

Following Clarification/Rebuttal was issued to Dawn in response to ‘Letter to Editor’ published on April 7, 2021 entitled: “The dark sides of Roshan accounts”

Apropos letter of Mr. Aijaz H. Khan in your esteemed newspaper on April 7, SBP would like to clarify certain points raised in the letter which are important from the perspective of the Pakistani diaspora.

To begin with, there is no restriction of getting a cheque book of Roshan Digital Account (RDA) here in Pakistan, although typically it is sent to the address of the Non-Resident Pakistani (NRP) after completion of account opening procedure and its subsequent approval.

On the issue of transfer of funds from RDA to another account, it is clarified that there is no restriction. However, it would be pertinent to mention that RDAs cannot be fed locally, i.e. funds cannot be deposited or transferred from any other local account in Pakistan.

Also, one can open an RDA digitally from anywhere in the world, including Pakistan. The only condition is that RDAs can only be opened by overseas Pakistanis or those resident Pakistanis who have declared assets abroad. Both current and savings accounts can be opened.

As regards Conversion Rates one should bear in mind that because of transactional size and other operational processes involved, the exchange rates offered by banks to their customers may vary. However, banks are required to transparently provide the customer rate of exchange, both the buying and the selling rate, prevalent at the time on their website.

In the end, we would emphasize that SBP takes issues and feedback regarding RDA very seriously. In this context, we are pleased that all complaints of the complainant raised in his letter have been resolved on priority to his satisfaction.

Following ‘Letter to Editor’ published in Dawn, Karachi on April 7, 2021:

The dark sides of Roshan accounts

Dawn 'Letter to Editor" April 7, 2021

RECENTLY my son opened a Roshan Digital account with an international bank in Karachi from London. Though the initial experience of opening the account was fine, once he tried to do some transactions, he started facing issues.

He was here for a few weeks on a visit to Karachi and wanted to get his cheque book from his bank which was initially sent to his address in London. Getting another cheque book locally was a tough task which still remains unresolved despite having made several phone calls and personal visits to the Clifton branch of the bank in Karachi.

Surprisingly, he can transfer funds from the Roshan Digital account only to his account in London. But if he wants to transfer funds to another account in his own name or to a third party, this cannot be done. Why is that so?

Also, he cannot open online savings account in rupees here. Why?

Moving on, the conversion rate quoted for converting British pounds into Pakistani rupees is extremely adverse. Why cannot the transactions be booked on the official exchange rate?

For example, when the online remittance service of a Pakistani bank in London was offering pound rate as Rs110, the international bank was quoting Rs107. This is certainly because he is a captive customer and may be fleeced by the foreign exchange trading department of the bank concerned.

I hope that the State Bank of Pakistan will issue guidelines to all the banks to ensure currency conversion at the official closing rate. They should also reconsider the restriction of transferring funds only to originating accounts. The operations in these accounts should be made customer-friendly for more frequent use of these accounts.

I am a former banker and quite understand that Roshan Digital account is a good scheme, but it needs to be improved further to facilitate overseas customers.

Ajaz H. Khan

Karachi