



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**ACQUISITION OF SHAREHOLDING OF M/S FAYSAL ASSET
MANAGEMENT LTD BY M/S FAYSAL BANK LIMITED FROM M/S ISLAMIC
INVESTMENT COMPANY OF THE GULF (BAHAMAS) LIMITED**

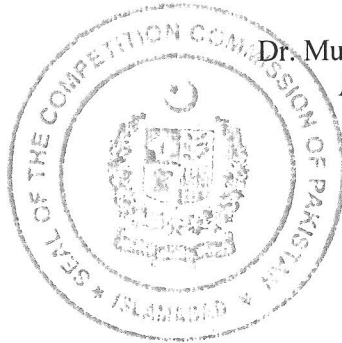
CASE: 935/Merger-CCP/18

Commission

Ms. Vadiyya S. Khalil
Chairperson

m. Saleem

Dr. Muhammad Saleem
Member



ORDER

1. On 1st January 2018 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**") through which M/s Faysal Bank Limited ("**Acquirer**" or "**Applicant**") intends to acquire shares of M/s Faysal Asset Management Limited ("**Target**") by way of share purchase, from M/s Islamic Investment Company of the Gulf (Bahamas) Limited ("**Seller**").
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and its observations on the basis of independent research/investigation in the relevant market. The Phase I competition assessment of the intended acquisition has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For the Acquirer: Corporate, Commercial and Consumer banking.
 - b. For the Target: Asset management and investment advisory services.
 - c. For the Seller: Mudarib (Fund Manager).
 - ii. The proposed transaction relates to acquisition of shareholding in the Target by the Acquirer pursuant to a Share Purchase Agreement. This equity stake is currently held by the Seller. The relevant product market has been set as of "**Asset Management and Investment Advisory Services**" in which the Target is currently operating within **Pakistan**, where the conditions of competition are sufficiently homogeneous.
 - iii. Post-transaction, the market dynamics will remain unchanged as the Acquirer is not directly operating in the relevant product market and is only increasing its equity stake in the Target, from to , resulting in increased control. The consideration for the transaction is estimated to be million.
 - iv. The transaction is not likely to result in the creation or strengthening of a dominant position in the relevant market. The intended merger does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("**Act**").
3. In conclusion, the proposed transaction is not likely to substantially lessen competition through the creation or strengthening of a dominant position in the relevant market. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.

Vadiyya S. Khalil
(Vadiyya S. Khalil)

Chairperson

Islamabad the 31st January 2018

M. Jaleel

(Dr. Muhammad Saleem)
Member

