

STATE BANK OF PAKISTAN
CENTRAL DIRECTORATE
I. I. Chundrigar Road, Post Box No.4456
KARACHI

TELEGRAMS
BANKRATE

Banking Supervision
Department

No. BSD/RU-55/x/NAIB/17788/4 /2001

2nd October 2001
MOST URGENT

The Chief Executive,
All Banks/NBFIs

**ISSUANCE OF 30 DAYS NOTICE BY THE BANKS &
FINANCIAL INSTITUTIONS TO THE LOAN DEFAULTERS AND
7 DAYS NOTICE BY THE GOVERNOR STATE BANK OF PAKISTAN.**

Dear Sirs,

Please refer to our Circular Letter No. 17 dated 19th July 2001 on the captioned subject.

In this connection it is advised that while filing complaint with the Governor, State Bank of Pakistan, for issuance of seven (7) days notice, the banks/NBFIs should invariably submit following documents along with their application.

1. Brief case history inter alia including facts like:
 - Type of business, location and complete address of project.
 - Facts about loan such as type, amount (principal), date of sanction, description and approximate realizable value of securities at present, date of disbursement, amount disbursed, repayment of loan and any rescheduling/restructuring granted. Whether project is operational/closed/partially operational.
 - Default history of borrower, amount defaulted (Principal + Interest) on account of various facilities granted.
 - Details/status of litigation, if any.
2. Copies of '30 days legal notices' issued to defaulters, directors, guarantors, mortgagors, etc. along with copies of reply received from them.
3. Comments/views of the bank/NBFI on the reply (ies) received in response to their '30 days notice'.
4. Any other document to substantiate the claim of bank/NBFI.

A senior executive of Banks/NBFIs should oversee that complete information is provided.

Yours faithfully,


/s/ (NAVEED AHMAD)
for Director