



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN


FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING BY M/S. NEW
FUTURE CONSUMER INTERNATIONAL GENERAL TRADING LLC OF M/S. ZIL
LIMITED FROM MRS. FERIEL ALI-MEHDI.

CASE: 1362/Merger-CCP/2023

Commission




Ms. Rahat Kaunain Hassan
Chairperson

ORDER

1. On 03rd April, 2023 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") 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. New Future Consumer International General Trading LLC ("**New Future**" or "**Acquirer**"), concerning the proposed acquisition of % shareholding of M/s. Zil Limited ("**ZIL**" or "**Target**"), from Mrs. Ferial Ali-Mehdi ("**Mrs. Ferial**" or "**Seller**"), in accordance with the Share Purchase Agreement ("**Agreement**"). All requisite information/documentation pertaining to the Application was completed on 17th April, 2023.
2. 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:
 - i. The business activities of the undertakings concerned are:
 - a. For the Acquirer: a company incorporated in the United Arab Emirates that is involved in providing international trading in consumer goods primarily in instant noodles in the UAE, KSA, Bahrain and Russia.
 - b. For the Target: a public limited company incorporated in Pakistan that is engaged in manufacturing and selling of beauty & hygiene products.
 - c. For the Seller: Current shareholder of the Target.
 - ii. As per the Application, the transaction under consideration is the acquisition of ordinary shares (% shareholding) of the Target by the Acquirer from the Seller. The total estimated amount under consideration to be paid for shares is PKR /-. The Acquirer further intends to Acquire up to ordinary shares (% shareholding) through a mandatory tender offer.
 - iii. The relevant market in this case has been identified as "**Manufacturing of beauty & hygiene soap**" and the relevant geographic market is "**Pakistan**".
 - iv. The Acquirer is not operational in the relevant market of Pakistan. Hence, Post-transaction market share of the Target is likely to remain unchanged at % in the relevant market.
3. Ancillary restrictions have 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. This Order is without prejudice to any such requirements.



4. The proposed transaction does not meet the presumption of dominance as determined under Section 2(1)(e) read with Section 3 of the Act. Hence, it is hereby authorized under Section 31(1)(d)(i) of the Act.
5. In the subject transaction, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.
6. It is so ordered.


(Ms. Rahat Kaunain Hassan)

Chairperson

Islamabad the APRIL 19th, 2023.

