



**BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN**

**FIRST PHASE REVIEW**

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S.  
MOHAMMAD SAEED MOHAMMAD HUSSAIN PRIVATE LIMITED BY M/S. THE  
ORGANIC MEAT COMPANY LIMITED.**

**CASE: 1373/Merger-CCP/2023**

Commission

**Ms. Rahat Kaunain Hassan  
Chairperson**



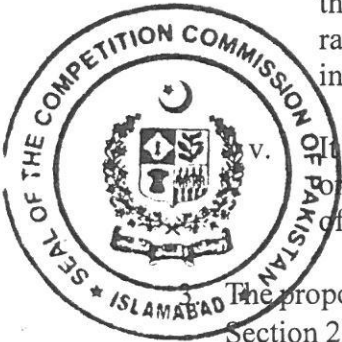
## ORDER

1. On May 18, 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 The Organic Meat Company Limited ("**Organic Meat**" or "**Acquirer**" or "**Applicant**") whereby the Acquirer intends to acquire % shareholding in M/s. Mohammad Saeed Mohammad Hussain Private Limited ("**MSMHL**" or "**Target**") from Mr. Hamid, Mr. Farooq Saeed, Mr. Ali Hussain, Mrs. Amna Hafeez Mastoor and Mr. Zain Farooq (collectively as "**Sellers**"). All the requisite information/documentation pertaining to the application was completed on June 7, 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:

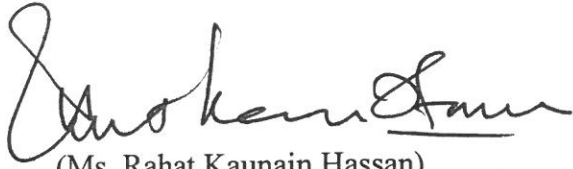
- i. The business activities of the undertakings concerned are:
  - a) For the Acquirer: Organic Meat is a public listed company existing under the laws of Pakistan. The Acquirer is involved in the business of agriculture livestock and meat business and is an exporter of world class Halal meat. The company also exports processed white and red offals. The area of activities of the Acquirer are national and international.
  - b) For the Target: MSMHL is a private limited company existing under the laws of Pakistan. It is engaged in the business of manufacturing, processing and exporting animal by-products. The company is engaged in the processing of sheep casings which are used as sausage and salami casings across the world. Furthermore, the company has also expanded into processing and export of white and red offals. The area of activities of the Target is international.
- ii. As per the Application, the Acquirer is intending to acquire % shareholding in the Target from the Sellers. The value of the transaction is PKR 1 - .
- iii. The reportable product market in this case has been identified as "**Animal by-products – Red and White Offals also including sheep casings**". The relevant geographic market is not limited to Pakistan as both of the entities export animal by-products outside Pakistan as per the submitted Application.
- iv. Based on the supplied data, the estimated Target's market share is under % and the Acquirer is under %, based on meat exports market which is over USD million, which will remain unchanged post-transaction. Following the transaction, the by-product of the Acquirer's business (i.e., livestock by-products) will form the raw material for the Target's primary business. The Acquirer will also have an indirect slight increase in its market presence in the product market.

It is also pertinent to mention here that the market is highly fragmented and unorganized with individual exporters and non-confirmed sector exporting majority of meat by-products.

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*



Islamabad the 8<sup>th</sup> JUNE, 2023.