



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

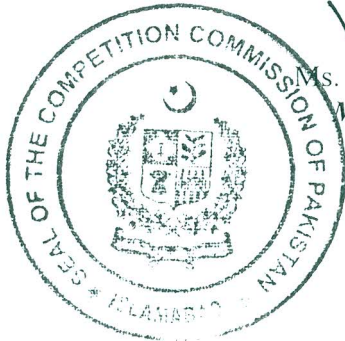
IN THE MATTER OF ACQUISITION OF \_\_\_ % SHAREHOLDING IN M/S. ZHENFA  
PAKISTAN NEW ENERGY COMPANY PRIVATE LIMITED BY M/S. ATLAS  
POWER LIMITED AND M/S. SHIRAZI INVESTMENT (PRIVATE) LIMITED  
FROM M/S. ZHENFA NEW ENERGY SCIENCE AND TECHNOLOGY COMPANY  
LIMITED AND M/S. ZHENFA ENERGY GROUP COMPANY LIMITED

CASE: 1134/Merger-CCP/20

Commission

ML-

Mr. Mujtaba Ahmad Lodhi  
*Member*



  
Ms. Bushra Naz  
*Member*

## ORDER

1. On December 14, 2020 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**") whereby M/s. Atlas Power Limited ("**Acquirer 1**") and M/s. Shirazi Investment (Private) Limited ("**Acquirer 2**"), collectively as the ("**Acquirers**") intend to acquire \_\_\_% shareholding in M/s. Zhenfa Pakistan New Energy Company (Private) Limited ("**Target**") from M/s. Zhenfa New Energy Science and Technology Company Limited ("**Seller 1**") and M/s. Zhenfa Energy Group Company Limited ("**Seller 2**") collectively as the ("**Sellers**"), pursuant to the Share Purchase Agreement. All requisite information/documentation pertaining to the application was completed on December 22, 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 Acquirer 1: Power Generation – Residual Furnace Oil.
    - b. For Acquirer 2: Trading and investment in equity and debt securities, underwriting, real estate and warehousing
    - c. For the Target: In the development phase of business as a renewable energy (Solar) independent power producer.
    - d. For Seller 1: A high-tech enterprise specializing in PV power generation system integration.
    - e. For Seller 2: A solar photovoltaic power station developer.
  - ii. The proposed transaction involves the Acquirers proposing to buy \_\_\_% shareholding in the Target from the Sellers for a consideration of PKR \_\_\_\_\_/-. Acquirer 1 will be acquiring ( \_\_\_% shareholding while Acquirer 2 will purchase \_\_\_% ownership.
  - iii. The Target belongs to the relevant product market of "**Renewable Energy - Solar Power Generation**" having a geographic market identified as of "**Pakistan**", excluding areas served by K-Electric. Although the Target is yet to start its operations in Pakistan, but based on its generation capacity and the data available, it can be assumed that it can achieve a market share of approximately \_\_\_% in Solar power Generation.
  - iv. Post-transaction, the market share of the Target will remain the same.
3. In conclusion, the intended 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.

(Ms. Murtaba Ahmad Lodhi)  
Member

(Ms. Bushra Naz)  
Member

Islamabad the 12<sup>th</sup> JANUARY, 2021.

