



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF 100% SHAREHOLDING IN M/S.
FOUNDATION WIND ENERGY-I LIMITED BY M/S. FAUJI FOUNDATION
FROM M/S. IIF WIND ONE LIMITED

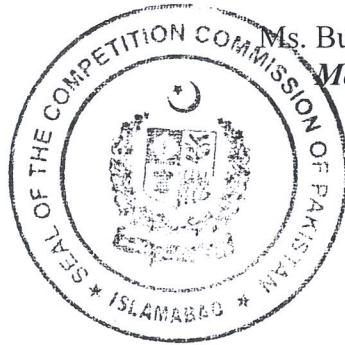
CASE: 1145/Merger-CCP/21

Commission

ML.

Mr. Mujtaba Ahmad Lodhi
Member

Ms. Bushra Naz
Member



ORDER

1. On 03rd February, 2021 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") submitted by M/s. M/s. Fauji Foundation ("**FF**" or "**Acquirer**") of the proposed acquisition of % shareholding in M/s. Foundation Wind Energy I Limited ("**FWEL**" or "**Target**") pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") pursuant to Board Resolution ("**Board Resolution**"). Upon preliminary investigation, it was found that some required information was missing and the last correspondence in relation to missing information was received on February 15, 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 undertakings concerned are:
 - a. For Acquirer: A charitable trust set up in order to provide employment opportunities to Pakistani ex-military personnel and to generate for welfare of ex-servicemen and their families.
 - b. For Target: engaged in business of power generation and sale.
 - c. For Seller: A Special Purpose Vehicle incorporated for investment holding.
 - ii. Pursuant to the Application, the proposed transaction is an equity investment of % shareholding in the Target. The Acquirer intends to purchase ordinary shares of PKR 10 each of the Target and the transaction amount can be estimated to be PKR 1, /-. As per the Agreement, the funds will be transferred to Seller's account, maintained abroad from Pakistan.
 - iii. The relevant market in this case has been identified as business of "**Renewable Energy-Wind Power Generation**" and the relevant geographic market is "**Pakistan**" excluding areas served by K-electric (KE). Based on the data provided in the application, currently, the market share of the Target is % in the relevant market based on power generation capacity.
 - iv. Post-transaction the market conditions will remain unchanged, while the Acquirer will have increased stake in the Target through this transaction.
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 17th, 2021.

