



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

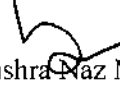
FIRST PHASE REVIEW

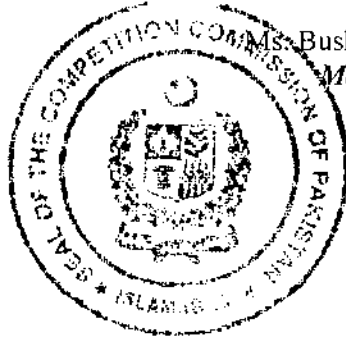
IN THE MATTER OF ACQUISITION OF . . . % SHAREHOLDING IN M/S.
LIBERTY WIND POWER 2 (PRIVATE) LIMITED BY M/S. LIBERTY MILLS
LIMITED.

CASE: 1058/Merger-CCP/19

Commission

Ms. Vadiyya S. Khalil
Chairperson


Ms. Bushra Naz Malik
Member



ORDER

1. On 11th September 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**") where M/s. Liberty Mills Limited ("**Applicant**" or "**Acquirer**") will acquire % shareholding held by Mr. Salim Mukatay ("**Seller 1**") and Mrs. Hamida Salim Mukatay ("**Seller 2**"), (collectively "**the Sellers**") in M/s. Liberty Wind Power 2 (Private) Limited ("**Target**"), pursuant to the Share Purchase Agreement.
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: Engaged in the manufacturing and processing of textiles.
 - b. For the Target: In the development phase of business as a renewable energy (wind) independent power producer.
 - c. For the Sellers: Individuals
 - ii. The proposed transaction involves the Acquirer proposing to buy shares, which is equivalent to % shareholding of the Target company from the Sellers.
 - iii. The Target belongs to the relevant product market of "**Renewable Energy - Wind Power Generation**" having a geographic market identified as of "**Pakistan**", excluding areas served by K-Electric. Although the Target is yet to start its operations in Pakistan, but based on its generation capacity and the data available, it can be assumed that it can achieve a market share of approximately % in Wind power Generation.
 - iv. Post-transaction, the market share of the Target will remain the same, however, the Acquirer will have presence in the relevant product market.
 - 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.



Hamida Salim Mukatay
(Hamida Salim Mukatay)
Chairperson

Islamabad the 07 October of 2019.

Bushra Naz Malik
(Ms. Bushra Naz Malik)
Member