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Pakistan's banking system stands on sound footings

The State Bank of Pakistan has said that Pakistan's banking sector is stable, safe and sound and there should not be any cause of concern about the stability of the banking system.

A State Bank spokesman today said that all banks, including Bank Alfalah and Standard Chartered Bank, operating in the country are performing well and enjoying good reputation amongst the general public.

He said that the State Bank of Pakistan has taken serious notice of rumours against a number of banks, particularly against Bank Alfalah. Such baseless rumours by unscrupulous elements are an attempt to hurt the credibility of an otherwise sound and well performing bank. He asked the public not to pay any heed to rumour mongering being done by some unscrupulous elements for achieving their ulterior motives.

Bank Alfalah is the sixth largest bank in Pakistan and has a healthy balance sheet footing of Rs 331 billion. Operating with a share capital of around Rs 8 billion, as against the minimum requirement of Rs 4 billion, it has total equity of around Rs 17 billion. The Bank is well capitalized and its key performance indicators including the solvency ratio reflect robust performance and sound financial condition. Likewise the Standard Chartered Bank is also a healthy institution, the spokesman added.

The spokesman pointed out that State Bank has put in place an effective regulatory framework for banks which has resulted in increased resilience of the banking system.
