



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF ASSETS OF M/S. JK SUGAR MILLS  
(PRIVATE) LIMITED BY M/S. NAUBAHAR BOTTLING COMPANY (PRIVATE)  
LIMITED

CASE: 1498/Merger-CCP/2024

Commission



Dr. Kabir Ahmed Sidhu  
*Chairman*

## ORDER

1. On 18<sup>th</sup> November, 2024 the Competition Commission of Pakistan (hereafter the “**Commission**”) received a pre-merger application (hereafter the “**Application**”) concerning the following parties:

- 1.1 M/s. Naubahar Bottling Company (Private) Limited (hereafter the “**Acquirer**”); and
- 1.2 M/s. JK Sugar Mills (Private) Limited (hereafter the “**Target**”), collectively referred to as “**Merger Parties**”.

2. The Application was made pursuant to Section 11 of the Competition Act, 2010 (hereafter the “**Act**”) read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter the “**Merger Regulations**”).

3. The proposed transaction entails the acquisition of assets of the Target by the Acquirer pursuant to an Asset Purchase Agreement (hereafter the “**Agreement**”) dated 1<sup>st</sup> November, 2024.

4. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Commission carried out Phase I competition assessment of the intended transaction which has revealed business activities of the undertakings concerned as follows:

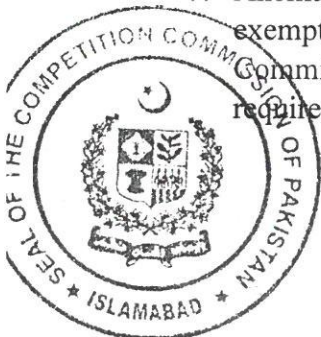
4.1 The Acquirer: M/s. Naubahar Bottling Company (Private) Limited is a private company duly incorporated under the laws of Pakistan. It is engaged in the business of manufacturing beverages such as, Pepsi, Mountain Dew, 7up, Mirinda, Sting, Slice Mango, Aquafina, and Gatorade.

4.2 The Target: M/s. JK Sugar Mills (Private) Limited is a private company duly incorporated under the laws of Pakistan. It is primarily involved in the production and distribution of white crystalline sugar and also owns a Pepsi beverage franchise in Pakistan.

5. As per the Agreement, the Acquirer has proposed to acquire assets of the Target’s bottling business. Total consideration for the proposed transaction is PKR

6. The relevant product market, in this case is “**Beverages – Non-alcoholic ready to drink**” and the geographic market is identified as “**Pakistan**”.

7. Ancillary restrictions have been reported with this transaction, which may require exemption under Section 5 of the Act, read with Regulation 4 of the Competition Commission (Exemption) Regulations 2020. This order is without prejudice to any such requirements.



8. As per the Application, the estimate market share of the Acquirer will rise from    % to    % post-transaction. Upon consummation of the transaction, the Target will exit the market.
9. The Acquirer and the Target are active in the same relevant market therefore, it is considered as horizontal merger.
10. The proposed transaction will not result in dominance of the Acquirer in the relevant market, post-transaction, as determined under Section 2(1) (e) read with Section 3 of the Act. Therefore, the said transaction is hereby authorized under Section 31(1) (d) (i) of the Act.
11. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.
12. It is so ordered.



(Dr. Kabir Ahmed Sidhu)

*Chairman*

Islamabad the 10<sup>th</sup> December, 2024.

