



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF MERGER OF M/S. TPL LIFE INSURANCE LIMITED WITH
AND INTO M/S. DAR ES SALAAM TEXTILE MILLS LIMITED.

CASE: 1429/Merger-CCP/2023



Commission

Dr. Kabir Ahmed Sidhu
Chairman

Mr. Saeed Ahmad Nawaz
Member

ORDER

1. On 1st February 2024 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") from M/s. TPL Life Insurance Limited ("**TPL Life**" or "**Merger Party 1**") and M/s. Dar Es Salaam Textile Mills Limited ("**DSML**" or "**Merger Party 2**"). The Application was made pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**").
2. The proposed transaction entails the merger of TPL Life with and into DSML. The Merger Parties have entered into a Scheme of Arrangement dated 29th November 2023 ("**Scheme**") prepared under the provisions of Sections 279 to 282 and 285(8) of the Companies Act, 2017.
3. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Phase I competition assessment of the intended transaction has revealed the following facts:
 - 3.1. The business activities of the undertakings concerned are:
 - a) Merger Party 1: It is a company organized and existing under the laws of Pakistan as a public limited company. TPL Life is in the life insurance business, reinsurance, counter-reinsurance, and all kinds of guarantee and indemnity business, including insurance with respect to endowment, pension funds, and transit among other kinds of insurance.
 - b) Merger Party 2: It was incorporated in Pakistan on 28th September 1989 as public unlisted company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The company was engaged in the business of manufacturing and sale of yarn. The company had closed its operation as a textile unit since 2014 and is now engaged in general trading activities.
 - 3.2. As submitted in the Application and set out in the Scheme, TPL Life will merge with and into DSML. The value of the transaction is deemed to be PKR
 - 3.3. The relevant product market in this case has been identified as "**Life Insurance**" and the relevant geographic market is "**Pakistan**".
 - 3.4. As per the data available, TPL Life has a market of % which will be transferred to DSML.
4. The proposed transaction will not result in dominance of the Acquirer in the relevant market, post-transaction, as determined under Section 2(1)(e) read with Section 3 of the Act. Therefore, it is hereby authorized under Section 31(1)(d)(i) of the Act.
5. In the subject transaction, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.
6. It is so ordered.


Dr. Kabir Ahmed Sidhu
Chairman


Mr. Saeed Ahmad Nawaz
Member

Islamabad the February 16th, 2024.