



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF 100% SHAREHOLDING IN M/S. ORSUN  
PAKISTAN LIMITED BY M/S. ROOMI ENTERPRISES (PRIVATE) LIMITED  
FROM M/S. MCBFSL TRUSTEE PNO PAKISTAN FUND I.

CASE: 1187/Merger-CCP/21

Commission

Ms. Shaista Bano   
*Member*

Ms. Bushra Naz Malik   
*Member*



## ORDER

1. On 17<sup>th</sup> June, 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. Optimus Capital Management (Private) Limited whereby M/s. Roomi Enterprises (Private) Limited ("**REL**" or "**Acquirer**") intends to acquire M/s. Orsun Pakistan Limited ("**OPL**" or "**Target**") from M/s. MCBFSL Trustee Pakistan Fund 1 ("**MCBFSL**" or "**Seller**"). Upon preliminary investigation, it was found that some required information was missing and the last correspondence in relation to missing information was received on June 22, 2021.
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 various commercial activities including the sale of compressed natural gas (CNG), oil products, letting out of investment property, and trading activities.
    - b. For the Target: operate a  $\quad$ -megawatt solar power generation plant for the generation of electricity and onward sale to K-Electric Limited.
    - c. For the Seller: closed end private equity Fund
  - ii. The proposed transaction involves the Acquirer proposing to buy  $\quad$  % of the issued share capital of the Target Company. The transaction consideration is estimated to be PKR  $\quad$  pursuant to the Agreement. Currently, the Acquirer holds  $\quad$  % shareholding in the Target. After the intended transaction, the aggregate shareholding will increase to  $\quad$  %.
  - iii. The relevant market in this case has been identified as "**Renewable Energy-Solar Power Generation**" and the geographic market is "**Karachi, Dhabeji, and Gharo in Sindh, and Uthal, Vinder, and Bela in Balochistan**". Based on the data provided in the Application, the estimated market share of Target is  $\quad$  %. The Acquirer and Target have no overlaps therefore, post-transaction, market shares will remain unchanged.
3. In conclusion, the proposed transaction meets the presumption of dominance as determined under Section (2) (1) (e). However, currently the Target is not able to influence the relevant market as, the sole power purchaser of the electricity generated by Target is K-Electric and the market is strictly regulated by NEPRA. The merger parties have no overlaps in the relevant market, therefore, post-transaction, the market share of the merger parties will remain unchanged. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.

4. It is so ordered.

(Ms. Shaista Bano)  
*Member*

(Ms. Bushra Naz Malik)  
*Member*

Islamabad the JUNE 28<sup>th</sup>, 2021.

