



External Relations Department

ERD/M&PRD/PR/01/2018/29

April 04, 2018

Press Release regarding Defunct KASB Bank

Of late, the case of defunct KASB bank is in news again in both print and electronic media, purportedly based on audit report of the Auditor General of Pakistan (AGP).

SBP would like to clarify that all the audit observations raised from the office of the AGP have been duly responded. Although, the AGP observation is still at the stage of draft para, the entire reporting in both print and electronic media has distorted to give the impression as if the observation had attained finality. Further, they are one sided and does not reflect the SBP's point of view. It is reiterated that the SBP being the regulatory and supervisory authority of the banking system has legal mandate to safeguard interest of the depositors and to ensure the stability and soundness of the banking system. The decision concerning defunct KASB Bank has been taken on merit and in valid exercise of jurisdiction under the Banking Companies Ordinance, 1962. Media is, therefore, advised to refrain from speculative reporting on audit paras that are yet to attain finality.
