



**BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN**

**FIRST PHASE REVIEW**

**IN IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S.  
RONGSHENG PETROCHEMICAL CO., LIMITED BY M/S. ARAMCO OVERSEAS  
COMPANY B.V FROM M/S. ZHEJIANG RONGSHENG HGLDING GROUP CO.,  
LIMITED.**

**CASE: 1371/Merger-CCP/2023**

Commission



*Ms. Rehat Kaunain Hassan*  
*Chairperson*

## ORDER

1. On 28<sup>th</sup> April, 2023, the Competition Commission of Pakistan ("Commission") received a pre-merger application ("Application") 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. Aramco Overseas Company B.V ("Aramco" or "Acquirer") concerning the proposed acquisition of % shareholding in M/s. Rongsheng Petrochemical Co., Limited ("Rongsheng" or "Target") from M/s. Zhejiang Rongsheng Holding Group Co., Limited ("Zhejiang" or "Seller"). All requisite information/documentation pertaining to the Application was completed on 18<sup>th</sup> May, 2023.
2. 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:
  - i. The business activities of the undertakings concerned are:
    - a. For the Acquirer: a company incorporated in the Netherlands that is involved in providing its affiliates with a wide range of services, including finance support, supply chain management, technical support services and a variety of administrative support services.
    - b. For the Target: a company incorporated under the laws of People's Republic of China that is engaged in manufacturing and processing of polyester silk and chemical fabric, processing of paper products, sales of light textile raw materials and products, hardware, chemical products and raw materials, industrial investment, warehousing services for ordinary goods, road cargo transportation and import and export business. The Target is active in the relevant market through sales (PKR )<sup>1</sup> via its subsidiaries i.e. M/s. Zhejiang Shengyuan Chemical fibre Co., Limited and M/s. Hong Kong Yi Sheng Da Hua Co., Limited.
    - c. For the Seller: a company incorporated under laws of People's Republic of China. It is engaged in oil and gas upstream industry, coal, logistics, equipment manufacturing, process engineering technology, real estate venture capital and other fields with oil, gas and coal business.
  - ii. As per the Application, the transaction under consideration is the acquisition of shares ( % shareholding) of the Target by the Acquirer from the Seller. The total estimated amount under consideration to be paid for shares is RMB (approximately PKR )<sup>2</sup>.

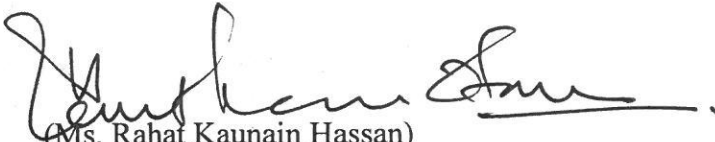
The relevant markets in this case have been identified as "Polyester-Draw Textured Yarn" and "Pure Terephthalic Acid" and the relevant geographic market is "Pakistan".

over provided in USD 57.29.M

<https://www.sbp.org.pk/ecodata/rates/m2m/2023/May/23-May-23.pdf>



- iv. As per the Application, the Target has an estimated market share of % in Polyester Draw Textured Yarn and % in Pure Terephthalic Acid. However, Acquirer is not operational in the relevant market. Hence, Post-transaction market share of the Target is likely to remain unchanged.
3. The proposed transaction does not meet the presumption of dominance as determined under Section 2(1)(e) read with Section 3 of the Act. Hence, it is hereby authorized under Section 31(1)(d)(i) of the Act.
4. In the subject transaction, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.
5. It is so ordered.

  
(Ms. Rahat Kaunain Hassan)  
**Chairperson**

