**BEFORE THE**
**COMPETITION COMMISSION OF PAKISTAN**

**FIRST PHASE REVIEW**

**IN THE MATTER OF JOINT VENTURE BETWEEN M/S. SÜTAŞ SÜT ÜRÜNLERI A.Ş, M/S. NISHAT MILLS LIMITED, M/S. NISHAT AGRICULTURE FARMING (PRIVATE) LIMITED AND MS. SADIA YOUNAS MANSHA (EX-POST FACTO)**

**CASE: 1641/Merger-CCP/2026**

Date of Hearing — 3rd November, 2026

Commission — Ms. Bushra Naz Malik
*Member*

*On behalf of:*

JV PARTIES

Mr. Rashid Sadiq
RS Law Advocates & Corporate Consultants

## ORDER

1. This Order disposes of the proceedings arising out of hearing notice number F.NO 1641/MERGER-CCP/2026 dated 3rd November, 2026 (the "**Notice**") issued under Section 11(12) of the Competition Act, 2010 (the "**Act**"). The aforesaid Notice was issued to M/s. Sütaş Süt Ürünleri A.Ş (the "**JV Party 1**" or "**Sutas**"), M/s. Nishat Mills Limited (the "**JV Party 2**" or "**NML**"), M/s. Nishat Agriculture Farming (Private) Limited (the "**JV Party 3**" or "**NAFL**"), and Ms. Sadia Younas Mansha (the "**JV Party 4**" or "**Sadia**"), (hereinafter collectively referred to as the "**JV Parties**") for prima facie violation of sub section (1) to (4) of Section 11 of the Act read with Regulation 4 of the Competition (Merger Control) Regulations, 2016 (the "**Merger Regulations**").

**Factual Background**

2. The Competition Commission of Pakistan (the "**Commission**"), pursuant to Section 11 of the Act, received an application on 29th October, 2026 (the "**Application**") filed jointly by the JV Party 2 and the JV Party 3 (collectively the "**Applicant**") seeking ex post facto authorization for the Joint Venture (the "**JV Co**") established among the JV Parties pursuant to the Joint Venture Agreement (the "**Agreement**").

3. The Commission noted that the Transaction was consummated on 19th July, 2019 without obtaining the requisite approval of the Commission. Accordingly, a hearing in the matter was held on 3rd November, 2026 at the Commission's office, Islamabad.

4. During the hearing, the Legal Counsel of the Applicant explained the nature and structure of the Transaction and contended that it shall not have any adverse effect on competition within the relevant market in Pakistan. The Bench observed that the Applicant did not obtain the pre-merger approval of the Transaction, as required under the Act. The Bench emphasized that pre-merger approval is a mandatory statutory requirement and must be obtained before giving effect to a notifiable transaction.

5. Accordingly, the Applicant was directed to submit a written undertaking confirming that it shall ensure full and strict compliance with the provisions of the Act in the future and shall not proceed with any notifiable transaction without obtaining the requisite prior approval from the Commission.

SEAL OF THE COMPETITION COMMISSION OF PAKISTAN ISLAMABAD

**JV Parties**

**JV Party 1**

6. M/s. Sütaş Süt Ürünleri A.Ş. is a joint stock company incorporated in 1974 under the laws of the Republic of Türkiye. It is involved in the manufacturing, marketing, distributing, and selling of dairy products in Turkey and Europe.

**JV Party 2**

7. M/s. Nishat Mills Limited is a public listed company incorporated in 1951 under the Companies Act, 2017. It is involved in spinning, weaving, processing, stitching, and related activities, as well as power generation.

**JV Party 3**

8. M/s. Nishat Agriculture Farming (Private) Limited is a private limited company incorporated on 6th June, 2012 under the Companies Act, 2017. It is engaged in corporate agriculture farming.

**JV Party 4**

9. Ms. Sadia Younas Mansha served as the Chief Executive Officer in the JV Party 3 in 2019.

**Transaction**

10. The JV Party 1, JV Party 2, JV Party 3 and JV Party 4 established a joint venture by forming a new company called M/s. Nishat Sutas Dairy Limited (the "**JV Co**" or "**NSDL**") on 19th July, 2019.

11. As set out in the Application, the JV Party 1 holds % in JV Co's issued share capital while JV Party 2, JV Party 3, and JV Party 4 collectively hold % in the JV Co's issued share capital. The total paid up share capital is PKR . divided into shares of Rs. each.

**Phase-I Competition Assessment**

**Procedural Review**

12. Based on the Application and the subsequent information obtained thereto, the Commission conducted a Phase-I competition assessment of the Application, including supporting documentation, to evaluate compliance with the Act and the Merger Regulations, particularly focusing on potential competition concerns, including the likelihood of the creation or strengthening of a dominant position post Transaction.

**Relevant Market**

13. As per the information provided by the Applicant, the JV Co's primary function is to manufacture, distribute, market, acquire, and sell milk and dairy based products. At present, the JV Co sells products such as MilkField, Cremza, and T-Yari Whitener in Pakistan. Therefore, relevant market in this case has been identified as **"Retail Packaged Dairy Products"** while the relevant geographic market is **"Pakistan"**.

**Market Share**

14. As per the information provided in the Application, the total industry production in the Retail Packaged Dairy Products in 2019 was approximately 464 million liters as per the reports published by the Pakistan Dairy Association[1]. For the same period, the JV Co did not report any sales. Accordingly, the JV Co's market share in 2019 was Nil.

15. The JV Party 2 has a subsidiary namely M/s. Nishat Dairy (Private) Limited (**"NDPL"**). It is an upstream supplier of raw milk to the JV Co. As the JV Co uses raw milk as an input in the production of Retail Packaged Dairy Products, therefore, vertical overlap exists between NDPL and the JV Co.

16. As per the Application, in 2019 the raw milk production of NDPL was liters and based on aforesaid figure, NDPL had a market share of % in 2019. The market for raw milk is highly fragmented as most of the raw milk is produced and sold by small firms/milkmen.

**Competition Analysis**

17. The Transaction does not have any impact on the competitive dynamics in the relevant market given the fact that the JV Co's market share in 2019 was Nil. Although there exists a vertical overlap between NDPL and the JV Co, the overlap is found to be insignificant given the low market share of NDPL in the market of raw milk production. Therefore, the transaction is not likely to substantially lessen competition in the relevant market of Pakistan by creating or strengthening a dominant position.

**Determination**

18. The Commission concludes that the Transaction does not create or strengthen a dominant position in the relevant market, as defined under section 2(1)(e) read with section 11 of the

[1] https://www.pda.com.pk/2021/05/19/formalizing-pakistans-dairy-value-chain/

Act and the Merger Regulations. The Transaction is hereby authorized under section 31(1)(d)(i) of the Act.

19. Without prejudice, it is hereby clarified that the present assessment is strictly limited to the review of the Transaction under Section 11 of the Act

20. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.

21. It is so ordered.

Ms. Bushra Naz Malik
*Member*

ISLAMABAD 3rd Nov., 2026.