



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S. MIRA
POWER LIMITED BY M/S. DL E&C CO. LTD FROM M/S. DL HOLDINGS CO.
LIMITED.

CASE: 1428/Merger-CCP/2023



Commission

Dr. Kabir Ahmed Sidhu
Chairman

Mr. Saeed Ahmad Nawaz
Member

ORDER

1. On 22nd January, 2024 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") from M/s. Mira Power Limited ("**MPL**" or "**Target**"). 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 acquisition of % shareholding of the Target by M/s. DL E&C Co. Ltd ("**DL E&C**" or "**Acquirer**") from M/s. DL Holdings Co. Ltd ("**DL Holdings**" or "**Seller**"). The Seller and Acquirer have entered into a Share Purchase Agreement for the sale of shares dated 3rd July 2023 (the "**SPA**").
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:

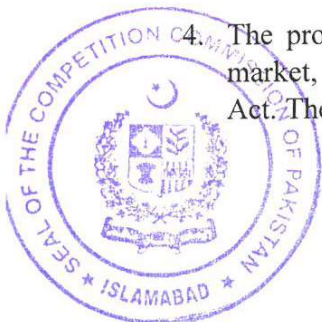
- a) The Acquirer: It is a company organized and existing under the laws of Republic of Korea. The Acquirer is engaged in inter alia the following business activities: civil engineering, construction, industrial environment equipment, electricity, heating, hygiene, machine, pavement and other construction works.
- b) The Target: MPL is a public limited company existing under the laws of Islamic Republic of Pakistan. It is a special purpose company and a subsidiary of Korea Energy (KOEN) setup to design, construct, own, operate and maintain MW Gulpur hydropower plant under Government of Pakistan's Policy for Power Generation Projects 2002 as adopted in Azad Jammu & Kashmir.

3.2. As submitted in the Application and set out in the SPA, the Acquirer intends to acquire of the ordinary shares of the Target, collectively representing approximately eighteen (%) of the entire issued and paid-up share capital of Target. The value of the transaction is KRW /- which is approximately USD /- (equivalent to PKR /-).


3.3. The relevant product market in this case has been identified as "**Electricity (Hydropower)**" and the relevant geographic market is "**Pakistan**", excluding areas served by K-Electric.

3.4. As per the data available, the Target's estimated share in the market is less than %. The Target will have the same share as it had before the acquisition as DL E&C is only acquiring shares of MPL from DL Holdings.

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 02, 2024.