



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

ACQUISITION OF \_\_\_\_\_ % SHAREHOLDING OF M/S. TRANS ATLANTIC ENERGY PRIVATE LIMITED BY MUSTAFA TAPAL, ADNAN TAPAL, SHEIKH MUHAMMAD PERVEZ, GHAZALA PERVEZ, M/S. DIN CORPORATION PRIVATE LIMITED, M/S. DIN VENTURES PRIVATE LIMITED AND M/S. DIN INDUSTRIES MANAGEMENT PRIVATE LIMITED.

CASE: 1339/Merger-CCP/22

Commission



*Ms. Rahat Kaunain Hassan*  
**Chairperson**

## ORDER

1. On November 11, 2022, Competition Commission of Pakistan (“**Commission**”) received a pre-merger application (“**Application**”) of a proposed merger/acquisition under Section 11 of the Competition Act, 2010 (“**Act**”) read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (“**Merger Regulations**”) whereby Mustafa Tapal (“**Acquirer 1**”), Adnan Tapal (“**Acquirer 2**”), Sheikh Mohammad Pervez (“**Acquirer 3**”), Ghazala Pervez (“**Acquirer 4**”), M/s. Din Corporation Pvt Ltd (“**DCPL**” or “**Acquirer 5**”), M/s. Din Ventures Pvt Ltd (“**DVPL**” or “**Acquirer 6**”) and M/s. Din Industries Management Pvt Ltd (“**DIMPL**” or “**Acquirer 7**”), collectively as (“**Acquirers**”), intend to acquire % shareholding of M/s. Trans Atlantic Energy Pvt Ltd (“**TAEPL**” or “**Target**”) from the selling shareholders listed in Para 2(i)(i) below. All requisite information/documents pertaining to the Application was completed on December 15, 2022.
2. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Phase I competition assessment of the intended transaction has revealed the following facts:
  - i. The business activities of the undertakings concerned are:
    - a. Acquirer 1: Mustafa Tapal is an individual acquirer and is part of the share purchase and subscription agreement in accordance with the relevant terms and conditions laid down in the agreement. Mustafa Tapal currently holds % shareholding in M/s. ACT2 Din Wind (Pvt) Ltd, % shareholding in M/s. ACT2 Wind (Pvt) Ltd, % shareholding in M/s. Foundation Wind Energy II Ltd and % shareholding in M/s. Tapal Energy Pvt Ltd.
    - b. Acquirer 2: Adnan Tapal is an individual acquirer and is part of the share purchase and subscription agreement in accordance with the relevant terms and conditions laid down in the agreement. Adnan Tapal currently holds % shareholding in M/s. ACT2 Din Wind (Pvt) Ltd, % shareholding in M/s. ACT2 Wind (Pvt) Ltd, % shareholding in M/s. Foundation Wind Energy II Ltd, % shareholding in M/s. Act Solar (Pvt) Ltd and % shareholding in M/s. Tapal Energy Pvt Ltd.
    - c. Acquirer 3: Sheikh Muhammad Pervez is an individual acquirer and is part of the share purchase and subscription agreement in accordance with the relevant terms and conditions laid down in the agreement. Sheikh Muhammad Pervez currently holds % shareholding in M/s. Din Energy Ltd and % shareholding in M/s. Din Power Ltd.
    - d. Acquirer 4: Ghazala Pervez is an individual acquirer and is part of the share purchase and subscription agreement in accordance with the relevant terms and conditions laid down in the agreement. Ghazala Pervez currently holds % shareholding in M/s. Din Energy Ltd and % shareholding in M/s. Din Power Ltd.
  - e. Acquirer 5: DCPL is a holding company which was incorporated on February 04, 2015 under the Companies Ordinance, 1984 as a private limited company. It holds % shareholding in M/s. Din Energy Ltd.

