



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF [ ] % SHAREHOLDING IN  
M/S. TELEPHONE INDUSTRIES OF PAKISTAN BY M/S. THE NATIONAL RADIO  
TELECOMMUNICATION CORPORATION (PRIVATE) LIMITED

CASE: 1232/Merger-CCP/21

Commission

Mr. Mujtaba Ahmad Lodhi  
*Member*

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Ms. Shaista Bano  
*Member*

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## ORDER

1. On October 29, 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**") whereby M/s. The National Radio Telecommunication Corporation (Private) Limited ("**Acquirer**" or "**Applicant**") intends to acquire 100% shareholding in M/s. Telephone Industries of Pakistan ("**Target**").
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 working with mission to design, develop and manufacture military and commercial telecommunication equipment, electronic systems and IT solutions for marketing to local and international customers.
    - b. For the Target: The main functions of the company are to plan, produce, install, test and commission the telephone exchanges and supply telephone instruments.
  - ii. The proposed transaction involves the Acquirer purchasing 100% shareholding in the Target. Presently, the Acquirer is 100% owned by Ministry of Defense Production (MoDP) while 100% shareholding is held by Ministry of Information Technology & Telecommunication (MoIT&T). On the other hand, Ministry of Information Technology & Telecommunication (MoIT&T) holds 100% shareholding of the Target. The transaction value is deemed nil.
  - iii. The relevant product market identified in this case is that of "**Telecommunication Equipment**" having a geographic market identified as of "**Pakistan**". Based on the data provided, the Target is not operational anymore. Post-transaction, the market conditions will remain unchanged.
3. In conclusion, the intended transaction, does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.

(Mr. Mujtaba Ahmad Lodhi)  
Member

(Ms. Shaista Bano)  
Member



Islamabad the 1st November, 2021.