

Date: July 24, 2020

**Mr. Khalilullah Shaikh**

President

The Institute of Chartered Accountants of Pakistan  
Karachi



**BankIslami**

**BankIslami Pakistan Limited**  
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Dear Mr. Khalilullah Shaikh,  
**Assalam o Alaikum**

**Subject: Islamic SBP Refinance Scheme for Salaries and Wages**

With reference to the captioned subject, we are pleased to inform you that as a result of collaboration between the **Institute of Chartered Accountants of Pakistan ("ICAP")** and **BankIslami Pakistan Limited ("BankIslami")**, we would like to facilitate application of ICAP registered firms under SBP Refinance Scheme for Salaries and Wages as per the terms and conditions stated in this letter.

The State Bank of Pakistan (SBP) has introduced **SBP Islamic Refinance Scheme for payment of Salaries and Wages to Workers and Employees of Business Concerns ("Facility")** that will support in continuation of employment during these challenging times. To reduce the economic disorder caused by Covid-19 and to help businesses in payment of wages and salaries to their workers and employees; this scheme is expected to ease off cash flow constraints of the employers thereby avoiding layoffs. The Scheme offers financing of 6 months salaries from April to Sept 2020.

Following are the key features of the Facility in the light of SBP Circular No. 7 dated April 10, 2020 and related follow-up circulars:

**1. Purpose & Financing Amount:**

- Purpose of the Facility is to support employment and prevent layoff of workers.
- Maximum financing amount allowed is equal to six (6) months Salaries & Wages (for employees & workers) from April to Sep 2020 (re-imburement of April to June 2020 salaries is allowed).
- Undertaking by the applicant that it will not layoff any employee during the period (months) for which salary finance is requested.

**2. Financing Rate:**

Pricing of the Facility is 3.0% for Filers and 5.0% for non-fillers.

**3. Repayment:**

Two and half (2.5) years inclusive of 06 months grace period with repayment in 8 quarterly installments starting after 3 months from January 2021.

**4. Islamic Mode of Financing:**

Diminishing Musharaka (DM) or any other Islamic finance structure as advised by Bank's Shariah Board (DM Assets to comprise of fixed assets having sufficient market value covering the amount of finance plus minimum 10% customer share having a useful life of not less than 3 years).

**5. Risk Sharing Facility:**

Government of Pakistan will bear 60% first loss principal portion for eligible SME customers with turnover of up to PKR 800 million.

Serving you, the Right way

**6. Security Requirements:**

Security & Collateral will be as per BankIslami's Internal Credit Policy and applicant firms will be required to furnish security for 40% of the facility applied. The security may be in the form of:

- Exclusive Charge over the DM Assets (duly insured through a Takaful company),
- Cash Cover in shape of lien over deposits maintained with BankIslami prior to date of requested facility,
- Hypothecation / Charge over moveable Assets / receivables of the firm.

**Cut-off date of the Scheme:** 30-09-2020

**Documentation & Other Requirements:** As per 'Annexure A' attached.

**Contact Details of the focal persons:**

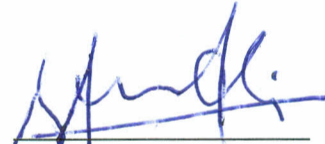
BankIslami would like to nominate following focal persons to assist you and ICAP registered firms for any further information, assistance and/or to apply for the facility. You are also requested to kindly nominate ICAP's focal persons (region wise) for necessary coordination and facilitation, in this regard.

<b>South Region</b> (Karachi / Hyderabad)	<b>Mr. Muhammad Haris Munawar</b>
	Head, Corporate Banking (South)
	Phone # +92 111-247-111 Ext. 3830 Cell# +92 321 8224401
	Email: haris.munawar@bankislami.com.pk
<b>Central Region</b> (Lahore / Faisalabad / Multan)	<b>Mr. Mustafa Rabbani</b>
	Head, Corporate Banking (Central)
	Phone # +92 42 35776781 Cell # +92 324 5017441
	Email: mustafa.rabbani@bankislami.com.pk
<b>North Region</b> (Islamabad / Rawalpindi / Peshawar)	<b>Mr. Ashfaq ur Rehman</b>
	Team Leader – Corporate Banking (North)
	Phone # +92-51-9458184 Ext.2300 Cell # +92 333 5197750
	Email: ashfaq.rehman@bankislami.com.pk

Yours truly,



**Zaheer Elahi Babar**  
Group Head – Corporate Banking



**Syed Amir Ali**  
President & CEO

Encl: Annexure A

**Annexure – A**

- a) Bank Account to be opened with BankIslami
- b) Request Letter on Firm's letter head
- c) LAF (Loan Application Form) / BBFS (Borrowers Basic Fact Sheet) Stamped & Signed on standard format (format may be obtained from Focal persons of BankIslami)
- d) Audited Financial for the last three years and Management Accounts for the year 2019-2020
- e) Projections for next three years with underlying assumptions
- f) Firm's Profile
- g) List of existing clients and annual remuneration agreed with them
- h) NTN Certificate of the Firm
- i) Account Statement for last six (6) months
- j) Constitutional documents of the Firm (i.e. Registered Partnership Deed)
- k) Firm's Practicing License issued by ICAP
- l) Details of Salary month wise of the employees (*duly certified by the Head of HR/CEO of the firm*)
- m) Undertaking not to lay off the employees covering the period (months) for which facility is requested

**Note:**

- *The salary requested to be financed to commensurate with the salary reported in the latest audited financials or Salary Certificate issued by Head HR/CEO.*
- *Firms need to execute all the required / standard legal documentation & agreements as applicable.*

