



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

IN THE MATTER OF

FIRST PHASE REVIEW

ACQUISITION OF 7% SHARES OF NIZAM ENERGY PVT LIMITED BY
ACCUMEN FUND INC.

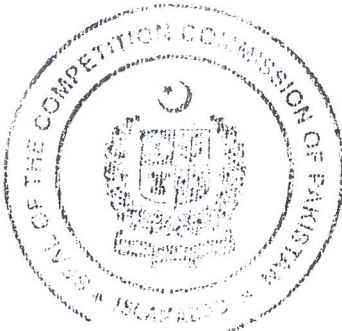
CASE: 754/Merger-CCP/15

Commission

Ms. Vadiyya Khalil
Chairperson

Mr. Mueen Batlay
Member

Mr. Ikram-ul-Haque Qureshi
Member



ORDER

I Background

- 1 The Acquirer, Acumen Fund Inc submitted a pre-merger application (the "application") to the Commission dated 23/09/2015 (received on 29/09/2015), notifying the acquisition of % shares of Nizam Energy Pvt Limited, along with a bank draft of as processing fee applicable under Regulation 5 (6) of the Competition (Merger Control) Regulations 2007 (the "Regulations"). The case is examined in the light of the provisions of the Act, as well as the Regulations as under.

II Merger Parties

2 Acquirer

Acumen Fund Inc is a non-profit organization having \$ total assets. It was incorporated on April 1, 2001, with seed capital from the Rockefeller Foundation, Cisco Systems Foundation and three individual philanthropists. The organization didn't simply make grants, but would invest in entrepreneurs who had the capability to bring sustainable solutions to problems of poverty.

3 Target

Nizam Energy Pvt Limited was incorporated on August 8th, 2012. Nizam operates in Pakistan as a solar energy solutions provider to the off-grid segment in Pakistan. Nizam's annual turnover for the year ending 2014 was PKR. Nizam holds, market share in terms of electricity units

III Transaction

- 4 Acumen Fund Inc intends to acquire % shares of Nizam Energy Pvt Limited at a consideration of US\$.

The transaction meets the notification thresholds prescribed in Regulation 4(2)(a)(b)(c)&(d) as the acquirer's assets value more than PKR 300 million, combined assets are more than PKR1 billion rupees, turnover of acquirer is more than PKR 500 million and combined turnover is more than PKR1 billion. The transaction value also exceeds PKR 100 million and percentage of share to be acquired exceeds 10% of the total shareholding of the target.

IV Relevant Market:

- 6 The relevant market for the transaction is defined as follows:

The geographic market consists of all of Pakistan and the product market is the market for solar energy equipment and services.

Market position in the relevant market is as under:



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Total Market Size	PKR
Total Market Size in Terms of Electricity Units	MW
Market Size Of Nizam	PKR
Market Size Of Nizam in Terms of Electricity Units	MW
Market Share of Nizam on the basis of Electricity Units	%

V Findings of the Phase I investigation of the Competition Assessment

9 The competition assessment in Phase I has resulted in the following finding:

Acumen is a non-profit organization. It does not affect competition in the market, while the post-merger market share of the target after acquisition is estimated to stay constant at 1.2%, which will not affect the market position. Therefore the post-merger entity does not meet the presumption of dominance as determined under Section 3 of the Act.

VI Conclusion

In conclusion, there is no evidence that suggests a substantial lessening of competition by creating or strengthening of a dominant position in the relevant market. The proposed transaction may therefore be authorized under Section 31(1) (d) (i) of the Act.

10 It is so ordered.

Mueen Batlay

(Mueen Batlay)
Member

Vadiyya Khalil

(Vadiyya Khalil)
Chairperson

Ikram Ul Haque Qureshi

(Ikram Ul Haque Qureshi)
Member

Islamabad, 17th November, 2015.

