



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

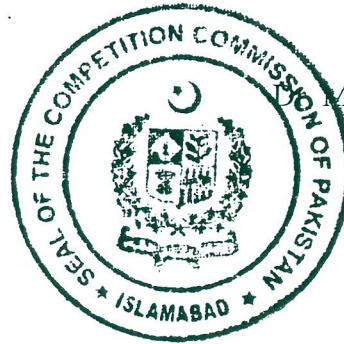
IN THE MATTER OF ACQUISITION OF IMMOVABLE PROPERTY AND
INSTALLED FIXED ASSETS FROM M/S. YAQOOT OIL PROCESSING AND
EXTRACTING MILLS (PVT.) LTD BY M/S. UNITY FOODS LIMITED

CASE: 1030/Merger-CCP/19

Commission


Ms. Vadiyya Khalil

Chairperson





Muhammad Saleem

Member

ORDER

1. The Competition Commission of Pakistan ("**Commission**") is in receipt of a pre-merger application ("**Application**") sent by M/s. Unity Foods Limited ("**UFL**" or "**Acquirer**") notifying the Commission of the acquisition of immovable property along with installed fixed assets ("**Property**") from M/s. Yaqoot Oil Processing and Extracting Mills (Pvt.) Ltd ("**Yaqoot**" or "**Seller**"), pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**").
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 acquisition has resulted in the following findings:
 - i. The business activities of the concerned parties are:
 - a. For UFL: Refining, manufacturing and sale of edible oil.
 - b. For Yaqoot: Refining, manufacturing and sale of edible oil.
 - ii. As per the Application, UFL intends to acquire immovable property located at Plot No. A-48, Eastern Industrial Zone, Port Qasim, measuring acres, along with the installed fixed assets. The value of the immovable property to be acquired is PKR , while that of the installed fixed assets is PKR . The aggregate value in this case, therefore, is PKR , which is the transaction value in this case.
 - iii. The relevant product market in this case is that of the business of refining, manufacturing and sale of edible oil, while the relevant geographic market is Pakistan. As per data provided by the Applicant, UFL's share of the market is approximately %. Yaqoot's market share for the preceding year was nil, and for this reason, the market share of the parties will remain unchanged post-transaction.
 - iv. The transaction is not likely to result in the creation or strengthening of dominant position in the relevant market. The intended acquisition does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act.
3. In conclusion, the proposed transaction is unlikely 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.



(Ms. Vadiyya Khalil)
Chairperson



(Dr. Muhammad Saleem)
Member



the 13th MAY 2019