



November 16, 2014

## **Press release on affairs of KASB Bank Limited**

In terms of the Moratorium placed on KASB Bank Ltd. on November 14, 2014, it is clarified that KASB Bank operations are not suspended; therefore, offices and branches of the bank will remain open as per their normal timings.

The State Bank of Pakistan has already advised the bank to commence payments of up to Rs. 300,000/- to their deposit account holders, with effect from November 17, 2014. Consequently, 92.3% of the bank's depositors will be able to withdraw their total balances if they so desire, while others will be able to withdraw up to the Rs. 300,000 limit. Moreover Locker Holders of the bank will be free to operate their lockers as usual. Borrowers of the bank will continue to make repayment of their dues to the bank as per already agreed upon terms and conditions.

State Bank of Pakistan reiterates its commitment to safeguard the stability of the banking system of the country. SBP would like to reassure the general public that country's banking sector is stable and strong. All other banks are operating in a normal manner and will continue to serve their customers as usual.

It may be pointed out that while the total deposit base of all commercial banks is over Rs. 8.7 trillion, the percentage of KASB deposits is less than 0.7%; hence, this bank is a very small segment of the overall system.