



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

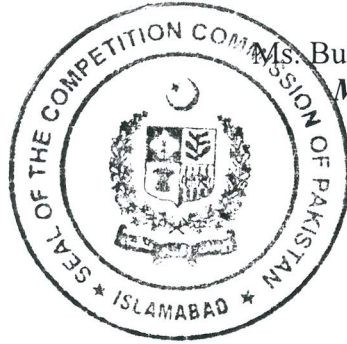
FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING IN M/S.
FOUNDATION WIND ENERGY II LIMITED BY M/S. FAUJI FERTILIZER
COMPANY LIMITED FROM M/S. FAUJI FOUNDATION & M/S. FAUJI
FERTILIZER BIN QASIM LIMITED

CASE: 1195/Merger-CCP/2021

Commission

Ms. Shaista Bano
Member



Ms. Bushra Naz Malik
Member

ORDER

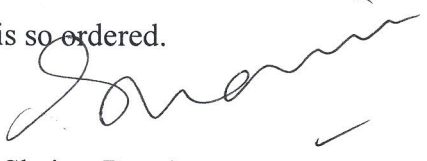
1. On 1st July, 2021 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed acquisition pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") from M/s. Fauji Fertilizer Company Limited ("**FFC**" or "**Acquirer**") whereby it intends to acquire % shareholding in M/s. Foundation Wind Energy II Limited ("**FWEL II**" or "**Target**") M/s. Fauji Foundation ("**FF**" or "**Seller 1**") and M/s. Fauji Fertilizer Bin Qasim Limited ("**FFBL**" or "**Seller 2**") (collectively as "**Sellers**").
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 undertakings concerned are:
 - a. For the Acquirer: engaged in the production and sale of chemical fertilizer in Pakistan.
 - b. For the Target: engaged in the business of power generation and sale.
 - c. For the Seller 1: charitable trust.
 - d. For the Seller 2: engaged in the production and sale of chemical fertilizer in Pakistan.
 - ii. The proposed transaction involves the Acquirer proposing to buy % of the issued share capital (comprising of _____ ordinary shares) of the Target Company from the Sellers. The transaction consideration is estimated to be PKR _____ - pursuant to the Agreement.
 - iii. The relevant market in this case has been identified as "**Renewable Energy-Wind Power Generation**" and the geographic market is "**Pakistan**" excluding areas served by K-electric. Based on the data provided in the State of Industry Report 2020 of National Electric Power Authority ("**NEPRA**"), the pre-merger estimated market share of Target is %.
 - iv. The Acquirer is already present in the relevant market through its subsidiary M/s. FFC Energy Limited ("**FFCEL**"). The market share of FFCEL in the relevant market is %.
 - v. Another transaction is notified by the Acquirer for the acquisition of % shares of M/s. Foundation Wind Energy I Limited ("**FWEL I**") from the sellers and is being processed under 1194/Merger-CCP/2021. The market share of FWEL I is %.
 - vi. Given that the transaction is approved, post-transaction aggregate market share of the Acquirer in the relevant market will be %.

3. In conclusion, the proposed transaction does not meet the presumption of dominance as determined under Section (2) (1) (e). The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.

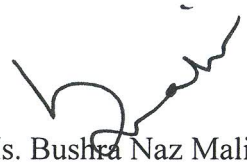


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4. It is so ordered.



(Ms. Shaista Bano)
Member



(Ms. Bushra Naz Malik)
Member



Islamabad the 14th JULY, 2021.