

THE EFFECT OF MERGER IN THE GROWTH OF MCB BANK LIMITED

BY

AKHTER OWAIS SIDDIQUI	42313
MUHAMMAD WASIT	43236
MARYAM KHAN	39230

A Project submitted to the Department of Management Sciences,
Bahria University Karachi Campus, in partial fulfillment of the
requirements
for BSAF Degree



BS (ACCOUNTING & FINANCE)

FALL, 2019

Bahria University Karachi Campus



Annexure 5

BS (A&F) Project
2nd Half Semester Progress Report
& Project Approval Statement

Name of Student	1. Akhter Owais Siddiqui	2. Muhammad Wasit	3. Maryam Khan
Registration No.	1. 42313	2. 43236	3. 39230
Project Title	The Effect of Merger In the growth of MCB BANK Limited		
Program	BS (A&F)	1) Spring	2) Fall

Supervisor – Student Meeting Record

S#	Date	Place of Meeting	Topic Discussed	Signature of Student
2	4-12-19		Chapter 4	Akhter-Owais
2	11-12-19		Chapter 5	Akhter-Owais
3	18-12-19		Chapter 6	Akhter-Owais

APPROVAL FOR EXAMINATION

Candidate's Name: Akhter Owais Siddiqui Registration No.: 42313
 Candidate's Name: Muhammad Wasit Registration No.: 43236
 Thesis Title: Maryam Khan 39230

I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at ___ that is within the permissible limit set by the HEC for the MBA thesis. I have also found the thesis in a format recognized by the Department of Management Sciences.

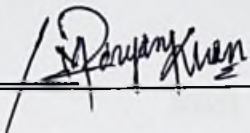
Supervisor's Signature: [Signature] Date: 2-Jan-2020

Supervisor's Name: S M SYED WASIM

HoD's Signature: [Signature] Date: 30/1/2020

Declaration of Authentication

I, hereby, declare that no portion of the work referred to in this project has been submitted in support of any application for another degree or qualification of this university or any other institution of learning.

Student's Signature: Akhter-Owais /  Alwasi.

CHAPTER I INTRODUCTION

This chapter discusses the importance of the research and the objectives of the study. It also provides a brief overview of the research methodology and the structure of the report.

Chapter I	1
Chapter II	2
Chapter III	3
Chapter IV	4
Chapter V	5
Chapter VI	6
Chapter VII	7
Chapter VIII	8
Chapter IX	9
Chapter X	10

ACKNOWLEDGEMENT

First of all I thank Allah, who is the holder of my breaths, without his order nothing is possible.

In performing our final year project, we had to take the help and guideline of some respected persons, who deserve our greatest gratitude. The completion of this final year project gives us much Pleasure. We would like to show our gratitude **Ms, Atiya Zeeshan, Project Co-Ordinator, Mr. S. M. Shoaib Waseem, Supervisor, Head of Department of Management Science, Bahria University Karachi Campus** for giving us a good guideline for final year project throughout numerous consultations. We would also like to expand our deepest gratitude to all those who have directly and indirectly guided us in writing this Project.

Many people, especially our classmates and team members itself, have made valuable comment suggestions on this proposal which gave us an inspiration to improve our Project. We thank all the people for their help directly and indirectly to complete our project.

ABSTRACT

In July 2017, MCB Bank Limited made the merger with the NIB Bank Limited and the post-merger quarter report of July to September 2017 has reported that the net profit of MCB bank was Rs 5.44 billion which was down from 18.93% compared to the last year quarter report of same period of Rs 6.71 billion due to the main factor of lower capital gains. MCB Bank's capital gain was at Rs 854 million with last year's quarter gain of Rs 3.4 billion. The lower capital gain problem affected the profits of MCB Bank Limited becoming controversial because the merger would bring increase in capital gain for the bank, The required analysis is from the year of 2016 pre-merger period to the year of 2018 post-merger period to determine the loss Capital gain is just a short-term problem or a problem for the foreseeable future for MCB Bank. The design and implementation for the report will be on the main key indicators of profits and other incomes, asset, liabilities and expenses made by the MCB Bank limited before merger in 2016 then after merger 2017 then in 2018. The problem for the MCB Bank of loss capital gain during the year 2017 was due to the demerger of MCB bank branches and they were sold at a low value that is why their capital gain were in loss. In Post-merger period of 2018, the financials of the MCB Banks where in a better shape as they were increase in the total assets and other income, but they were also increase in total liabilities and decrease of total equity and minor decrease of its profit after taxation. By doing analysis of the problem we conclude that the loss of capital gain was only for a short period of time and it is not a long-term foreseeable problem for the Bank.

Table of Contents

CHAPTER 1	1
Introduction	1-9
CHAPTER 2	10
PROBLEM DEFINITION & REQUIREMENT ANALYSIS	10
CHAPTER 3	11
DESIGN & IMPLEMENTATION.....	11-18
CHAPTER 4	19
TESTING AND DEPLOYMENT	19-24
CHAPTER 5	25
Future Enhancement/Action plan.....	25-30
CHAPTER 6	31
Conclusion	31-32
References	