



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

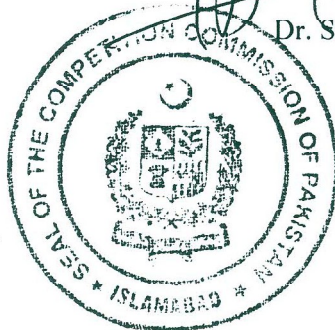
**IN THE MATTER OF MERGER OF M/S. SINDH LEASING COMPANY LIMITED
WITH AND INTO M/S. SINDH BANK LIMITED**

CASE: 1076/Merger-CCP/20

Commission

Ms. Vadiyya S. Khalil
Chairperson

Dr. Shahzad Ansar
Member

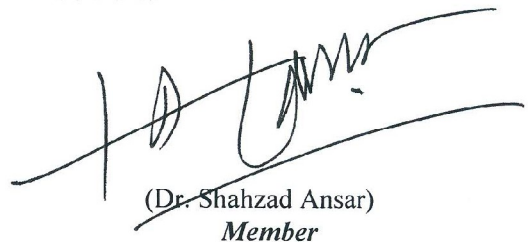


ORDER

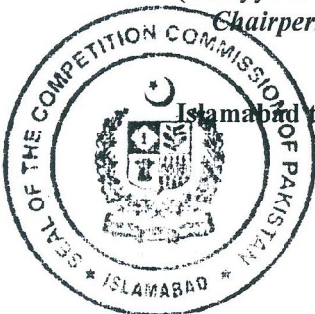
1. On 20th January 2020 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") from M/s Sindh Leasing Company Limited ("**Merger Party 1**") and M/s Sindh Bank Limited ("**Merger Party 2**") of a proposed merger pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") where Merger Party 1 will merge with and into Merger Party 2 pursuant to Scheme of Arrangement. All the requisite information/documentation pertaining to the application was completed by the applicant on 10th February 2020.
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 transaction has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For Merger Party 1: Leasing company.
 - b. For Merger Party 2: Commercial bank.
 - ii. The proposed transaction involves the merger of Merger Party 1 with and into Merger Party 2, being the surviving entity.
 - iii. Merger Party 1 belongs to the relevant product market of "**Non-Banking Finance Institutions - Leasing**" having a geographic market identified as of "**Islamabad, Punjab and Sindh**". Securities and Exchange Commission of Pakistan ("**SECP**") is the regulator and licensing body for NBFCs.
 - iv. Currently, in the relevant product market, Merger Party 1 has a market share of % based on total assets. Post-merger, the market position will remain unchanged due to business combination as Merger Party 2 is a licensed commercial bank, falling under the status of small bank as per M/s. VIS Credit Rating Company Limited's ratings.
 - v. 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)
Chairperson



(Dr. Shahzad Ansar)
Member



Islamabad the 3rd MARCH, 2020.