



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S. HABIB
RICE PRODUCTS LIMITED BY MR. GAFFAR A. HABIB, MR OWAIS G. HABIB,
MS FATEMAH G. HABIB AND DR. SALMA HABIB.

CASE: 1421/Merger-CCP/2023



Commission

Dr. Kabir Ahmed Sidhu
Chairman

Mr. Saeed Ahmad Nawaz
Member

ORDER

1. On 29th December 2023 the Competition Commission of Pakistan (hereafter "**Commission**") received a pre-merger application (hereafter "**Application**") from Mr. Gaffar A. Habib, Mr. Owais G. Habib, Ms. Fatemah G. Habib and Dr. Salma Habib (together the "**Acquirers**").
2. The Application was made pursuant to Section 11 of the Competition Act, 2010 (hereafter "**Act**") read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter "**Merger Regulations**").
3. The proposed transaction entails acquisition of % shareholding of M/s. Habib Rice Products Limited ("**HRPL**" or "**Target**") from Dr. Howard J. Syenberg ("**Seller**"). All the requisite information/documentation pertaining to the application was completed on 19th January 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 Phase I competition assessment of the intended transaction has revealed the following facts:
 - 4.1. The business activities of the undertakings concerned are:
 - a) Acquirers: Individuals and current shareholders of the Target entity.
 - b) Target: It is a public company listed by shares, incorporated in Pakistan on July 10, 1980. The company is engaged in production of rice based Starch sugar and Proteins.
 - 4.2. As submitted in the Application, the Seller and the Acquirers entered into a Share Purchase Agreement dated 20-December-2023 ("**SPA**"). The Acquirers will purchase a total of shares from the Seller. Each acquiring person will pay a price per share of Rs. 5 less than the closing listed price quoted on the Pakistan Stock Exchange Limited on the business day preceding the proposed sale as per the terms of the SPA. The proposed transaction will result in an insignificant increase in the shareholding of the Acquirers.
 - 4.3. The relevant product markets are defined as "**Glucose**", "**Sorbitol**", "**High Fructose**" and "**Rice Protein**" and the relevant geographic market is "**Pakistan**".
 - 4.4. Based on the data provided, Target has a market share of % in the Glucose segment and % in the Sorbitol sector which shall remain unchanged post-transaction.
5. 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, it is hereby authorized under Section 31(1)(d)(i) of the Act.
6. In the subject transaction, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.
7. It is so ordered.


Dr. Kabir Ahmed Sidhu
Chairman


Mr. Saeed Ahmad Nawaz
Member

Islamabad the February 2, 2024.