

State Bank of India: "SMS Unhappy"

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The End 

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The history of the State Bank of India (SBI) is a story of evolution and growth. It began as the State Bank of India in 1905, which was formed by the merger of the State Bank of India and the State Bank of India. The bank has since grown into one of the largest and most prominent financial institutions in India, providing a wide range of banking services to its customers.

Functions of State bank of Pakistan

The State Bank of Pakistan (SBP) is the central bank of Pakistan, established in 1949. Its primary functions include issuing and regulating the supply of money, acting as a lender of last resort, and supervising the banking system. The SBP also plays a key role in maintaining the stability of the Pakistani rupee and promoting economic growth.

IMR

The International Monetary Reserve (IMR) is a fund established by the International Monetary Fund (IMF) to provide financial assistance to member countries in need. It is a key component of the IMF's lending facilities and is used to support the economic development and financial stability of its members.

Submission of the Banking system

The submission of the banking system refers to the process of providing information and data to regulatory authorities. This is a crucial part of the banking system's oversight and is used to ensure the safety and soundness of the financial system.

Banking

Banking is a financial service that involves the management of money. It includes activities such as accepting deposits, providing loans, and facilitating payments. Banks play a central role in the economy by channeling savings into productive investments.

Current Governor

The current Governor of the State Bank of India is Sh. Anil Kumar Tripathi. He was appointed to the position in 2021 and is responsible for the overall management and operations of the bank. He has a long and distinguished career in the banking industry.

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History

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Before independence on 14 August 1947, during British colonial regime the Reserve Bank of India was the central bank for both India and Pakistan. On 30 December 1948 the British Government's commission distributed the Reserve Bank of India's reserves between Pakistan and India -30 percent (750 M gold) for Pakistan and 70 percent for India.

The losses incurred in the transition to independence , small amount taken from Pakistan's share (a total of 230 million). In May, 1948 Muhammad Ali Jinnah (Founder of Pakistan) took steps to establish the State Bank of Pakistan immediately. These were implemented in June 1948, and the State Bank of Pakistan commenced operation on July 1, 1948

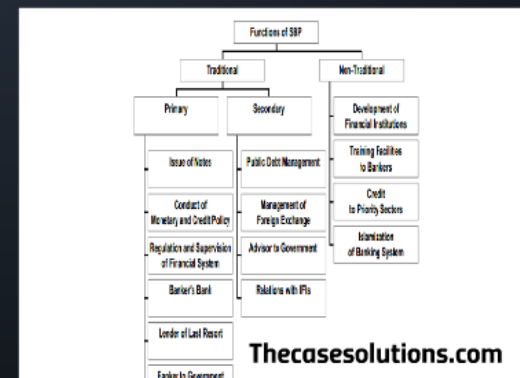
Muhammad Ali Jinnah, the founder of Pakistan, making a speech at the opening of the State Bank of Pakistan. Under the State Bank of Pakistan Order 1948, the state bank of Pakistan was charged with the duty to "regulate the issue of bank notes and keeping of reserves with a view to securing monetary stability in Pakistan and generally to operate the currency and credit system of the country to its advantage".

