



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

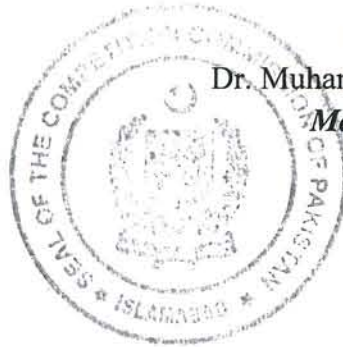
FIRST PHASE REVIEW

IN THE MATTER OF REORGANIZATION OF M/S. HUM NETWORK LIMITED BY
WAY OF MERGER OF ITS SUBSIDIARY M/S. HUMM CO (PVT.) LIMITED WITH
AND INTO M/S. M.D PRODUCTIONS (PVT.) LIMITED

CASE: 924/Merger-CCP/17

Commission

Ms. Vadiyya Khalil
Chairperson

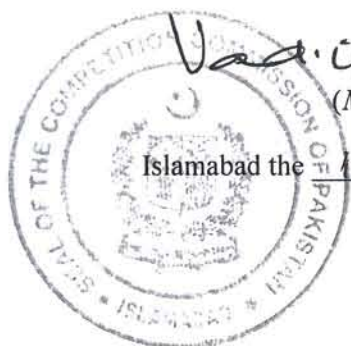


M. Jaleel

Dr. Muhammad Saleem
Member

ORDER

1. On the 8th of November 2017, the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed reorganization by way of a merger pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") sent collectively by M/s. Hum Network Limited ("**HNL**" or "**Merger Party 1**"), M/s. M.D Productions (Pvt.) Limited ("**MDPPL**" or "**Merger Party 2**") and M/s. Humm Co. (Pvt.) Limited ("**HCPL**" or "**Merger Party 3**"), (collectively "**Merger Parties**"), regarding the reorganization by way of merger of HNL, by merging MDPPL with and into HNL's wholly owned subsidiary HCPL, which will be the surviving entity.
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 merger has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. Merger Party 1: Setting up, owning, operating and running television stations.
 - b. Merger Party 2: Producing Films and Dramas.
 - c. Merger Party 3: SPV set up for this transaction.
 - ii. The proposed transaction is a reorganization by way of merger. HNL is desirous of reorganizing itself by merging MDPPL with and into HNL's wholly owned subsidiary HCPL, upon which MDPPL will stand dissolved without winding up, and HCPL shall be the surviving entity.
 - iii. The relevant market in this case is that of the business of producing programs and films (including shows, programs, etc.). None of the Merger Parties have a dominant position in the relevant market. Post-merger there will be no change in the market structure of the relevant market. The proposed transaction will not result in elimination of any competitor and the market dynamics of the relevant market will remain unchanged.
 - iv. 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 Act.
3. In conclusion, the proposed transaction is unlikely 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.



Islamabad the

18th January 2018

(Member)

M. Jolvi

(Member)