



STATE BANK OF PAKISTAN
Infrastructure, Housing & SME Finance Department
I.I. Chundrigar Road
Karachi

IH&SMEFD/SMEFD/2020-6946

May 20, 2020

The President / CEO
Al Baraka Bank (Pakistan) Limited
4th floor, 162, Bangalore Town,
Main Shahrah-e-Faisal
Karachi

Dear Sir,

Implementation Plan for Risk Sharing Facility (RSF) under SBP Rozgar Scheme

Please refer to IH&SMEFD letter IH&SMEFD/SMEFD/2020/6735 dated May 12, 2020 on the captioned subject.

2. In continuation of the instructions issued vide above letter, you are advised to take following additional measures:
 - i. It has been observed that in number of cases, borrowers are approaching branch managers/relationship managers for availing financing under RSF. However, the staff of the bank has been found unaware of RSF. Therefore, immediate measures should be taken for awareness creation and training of relevant bank staff (branch managers/relationship managers) about RSF. Bank will also appoint senior level executive at head office to whom bank own staff may approach for seeking clarity with respect to any operational difficulties being faced by them in processing loan applications under RSF.
 - ii. In order to facilitate SMEs & small corporates, regional focal persons whose contact details have already been provided by your bank, will be solely responsible to take care of all queries/issues related to Risk Sharing Facility. Further, SBP's regional focal persons will be liaising with corresponding regional focal persons of your bank to facilitate the potential borrowers in addressing any hiccups and complaints.
 - iii. Moreover, internal targets for the business teams under RSF may be assigned at regional level where SBP BSC Offices are present. The allocation of targets at regional level may be communicated to State Bank for monitoring purpose at our end.
 - iv. There is lack of delegation of authority at regional level, due to which difficulties are being faced in completing the credit approval process within turnaround time as prescribed under SBP wages scheme. To address this issue, appropriate loan approving authority may be delegated at regional level for approving loans under RSF. Details of loan approving authorities along with the maximum loan limit to be approved by them at regional level should remain available with the bank for our inspection.
 - v. In addition to the use of other tools for awareness creation as mentioned in our 12th May 2020 letter, banners should also be placed/displayed outside the branches clearly indicating that 'loan applications under SBP Rozgar Scheme are accepted here'.
3. Compliance status with respect to above mentioned instructions should be submitted to State Bank of Pakistan by email at Sadam.Hussain2@sbp.org.pk latest by June 01, 2020. It may be noted that non-compliance of the above instructions will attract penal action as per relevant provisions of BCO, 1962.

Yours sincerely,


(Dr. Mian Farooq Haq)
Director