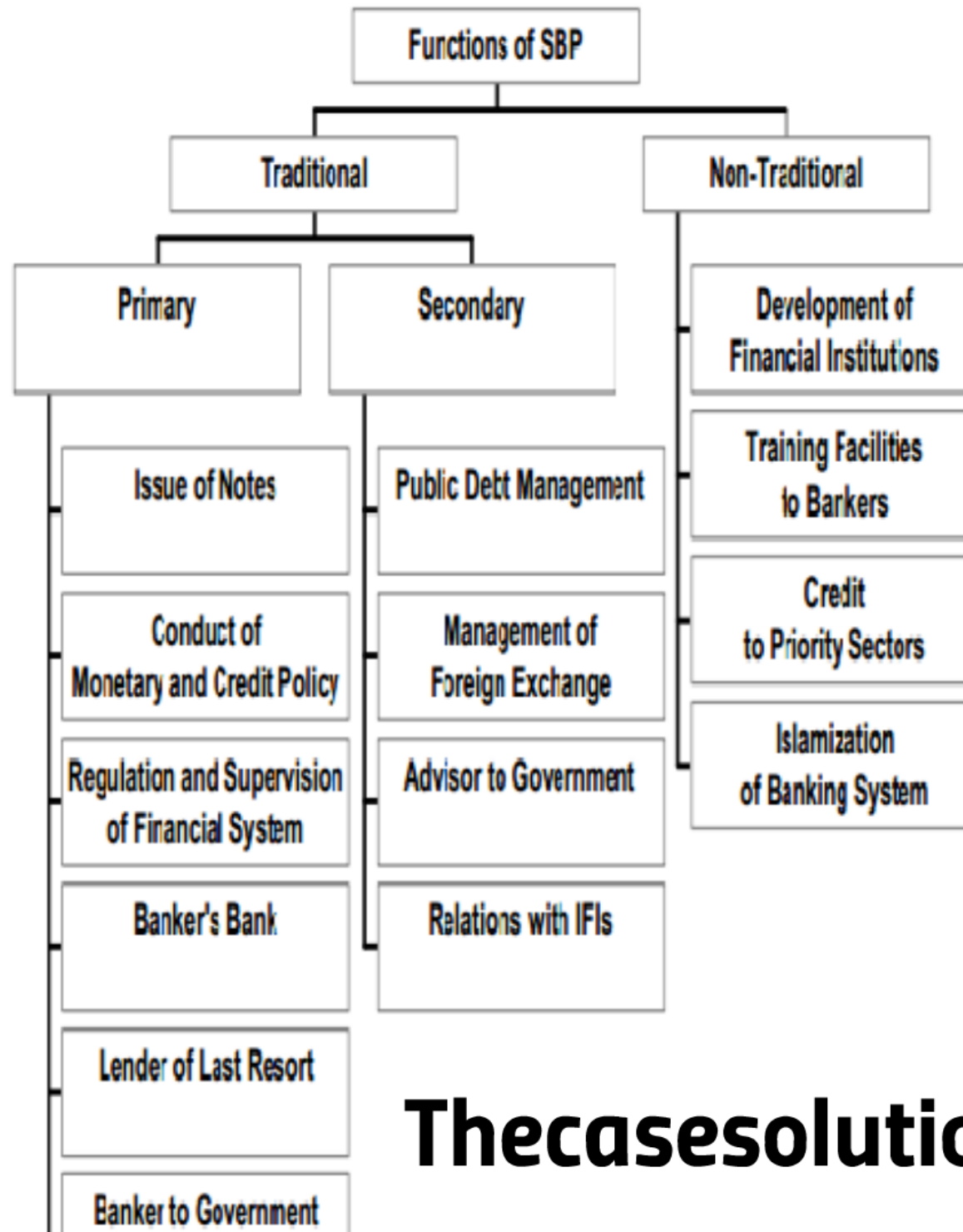


Functions of State bank of Pakistan

The central bank operations can also be categorized into macroeconomic function and microeconomic function. The macroeconomic function is to preserve the value of the currency, that is, maintain price stability and the microeconomic function is to maintain stability in the banking system.

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KIBOR

It is Karachi Inter Bank Offer Rate (KIBOR), given by specialized institution on daily, weekly, monthly and on 1, 2 and 3 yearly basis to all the commercial banks of Pakistan so that they charge interest to their customers on that basis. This rate is inflation adjusted rate and then banks by adding 2 or 3% in KIBOR rate charge their customers for their profit.

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Islamization of the Banking system.

The State Bank has also been involved in the process of Islamisation of the economy in general and the banking system in particular. The State Bank had been making efforts since its inception to evolve and introduce a financial system based on the norms of the Shariah. While inaugurating the State Bank of Pakistan, the Father of the Nation, Quaid-e-Azam Muhammad Ali Jinnah, and later on the first Governor of the Bank, late Zahid Hussain, gave a direction to make efforts to build the economic and financial system of the country on the lines dictated by Islam. However, the work could not be started forthwith as the experts in Islamic jurisprudence and the modern economics both were not available.

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Banking

The State Bank of Pakistan looks into many ranges of banking to deal with changes in the economic climate and different purchasing and buying powers. Here are some of the banking areas that the bank looks into:

- State Bank's Shariah Board approves essentials and model agreements for Islamic modes of financing
- Procedure for submitting claims with SBP in respect of unclaimed deposits surrendered by banks/DFIs
- Banking sector supervision in Pakistan
- Microfinance
- Small and medium enterprises (SMEs)
- Minimum capital requirements for Banks
- Remittance facilities in Pakistan
- Opening of foreign currency accounts with banks in Pakistan under new scheme
- Handbook of corporate governance
- Guidelines on risk management
- Guidelines on commercial paper
- Guidelines on securitization
- SBP Scheme for agricultural financing

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Current Governor

The principal officer of the SBP is the Governor. The current Acting Governor of State Bank of Pakistan is Mr. Ashraf Mahmood Wathra.

- Chairman: (Governor SBP)
- Dr. Waqar Masood Khan (Secretary Finance)
- Zaffar A. Khan
- Mirza Qamar Beg
- Asad Umar
- Waqar A. Malik
- Sahar Z. Babar - Corporate Secretary SBP(Secretary to the Central Board)

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