

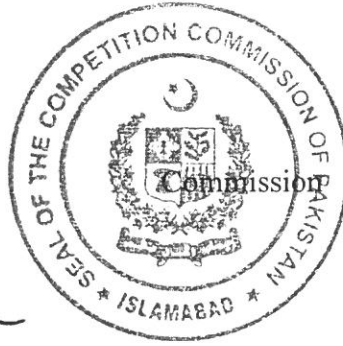


**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF FAUJI CEREALS BUSINESS BY M/S.
FAUJI FOODS LIMITED FROM M/S. FAUJI FOUNDATION.**

CASE: 1414/Merger-CCP/2023



Dr. Kabir Ahmed Sidhu
Chairman

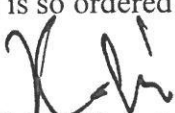
Mr. Saeed Ahmad Nawaz
Member

ORDER

1. On 29th November, 2023 the Competition Commission of Pakistan (hereafter "**Commission**") received a pre-merger application (hereafter "**Application**") from M/s. Fauji Foundation (hereafter "**FF**" or "**Seller**").
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 its Fauji Cereals Business by M/s. Fauji Foods Limited (hereafter "**Fauji Foods**" or "**Acquirer**") pursuant to Business Transfer Agreement (hereafter "**BTA**"). All requisite information/documentation pertaining to the Application was completed on 10th 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) Acquirer: A public listed company incorporated in Pakistan and is engaged in the production and sale of dairy and allied products.
 - b) Seller: 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.
 - 4.2. As submitted in the Application and set out in the BTA, the transaction under consideration is the acquisition of Fauji Cereals Business (hereafter "**Business**") of the Seller by the Acquirer. The total amount under consideration to be paid for the Business is PKR /-
 - 4.3. The relevant market in this case has been identified as "**Breakfast Cereal Products**" and the relevant geographic market is "**Pakistan**".
 - 4.4. As per the Application, the Seller's market share in Breakfast Cereals and Wheat, Barley & Porridge is % and % respectively. There are no overlaps, hence post-transaction, market conditions will remain unchanged.
5. The proposed transaction relates to an acquisition of shares and there is no evidence that suggests any substantial lessening of competition by creating or strengthening of a dominant position in the relevant market. Therefore, it is authorized under Section 31(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 20, 2024.