Acquirer 6: DVPL was incorporated on September 15, 2017 as a private limited company. It is a holding company and is also involved in the buying, selling or



dealing in shares, debentures, securities, bonds, commodities, land, buildings and projects. It holds % shareholding in M/s. Din Energy Ltd.

g. Acquirer 7: DIMPL was incorporated on October 06, 2017 as a private limited company. The principle activity of the company is to invest and hold shares of different companies. It holds % shareholding in M/s. Din Energy Ltd.

h. The Target: Target was incorporated during May 2005 as a private limited company under the Companies Ordinance, 1984. The principle activity of the company is to generate and supply electricity. The Target obtained letter of intent from Alternative Energy Development Board (AEDB) for the development of MW wind power project.

i. Following individual shareholders are desirous of collectively selling their entire % shareholding in the Target to the Acquirers:

- A. Pervez Anwer Qureshi
- B. Waqas Anwer Qureshi
- C. Ali Maskatiya
- D. Shahreyar Nawabi; and
- E. Barkat Anwer Qureshi

ii. The proposed transaction involves the acquisition of % shareholding of the Target. The total consideration for the transaction is approximately US\$ estimated to be equivalent to PKR approximately.<sup>1</sup>

iii. The Reportable Product market in this case has been identified as “Renewable Energy - Wind Power Generation” and the relevant geographic market is “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 under % in Wind power generation.

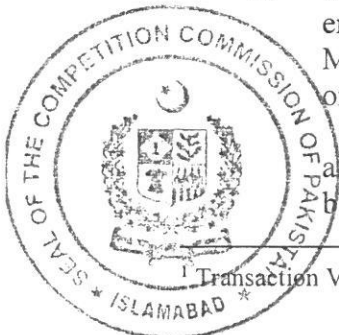
iv. As per the information published in the State of Industry Report 2022 by National Electric Power Regulatory Authority (NEPRA), the installed capacity of Central Power Purchasing Agency (CPPA-G) system is MW out of which MW is thermal ( %), MW hydroelectric ( %), MW nuclear ( %), MW wind ( %), MW solar ( %), and MW bagasse ( %).

v. AEDB has been promoting and facilitating the development and deployment of alternative and renewable energy technologies in the country, particularly in the private sector. Thirty-six (36) wind power projects of MW cumulative capacity are operational and providing electricity to the National Grid.

vi. The individual Acquirers have stakes in other companies operating in the renewable energy sector (Wind) of Pakistan. Acquirers 5, 6 and 7 have shareholding in M/s. Din Energy Ltd. The concerned undertakings and their market shares, based on their power generation capacity, are:

- a. ACT2 Wind (Pvt) Ltd - %
- b. ACT2 Din Wind (Pvt) Ltd - Not Operational

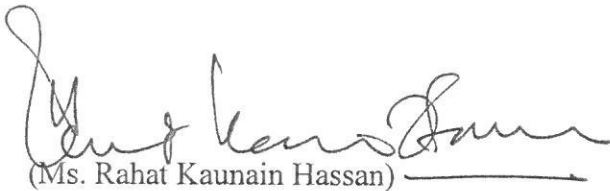
<sup>1</sup> Transaction Value being calculated in PKR at conversion rate of Rs.225.61/\$ approximately.



- c. Foundation Wind Energy II Ltd - %
- d. Tapal Energy (Pvt) Ltd - %
- e. Din Energy Ltd - %

vii. Post-transaction, the expected market share of the Target will remain unchanged while the Acquirers will have an increased stake in the renewable energy sector of Pakistan.

3. The proposed transaction does not meet the presumption of dominance as determined under Section 2(1)(e) read with Section 3 of the Act. Hence, it is hereby authorized under Section 31(1)(d)(i) of the Act.
4. In the subject transaction, matters which may fall outside the scope of the Commission's purview shall be handled in accordance with the applicable laws.
5. It is so ordered.

  
(Ms. Rahat Kaunain Hassan)

*Chairperson*

Islamabad the JANUARY 13<sup>th</sup>, 2023.

