



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S. YDE SA
(SMC-PRIVATE) LIMITED BY M/S. PAKISTAN PENCILS (PRIVATE) LIMITED
FROM M/S. YELLOW DOOR ENERGY IRP (PRIVATE) LIMITED.**

CASE: 1465/Merger-CCP/2024

Commission



**Dr. Kabir Ahmed Sidhu
Chairman**

ORDER

1. On 23rd July, 2024, the Competition Commission of Pakistan (hereafter the "Commission") received a pre-merger application (hereafter the "Application") concerning the following parties:
 - i. M/s. Pakistan Pencils (Private) Limited (hereafter the "Acquirer");
 - ii. M/s. Yellow Door Energy IRP (Private) Limited (hereafter the "Seller"); and
 - iii. M/s. YDE SA (SMC-Private) Limited (hereafter the "Target").
2. The Application was made pursuant to Section 11 of the Competition Act, 2010 (hereafter the "Act") read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter the "Merger Regulations").
3. The proposed transaction entails the Acquirer's intended acquisition of 100% shareholding of the Target pursuant to a Share Purchase Arrangement dated 18th April 2024. All requisite information/documentation pertaining to the Application was completed on 22nd August, 2024.
4. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Commission carried out Phase I competition assessment of the intended transaction which has revealed business activities of the undertakings concerned as follows:
 - 4.1. The Acquirer: M/s. Pakistan Pencils (Private) Limited is a private limited company incorporated in Pakistan, engaged in the manufacturing, selling, exporting and dealing in various stationery products in Pakistan.
 - 4.2. The Target: M/s. YDE SA (SMC-Private) Limited is a single member company incorporated in Pakistan, engaged in the business of designing and installing renewable energy power plants along with selling the generated electricity in Pakistan.
 - 4.3. The Seller: Yellow Door Energy IRP (Private) Limited is a private limited company incorporated in Pakistan, engaged in the business of investing and providing consultancy services for renewable energy projects in Pakistan.
5. As submitted in the Application, the Acquirer will purchase up to _____ ordinary shares (_____ % shareholding) of the Target, from the Seller. The total consideration for the proposed acquisition is _____.
6. The relevant product market in this case has been identified as "**Distributed Power Generation – Bulk Power Consumer**" and the relevant geographic market is "**Pakistan**".

_____ per the data available on NEPRA's website, the Target has a market share of _____ % in the relevant market. There are no overlaps between the merger parties, hence post-transaction market conditions will remain unchanged.

_____ to be calculated at the prevailing exchange rate, as published by the State Bank of Pakistan, on the date of payment.



8. The proposed transaction will not result in dominance of the Acquirer in the relevant market, post-transaction, as determined under Section 2(1)(e) read with Section 3 of the Act. Therefore, the said transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
9. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.
10. It is so ordered.



(Dr. Kabir Ahmed Sidhu)

Chairman



Islamabad the September 6, 2024.