



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF ISSUED AND PAID UP SHARE  
CAPITAL OF M/S. TAY POWERGEN COMPANY (PRIVATE) LIMITED BY M/S.  
TANDO ALLAYAR SUGAR MILLS (PRIVATE) LIMITED.

CASE: 946/Merger-CCP/18

Commission

Ms. Vadiyya Khalil  
Chairperson



M. Jali

Dr. Muhammad Saleem  
Member

## ORDER

1. On the 15<sup>th</sup> of February, 2018, the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed merger pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**"), sent by M/s. Tando Allayar Sugar Mills (Private) Limited ("**TSML**" or "**Acquirer**") notifying the Commission of its acquisition of . issued and paid up share capital of M/s. Tay Powergen Company (Private) Limited ("**TPPL**" or "**Target**"), comprising of forty shares, from Mr. Khawaja Abdul Ghani Majid ("**Seller**"), pursuant to a Share Purchase Agreement ("**Agreement**").
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 has resulted in the following findings:
  - i. The business activities of the undertakings concerned are:
    - a. For TSML: Manufacture of Refined Sugar and Molasses.
    - b. For TPPL: Power Generation.
  - ii. As per the Application, TSML intends to acquire . issued and paid up share capital of TPPL, comprising of forty shares, from the Seller. The consideration for this acquisition is PKR ., which is the transaction value in this case.
  - iii. The relevant product market is power generation, while the relevant geographic market consists of all of Sindh, except Karachi. The Target's market share is currently nil, as it has not commenced operations. There is no reportable market in this case.
  - 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.



Ms. Vadiyya Khalil  
*Chairperson*



Dr. Muhammad Saleem  
*Member*

Islamabad the 19<sup>th</sup> March 2018

