



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF MERGER OF M/S. GLOBAL HALY DEVELOPMENT
LIMITED WITH AND INTO M/S. BANK MAKRAMAH LIMITED

CASE: 1542/Merger-CCP/2025

Dr. Kabir Ahmed Sidhu

Chairman



ORDER

1. On 04th June 2025, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) from M/s. Bank Makramah Limited (“**Merger Party 1**”) for seeking approval of merger of M/s. Global Haly Development Limited (“**Merger Party 2**”) with and into Merger Party 1 pursuant to a Scheme of Arrangement (hereafter 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

Merger Party 1

3. Bank Makramah Limited was incorporated in Pakistan on 09th December 2005. It is a publically listed banking company. It is engaged in providing banking services as defined under the Banking Companies Ordinance, 1962 (**BCO**). It operates with approximately 162 branches and over 182 ATM in 60 cities across Pakistan.

Merger Party 2

4. Global Haly Development Limited (**GHDL**) was incorporated in Pakistan on 08th September 2005, as a private limited company. It was subsequently converted into a public limited company on 25th March 2006. Its principal line of business is the development and construction of real estate and infrastructure projects. However, at present it is inactive.

Transaction

5. As submitted in the Application and set forth in the Agreement, the proposed transaction results in the merger by way of amalgamation of the entire Merger Party 2 into Merger Party 1.
6. Pursuant to the terms of the Agreement, Merger Party 1 shall issue ordinary shares to the shareholders of Merger Party 2 in proportion to their respective



shareholding. Upon completion of the transaction, Merger Party 1 shall be the surviving entity, whereas Merger Party 2 shall stand dissolved. (“**Transaction**”).

7. The value of the proposed Transaction is estimated to be PKR _____ which is based on the value of the net assets appearing in the management accounts of GHDL as of September 30, 2024.

Phase-I Competition Assessment

Procedural Review

8. Based on the Application and the subsequent information obtained, the Commission conducted a Phase-I competition assessment, including a review of the supporting documentation, to evaluate compliance with the Act and the Merger Regulations. The assessment specifically focused on potential competitive concerns, including issues related to market dominance and the overall impact on competition post-merger.

Relevant Market

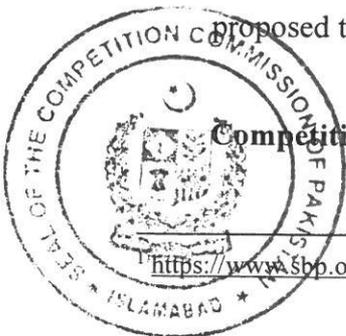
9. The Relevant Product market in this case has been identified as “**Commercial Banking**” while the relevant geographic market is “**Pakistan**”.

Market Share

10. The banking sector of Pakistan, operating under the regulatory and supervisory authority of the State Bank of Pakistan (SBP), comprises a total of thirty-one (31) institutions as of 30th June 2025. This includes twenty (20) local private commercial banks, five (5) public sector commercial banks, four (4) foreign banks, and two (2) specialized banks.¹
11. According to data published by the SBP, the total deposits held by the banking sector amounted to PKR _____ as of 30th June 2025. Of this amount, Merger Party 1 held deposits totaling PKR _____ representing approximately _____ % of the industry's total market share. This market position shall remain unaffected by the proposed transaction, as Merger Party 2 does not operate within the Relevant Market.

Competition Analysis

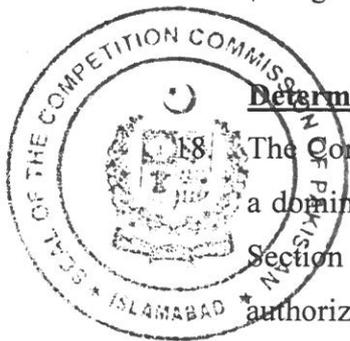
<https://www.sbp.org.pk/ecodata/fsi/qc/2025/QC%20June%202025.pdf>



12. Merger Party 1 is engaged in a range of banking activities as permitted under Section 7 of the BCO. The commercial banks in Pakistan are mainly engaged in accepting deposits, lending and investment activities. They also provide agency services, safe deposit and custodial services, issue guarantees, facilitate domestic and international remittances, and engage in underwriting and advisory functions. Additionally, subject to regulatory approval, conventional banks may offer Islamic banking products and any other services authorized by the SBP within the framework of applicable laws.
13. On the other hand, Merger Party 2 is primarily engaged in the business of real estate and infrastructure construction and development.
14. Merger Party 2 is proposed to be amalgamated into Merger Party 1, resulting in its dissolution as a separate legal entity. At present, Merger Party 2 has no market share or turnover.
15. As stated in the Application, the primary objective of the proposed merger is to enable compliance with the minimum capital requirements prescribed by the SBP for Merger Party 1. The restructuring is further expected to strengthen the financial position and enhance the operational capacity of Merger Party 1.
16. Due to the absence of overlapping activities between the Merger Parties in the relevant market, the proposed Transaction is classified as conglomerate merger. Accordingly, the market share of any party involved will not be affected upon completion of the Transaction.
17. Therefore, the Transaction is not likely to substantially lessen competition, by creating or strengthening a dominant position within the meaning of Section 2(1)(e) of the Act.

Determination

The Commission concludes that the proposed 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. The proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.



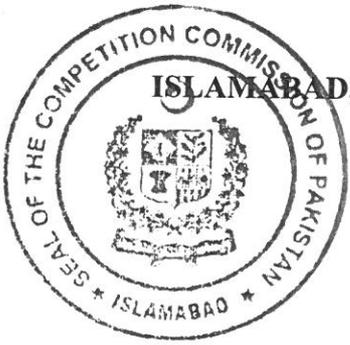
19. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.

20. It is so ordered.



Dr. Kabir Ahmed Sidhu

(Chairman)



ISLAMABAD, Sept 26th, 2025.