



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

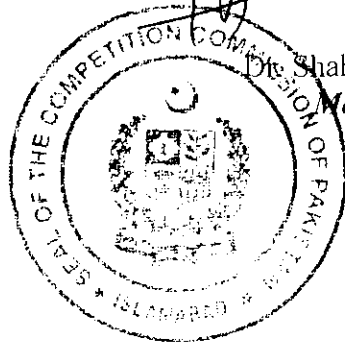
IN THE MATTER OF ACQUISITION OF 100 % SHAREHOLDING IN
M/S NESTLE PAKISTAN LIMITED BY M/S IGI INVESTMENTS (PVT) LIMITED

CASE: 1061/Merger-CCP/19

Commission

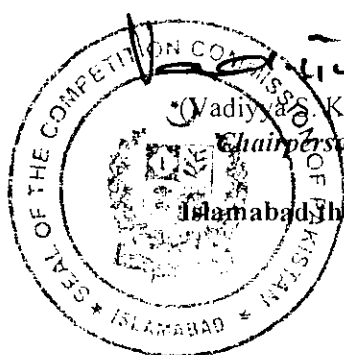
Ms. Vadiyya S. Khalil
Chairperson

Dr. Shahzad Ansar
Member



ORDER

1. On 17th October 2019 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**") through which M/s IGI Investments (Pvt) Limited ("**Acquirer**" or "**Applicant**") intends to acquire % shareholding in M/s Nestle Pakistan Limited ("**Target**") by way of share purchase.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and its observations on the basis of 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: Investing, acquiring, selling and holding of debt / equity securities.
 - b. For the Target: Manufacturing, processing and sale of dairy, nutrition, beverages and food products including imported products.
 - ii. The proposed transaction is an acquisition of % shareholding in the Target by the Acquirer. Currently, the Acquirer holds % shares of the Target and post-transaction, this shareholding will increase up to %.
 - iii. The relevant product markets have been identified as that of "**Manufacturing, Processing and Sale of Dairy, Nutrition, Beverages and Food Products including imported products**" having a geographic market identified as of "**Pakistan**".
 - iv. Currently, only the Target is active in the relevant product market and hence, no overlaps exist between the merger parties. Post-transaction, the market share of the Target will remain unchanged.
 - v. The transaction is not likely to result in the creation or strengthening of a dominant position in the relevant market. The intended merger does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("**Act**").
3. In conclusion, the proposed transaction is not likely to substantially lessen competition through the creation or strengthening of a dominant position in the relevant market. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.



(Wadiya Khalil)
Chairperson
Islamabad, The November 13, 2019.

(Dr. Shahzad Ansari)
Member