



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

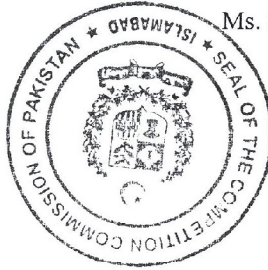
IN THE MATTER OF ACQUISITION OF % SHAREHOLDING IN M/S.  
FOUNDATION WIND ENERGY I LIMITED BY M/S. FAUJI FERTILIZER  
COMPANY LIMITED FROM M/S. FAUJI FOUNDATION & M/S. FAUJI  
FERTILIZER BIN QASIM LIMITED

CASE: 1194/Merger-CCP/21

Commission

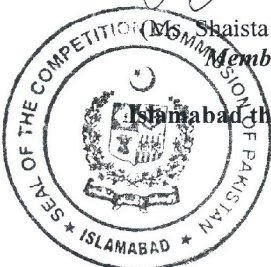
Ms. Shaista Bano  
*Member*

Ms. Bushra Naz Malik  
*Member*



## ORDER

1. On 1<sup>st</sup> July, 2021 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**") from M/s. Fauji Fertilizer Company Limited ("**FFC**" or "**Acquirer**") whereby it intends to acquire % shareholding in M/s. Foundation Wind Energy I Limited ("**FWEL I**" or "**Target**") M/s. Fauji Foundation ("**FF**" or "**Seller 1**") and M/s. Fauji Fertilizer Bin Qasim Limited ("**FFBL**" or "**Seller 2**") (collectively as "**Sellers**") in accordance with the Board Resolution ("**Board Resolution**").
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of an 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 production and sale of chemical fertilizer in Pakistan.
    - b. For the Target: engaged in the business of power generation and sale.
    - c. For the Seller 1: charitable trust.
    - d. For the Seller 2: engaged in the production and sale of chemical fertilizer in Pakistan.
  - ii. Pursuant to the Application, the proposed transaction involves the Acquirer proposing to buy 1...% of the issued share capital (comprising of ... ordinary shares) of the Target from the Sellers. The transaction consideration amount is estimated to be PKR ,,,,,,,-/-.
  - iii. The relevant market in this case has been identified as "**Renewable Energy-Wind Power Generation**" and the geographic market is "**Pakistan**" excluding areas served by K-electric. Based on the data provided in the Application, the pre-merger estimated market share of Target is ...%.
  - iv. The Acquirer is already present in the relevant market through its subsidiary M/s. FFC Energy Limited ("**FFCEL**"). The market share of FFCEL in the relevant market is ...%. Post-transaction market share of the Acquirer in the relevant market will be ...%.
3. In conclusion, the proposed transaction does not meet the presumption of dominance as determined under Section (2) (1) (e). The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.



(Ms. Shaista Bano)  
Member

Islamabad the 14<sup>th</sup> JULY, 2021.

(Ms. Bushra Naz Malik)  
Member