



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

ACQUISITION OF 100% SHAREHOLDING BY M/S. FLOW PETROLEUM
(PRIVATE) LIMITED, M/S. ASLAM ENERGY (PRIVATE) LIMITED, MR.
MUHAMMAD WARIS, MR. RANA MUHAMMAD ARIF AND MR. MUHAMMAD
ASIF OF M/S. TRANSASIA REFINERY (PRIVATE) LIMITED FROM M/S. AL
GHURAIR INVESTMENT LLC, M/S. TRANSASIA GAS INTERNATIONAL LLC,
M/S. ZENERGY CORPORATION AND M/S. SAFDAR HOLDINGS (PRIVATE)
LIMITED

CASE: 1247/Merger-CCP/2021

Commission

ML.
Mr. Mujtaba Ahmad Lodhi
Member



Ms. Shaista Bano
Member

ORDER

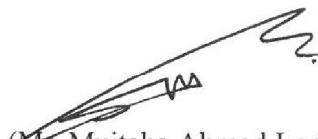
1. On 8th December, 2021 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed acquisition pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") from M/s. Flow Petroleum (Private) Limited ("**FPPL**" or "**Acquirer 1**"), M/s. Aslam Energy (Private) Limited ("**AEPL**" or "**Acquirer 2**"), Mr. Muhammad Waris ("**Mr. Waris**" or "**Acquirer 3**"), Mr. Rana Muhammad Arif ("**Mr. Arif**" or "**Acquirer 4**"), and Mr. Muhammad Asif ("**Mr. Asif**" or "**Acquirer 5**"), collectively as ("**Acquirers**"), whereby, the Acquirers are acquiring 100% shareholding of M/s. TransAsia Refinery (Private) Limited ("**TRPL**" or "**Target**") from M/s. AL Ghurair Investment LLC ("**AGI**" or "**Seller 1**"), M/s TransAsia Gas International LLC ("**TGI**" or "**Seller 2**"), M/s. Zenergy Corporation ("**ZC**" or "**Seller 3**") and M/s. Safdar Holdings (Private) Limited ("**SHPL**" or "**Seller 4**"), collectively as ("**Sellers**") in accordance with Sale of Shares Agreement ("**Agreement**"). All requisite information/documentation pertaining to the application was completed on 16th December, 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 the Acquirer 1: oil marketing company.
 - b. For the Acquirer 2: petroleum logistics.
 - c. For the Acquirer 3: individual.
 - d. For the Acquirer 4: individual.
 - e. For the Acquirer 5: individual.
 - f. For the Target: establish and operate an oil refinery.
 - ii. As per the Application, the transaction under consideration is an acquisition of 100% shares (100% shareholding) of the Target by the Acquirer from the Sellers. Amount to be paid for the same can be estimated to be USD 100 million (approx. PKR 100 billion)¹. Through this transaction the Target will become a subsidiary of AEPL.
 - iii. The relevant product market in this case have been identified as "**Downstream Oil Market- Oil Refinery**" and the relevant geographic market is "**Pakistan**".
 - iv. As per the Application, the Target was incorporated to undertake oil refinery business and is currently non-operational. However, once it commence operations its estimated market share will be no more than 10%.


There are overlaps between the undertakings as the Acquirer 1 operate as an Oil Marketing Company with an estimated market share of 10% and Acquirer 2 is an Oil Logistics Company having an estimated market share of 10%.

¹ <https://www.sbp.org.pk/ecodata/rates/m2m/2021/Dec/14-Dec-21.pdf>

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. Shaista Bano)
Member



Islamabad the 16th Dec, 2021.