



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S.
NISHAT HOSPITALITY (PRIVATE) LIMITED BY M/S. NISHAT HOTELS &
PROPERTIES LIMITED FROM M/S. NISHAT MILLS LIMITED.**

CASE: 1494/Merger-CCP/2024



**Dr. Kabir Ahmed Sidhu
Chairman**

ORDER

1. On 31st October, 2024, the Competition Commission of Pakistan (hereafter the “**Commission**”) received a pre-merger application (hereafter the “**Application**”) concerning the following parties:
 - i. Nishat Hotels and Properties Limited (hereafter the “**Acquirer**”);
 - ii. Nishat Hospitality (Private) Limited (hereafter the “**Target**”); and
 - iii. Nishat Mills Limited (hereafter the “**Seller**”).
2. The Application was submitted pursuant to Section 11 of the Competition Act, 2010 (hereafter the “**Act**”), read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter the “**Merger Regulations**”).

Transaction Overview

3. The proposed transaction entails the acquisition of % shareholding of the Target by the Acquirer from the Seller as outlined in the Share Purchase Agreement (hereafter the “**Agreement**”) dated 29th October 2024. The Application was deemed complete upon receipt of all requisite information on 11th November 2024. The transaction aims to consolidate the *hospitality services* of the Nishat Group under a single entity to streamline operations and achieve synergies in the hospitality sector.

Commission’s Assessment

4. The Commission has reviewed the Application, including all attached documents and the information provided by the concerned undertaking(s). The Commission’s assessment of the intended transaction revealed the following:

Acquirer:

- 4.1. Nishat Hotels and Properties Limited is a public unlisted company incorporated under the laws of Pakistan. Its operations include owning, managing, establishing and operating shopping mall(s), hotel(s) and banquet hall(s) in Lahore. Additionally, it has developed a real estate project, Nishat Residences, comprising residential apartments.

Target:

- 4.2. Nishat Hospitality (Private) Limited is a private limited company incorporated under the laws of Pakistan, engaged in providing hospitality services in Lahore.

Seller:

- 4.3. Nishat Mills Limited is a public limited company incorporated under the laws of Pakistan, primarily involved in textile manufacturing, including spinning, weaving, dyeing, and related processes. The company also engages in electricity generation and distribution.

Shareholding and Consideration:

As per the Agreement, the transaction involves the acquisition of ordinary shares, representing % of the issued share capital of the Target, for a total consideration of PKR (approximately PKR per share).



Relevant Market:

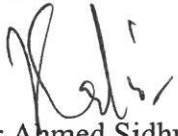
- 4.5. The relevant market, defined as 'Hospitality Services' in Lahore, is determined based on the proximity of services, the nature of competition, and the geographic reach of hospitality providers in the region.

Market Share Analysis:

- 4.6. Based on the Application, prior to the transaction, the Acquirer and the Target hold market shares of % and %, respectively. Post-transaction, the combined entity will hold a market share of %, which does not raise concerns about market dominance or competitive harm.

Determination:

- 4.7. The proposed transaction will not lead to dominance by the Acquirer in the relevant market, as defined under Section 2(1)(e) read with Section 11 of the Act and Merger Regulations. Therefore, the transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
5. Notwithstanding this authorization, any matters outside the scope of the Act and the Merger Regulations remain subject to applicable laws.
6. It is so ordered.



(Dr. Kabir Ahmed Sidhu)

Chairman



Islamabad the 12th DAY OF DECEMBER, 2024.