

September 19, 2006

State Bank issues Islamic Banking Branch Licence to NBP

The State Bank of Pakistan today issued a licence to National Bank of Pakistan in respect of its first ever Islamic Banking Branch, which is located at Cotton Exchange Building, Karachi.

Dr. Mahmood Ahmed Ghazi, Chairman, Shariah Board of the State Bank of Pakistan handed over the licence to Mr. Anwar Ahmed Meenai, Head of Islamic Banking Division, National Bank of Pakistan at a ceremony held at SBP, Karachi which was also attended by Mr. Pervez Said, Advisor to Governor & Director, Islamic Banking Department, State Bank of Pakistan and Mr. Asif. K. Brohi, Group Chief, Operations Group, NBP.

Speaking on the occasion, Dr. Mahmood Ahmed Ghazi appreciated the role of SBP in fostering the growth of Islamic Banking in the country and emphasized the need for ensuring Shariah compliance in the Islamic Banking practices and products. He expressed the hope that NBP with its commitment to excel would deliver excellent Islamic banking services to its customers.

Mr. Pervez Said, while congratulating the NBP, said: 'We believe that NBP will play a key role in making Islamic banking services available to a large section of the population by using its wide branch network'. He said the State Bank appreciates the participation of a public sector bank in the field of Islamic Banking. He said that the Islamic Banking is growing at a fast pace in the country. At present the assets of Islamic banks stood at around Rs.89 billion which is 2.41% of the total banking industry assets & comparatively high in the region. With the issuance of this licence to NBP, the total number of conventional banks that are having stand-alone Islamic Banking Branches has increased to 12.

Mr. S. Ali Raza, Chairman & President of NBP, in his message thanked & appreciated the efforts of State Bank of Pakistan for the promotion of Islamic Banking in Pakistan. He said that Islamic finance because of its high growth and international acceptability has become critical for success of any conventional bank. Being the largest public sector bank, NBP looks forward to meet the expectations of the industry and aims to facilitate the customers, desirous of availing Islamic Banking services, all around the country by using its largest branch network. 'NBP is committed to promote Islamic banking on sound footings', he added.
