



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S.
HEAVY ELECTRICAL COMPLEX (PRIVATE) LIMITED BY M/S. DW PAKISTAN
(PRIVATE) LIMITED FROM M/S. IMS ENGINEERING (PRIVATE) LIMITED.**

CASE: 1510/Merger-CCP/2025



**Dr. Kabir Ahmed Sidhu
Chairman**

ORDER

1. On 3rd January 2025, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) from M/s. DW Pakistan (Private) Limited (the “**Notifying Party**” or the “**Acquirer**”), seeking approval for the acquisition of % shareholding of M/s. Heavy Electrical Complex (Private) Limited (the “**Target**”) from M/s. IMS Engineering (Private) Limited (the “**Seller**”), pursuant to the terms of a Share Purchase Agreement dated 25th October 2024 (the “**Agreement**”).
2. The Application was filed under Section 11 of the Competition Act, 2010 (the “**Act**”) read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (the “**Merger Regulations**”).

Merger Parties

Acquirer

3. M/s. DW Pakistan (Private) Limited, incorporated on 4th June, 2015 under the laws of Pakistan, is engaged primarily in investment and acquisition across various sectors. The Acquirer does not currently operate in manufacturing, engineering, or energy markets.

Target

4. M/s. Heavy Electrical Complex (Private) Limited, incorporated on 9th December 1991 under the laws of Pakistan, is engaged in the manufacturing and repair of power transformers, including large capacity units used in Pakistan’s power transmission and distribution system.

Seller

5. M/s. IMS Engineering (Private) Limited, incorporated on 25th November 1997 under the laws of Pakistan, is involved in providing engineering, procurement, construction (EPC) and commissioning services.

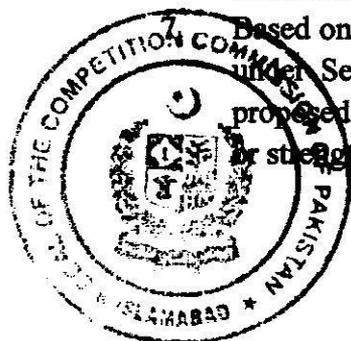
Transaction

6. Pursuant to the Application and the Agreement, the Acquirer will purchase ordinary shares, representing % shareholding of the Target from the Seller. Total consideration for the proposed acquisition is approximately PKR (the “**Transaction**”).

Phase-I Competition Assessment

Procedural Review

Based on the Application, the Commission conducted a Phase-I competition assessment under Section 11 of the Act and the Merger Regulations to determine whether the proposed Transaction may result in a substantial lessening of competition or the creation or strengthening of a dominant position in the relevant market.



Relevant Market

8. Based on the nature of Target business activities, the relevant product market for the purposes of this assessment comprises power “Transformers” used in transmission and distribution infrastructure. The relevant geographic market is “Pakistan”, considering the regulatory framework, supply conditions and technical standards in the country.

Market Share

9. According to the information provided by the Applicant, HEC holds less than % of the overall power transformer market in Pakistan. The power transformer market is highly fragmented, comprising both multinational and domestic manufacturers. Its primary users include utility companies, independent power producers, industrial facilities, commercial complexes, and renewable energy projects.

Competition Analysis

10. The Acquirer has no existing operations or business interests in the power transformer segment or related products. There is no horizontal or vertical overlap between the Acquirer and the Target.
11. The Transaction constitutes a conglomerate merger between the Acquirer and the Target. Given the absence of overlaps, the Transaction does not eliminate any existing or potential competitor in the relevant market. The Target’s negligible market share suggests that the Transaction is unlikely to raise any entry barrier that could restrict competition.
12. Therefore, the Transaction is not likely to substantially lessen competition by creating or strengthening a dominant position in the relevant market.

Determination

13. 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 Act and the Merger Regulations. Accordingly, the Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
14. 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.
15. It is so ordered.



Dr. Kabir Ahmed Sidhu
Chairman

ISLAMABAD, Sept 5th, 2025.

