



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*

*ML*



Ms. Shaista Bano  
*Member*

*JS*

## 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*

