

**THE ROLE OF STATE BANK OF PAKISTAN (SBP)
IN RECENT AMALGAMATION OF KASB AND
BANK ISLAMI**



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ABSTRACT

This study empirically examines the role of State bank of Pakistan (SBP) in recent amalgamation of KASB Bank and Bank Islami. The merger of KASB Bank Limited with Bank Islami has created serious doubts over the performance of the finance managers in the government. Moreover, previous studies regarding mergers displays that SBP role was reasonable but in this amalgamation the SBP role left a question mark over the fate of KASB bank employees. In order to achieve a clear picture of financial position of both the banks, financial analysis has been done with the help of financial ratios. For this purpose sample of two merged banks for analysis has been taken which gets into merger in 2015. With the assistance of qualitative data and quantitative data, the result shows that SBP took the most appropriate and wise decision to amalgamate KASB bank with Bank Islami, while keeping in mind the positions of both the banks and safeguarding the interest of the depositors of KASB bank.

Keywords: Mergers and Acquisitions, (SBP), Financial Performance, Profitability, financial ratios.

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION

| | |
|--|----|
| ACKNOWLEDGEMENT | 3 |
| ABSTRACT | 4 |
| CHAPTER 1: | 7 |
| INTRODUCTION | 7 |
| 1.1 INTRODUCTION | 8 |
| 1.2 Problem statement..... | 10 |
| 1.3 Research Questions | 11 |
| 1.4 Research Objectives..... | 11 |
| 1.5 Significance of Study | 11 |
| LITERATURE REVIEW | 13 |
| 2. LITERATURE REVIEW | 14 |
| 2.1 What Is Merger? | 14 |
| 2.2 Types of Merger..... | 14 |
| 2.2.1 Horizontal Merger | 15 |
| 2.2.2 Vertical Merger | 15 |
| 2.2.3 Conglomerate Merger | 15 |
| 2.3 History of Mergers and Acquisitions | 15 |
| 2.4 Why Do Mergers Fail?..... | 16 |
| 2.5 Banking Sector in Pakistan | 17 |
| 2.6 Guidelines for Conducting Due Diligence of Banks/DFIS For The Purpose Of Merger/Amalgamation..... | 19 |
| 2.7 Merger and Acquisition in Banking Sector across Boundaries | 20 |
| 2.8 Merger and Acquisition in Pakistan’s Banking Sector | 22 |
| 2.9 GAP | 27 |
| RESEARCH METHODOLOGY | 29 |
| 3. METHODOLOGY | 30 |
| 3.1 Nature of the Research..... | 30 |
| 3.2 Type of study-Time horizon | 31 |
| 3.3 Purpose of the study | 31 |

| | | |
|------------|--|-----------|
| 3.4 | Extent of Researcher Interference..... | 32 |
| 3.5 | Study Setting..... | 32 |
| 3.6 | Operational Definition..... | 32 |
| 3.7 | Population..... | 32 |
| 3.8 | Unit of Analysis..... | 32 |
| 3.9 | Sampling..... | 32 |
| 3.10 | Research Hypothesis..... | 33 |
| 3.11 | Data collection method..... | 33 |
| 3.12 | Instrument..... | 33 |
| 3.13 | Method of Data Analysis..... | 34 |
| 3.14 | Financial ratios..... | 34 |
| 3.15 | Ethical Concerns..... | 35 |
| | DATA ANALYSIS..... | 36 |
| 4.1 | FINANCIAL RATIOS ANALYSIS..... | 37 |
| | Table 1: Liquidity Ratio Comparison..... | 37 |
| | Table 2: Profitability Ratios Comparison..... | 39 |
| | Table 3: Solvency/Leverage Ratios Comparison..... | 40 |
| | Table 4: Returns on Investment Ratio Comparison..... | 42 |
| 4.2 | EVENT STUDY ANALYSIS..... | 43 |
| | CONCLUSION..... | 50 |
| 5. | CONCLUSION..... | 51 |
| | CHAPTER 6:..... | 53 |
| | RECOMMENDATION..... | 53 |
| 6. | RECOMMENDATIONS..... | 54 |
| | CHAPTER 7:..... | 56 |
| | REFLECTIONS..... | 56 |
| 7. | REFLECTIONS..... | 57 |
| 8. | BIBLIOGRAPHY..... | 61 |
| 9. | ANNEXUR..... | 65 |
| | 9.1 Financial Statements of KASB Bank..... | 65 |
| | 9.2 Financial Statements of Bank Islami..... | 69 |