

BANK RATE OF THE DEPOSITORS OF NATIONAL AND FOREIGN BANKS

PRESS RELEASE

Rao Muhammad Akhtar - Private Secretary

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PROF. KHURSHID AHMAD



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Member Senate of Pakistan

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Islamabad (March 28, 2006): Senator Prof. Khurshid Ahmad has expressed his serious concern over the plight of depositors with National and Foreign Banks operating in Pakistan. Depositors, he said, are asked to keep huge amounts as minimum balance without any return. They are being charged exorbitantly in the name of banking service. He claimed that depositors are getting around 2 percent on their deposits which the banks are charging from borrowers between 10 to 14 percent. No way in the world, Prof. Khurshid Ahmad said, is so much disparity between these two rates. Naturally the result is that bank's profits are reported to have increased from Rs.4 billion in the year 2001 to Rs. 48 billion in 2005.

"This is a scandalous situation and the State Bank of Pakistan and the Federal Government should take immediate steps to protect the depositors and ensure fair return on their savings", he concluded.
