

بِنك اِسْلَامِي



Defunct KASB Bank Facts are different from what you are being told

- The Capital Adequacy Ratio ('CAR') of the Defunct KASB Bank was -4.36%, making it the only Bank in the region in such a precarious and vulnerable financial position. No Bank with negative CAR has ever been able to pay off its depositors without financial assistance.
- Deposits running into several billions of rupees were raised at rates higher than KIBOR to meet the withdrawal requirements of depositors. Without BankIslami stepping in, there was no way they would have been re-paid.
- Before amalgamation of the Defunct KASB Bank into BankIslami, the shareholders of Defunct KASB Bank filed three petitions in High Courts. One was withdrawn, two were dismissed. In none of the petitions the moratorium order of SBP was challenged. If the financial and liquidity position was so 'strong' as we are being told now, why was moratorium order not challenged? Honorable Islamabad High Court in its judgment in WP 1274/2015 called Defunct KASB Bank's financial position 'feeble'.
- There was no verifiable and valid offer of any so-called Chinese investor. The parties claiming to be 'Chinese Investors' even failed to produce visiting cards let alone financial statements and other details. The existence of any valid, verifiable offer of investment was denied by the Defunct KASB Bank itself on the Stock Exchanges on April 23, 2015.
- The net worth of the Defunct KASB Bank was found negative not only by A.F. Ferguson, but also by at least two other leading firms of Chartered Accountants, KPMG and Grant Thornton. Honorable Islamabad High Court in its dismissal order of WP 1274/2015 found nothing wrong in keeping the valuation report of A.F. Ferguson confidential.
- There are no shareholders approved financial statements for the year ended December 31, 2014. The ones being circulated to media are unapproved and the auditors, Ernst and Young, expressed a 'disclaimer' on them which is the worst opinion an auditor can express.
- On April 30, 2015, BankIslami's Equity was Rs. 9.95 billion and a rights issue of Rs. 4.32 billion was in the final stages of closure. Our CAR was 23.26% as against required 10% making us one of the strongest banks in the country. Against all odds and malicious propaganda, BankIslami has, Alhamdulillah professionally handled the takeover of weakest Bank in the industry which included paying more than Rs. 23 billion* to the depositors. Do we need any further credentials?

BankIslami has viewed the unsubstantiated, biased, misleading media coverage of the amalgamation of the Defunct KASB Bank into it very seriously. In addition to serving legal notices to those involved and complaint with PEMRA, we are also initiating contempt of court proceedings. Discretion in coverage is recommended.

*As of August 31, 2015

Serving you, the Right way



/bipl.official



/BIPOfficial



/bankislami-pakistan-limited



/biplofficial

BankIslami Pakistan
www.bankislami.com.pk

24/7 Phone Banking
111-ISLAMI (111-475264)