



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

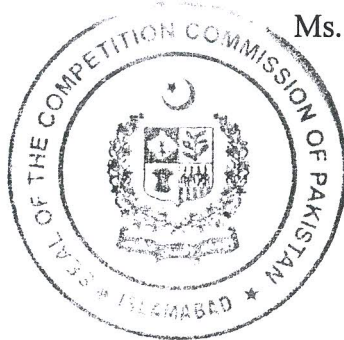
**IN THE MATTER OF JOINT VENTURE OF M/S. ARIF HABIB EQUITY (PRIVATE)
LIMITED, M/S. LIBERTY MILLS LIMITED, M/S. Y.B. PAKISTAN LIMITED, M/S.
RELIANCE COMMODITIES (PRIVATE) LIMITED AND M/S. MARI PETROLEUM
COMPANY LIMITED**

CASE: 1128/Merger-CCP/20

Commission

Mr. Mujtaba Ahmad Lodhi
Member

Ms. Bushra Naz
Member



ORDER

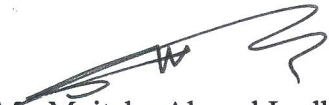
1. On 22nd December, 2020, the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") submitted jointly by M/s. Arif Habib Equity (Private) Limited ("**Arif Habib**" or "**JV Partner 1**"), M/s. Liberty Mills Limited ("**Liberty**" or "**JV Partner 2**"), M/s. Y.B. Pakistan Limited ("**YB**" or "**JV Partner 3**"), M/s. Reliance Commodities (Private) Limited ("**Reliance**" or "**JV Partner 4**") and M/s. Mari Petroleum Company Limited ("**Mari Petroleum**" or "**JV Partner 5**") collectively as ("**JV Partners**") for admission of JV Partner 5 in the joint venture company M/s. National Resources (Private) Limited ("**NRL**"), pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") in accordance to The Joint Venture Agreement dated November 20, 2020 ("**Agreement**"). All requisite information/documentation pertaining to the application was completed on 22nd February, 2021.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of an 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 JV Partners concerned are:
 - a. For JV Partner 1: It is engaged in the business of, *inter alia*, acquiring, holding and trading in shares, certificates, bonds and securities, as well as investing in industrial and commercial ventures
 - b. For JV Partner 2: It is involved in the business of dyeing and printing various kinds of fabric and manufacturing of home textile, apparel textile and institutional textile.
 - c. For JV Partner 3: It is engaged in investment in equity securities of group entities / others, and rental of properties.
 - d. For JV Partner 4: It is engaged in the trading of molasses, raw and refined sugar, fertilizer and other food products.
 - e. For JV Partner 5: Its business activities include oil and gas exploration, drilling, field development, production and distribution of hydrocarbons as well as provision of exploration & production related services on commercial basis.
 - ii. As per the Application, the transaction is an equity investment in ordinary shares of PKR ___/- of NRL. Each JV partner has subscribed to shares on an equal basis i.e. ___% of the issued and paid up share capital of NRL. The total transaction value can be estimated to be PKR _____/-.
 - iii. The relevant market in this case has been identified as "**Mining and Selling - Copper and Allied Minerals**" and the geographic market is "**Balochistan**". As per the Application, NRL's primary purpose is potential development of the mineral sector in the province of Balochistan, including potentially carrying on projects involving, *inter alia*, exploration, survey, extraction, excavation, mining and boring of minerals, along with the sale thereof. It is currently not involved in any business except for determining potential projects of mining in Balochistan.

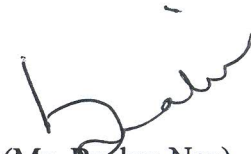
NRL is anticipated to provide copper cathode along with ancillary minerals for the export market. NRL has no market share in the relevant market as it has not commenced or undertaken any project.

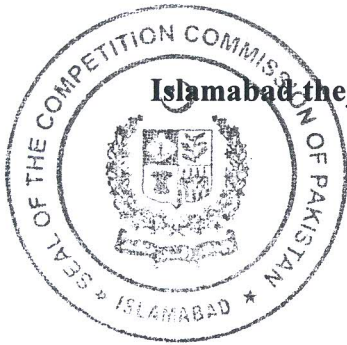


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- v. Ancillary restriction has been reported with this transaction, which may require exemption under Section 5 of the Act, read with Regulation 4 of the Competition Commission (Exemption) Regulations, 2020.
3. In conclusion, the proposed transaction 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.


(Mr. Mujtaba Ahmad Lodhi)
Member


(Ms. Bushra Naz)
Member



Islamabad the February 25th, 2021.