Member

Islamabad the 19th March 2018

