

# **BANKING SECTOR IN PAKISTAN - OVERVIEW**

Pakistan's banking service sector is one of the most established pillars of the country's formal economy. Regulated by the State Bank of Pakistan (SBP), the industry is comprised of commercial banks, Islamic banks, micro-finance institutions, development finance institutions (DFIs), and foreign banks-serving a population of over 240 million with evolving financial needs.

## **Structure and Reach**

The sector includes over 30 scheduled banks with thousands of branches nationwide. Despite a growing push toward digital adoption, banking in Pakistan remains branch-dependent, especially for complex or high-value services like loans, investments, and dispute resolution.

Yet, this dependence has not always translated into quality service. Bureaucratic processes, low customer-centricity, and inconsistent frontline staff training have made navigating banking services a source of frustration for many individuals and small businesses.

## **Challenges**

- Mis-selling of financial products (particularly insurance and investment-linked products)
- Delayed complaint resolution and poor grievance redressal
- Opaque fee structures with hidden charges or deductions
- Limited financial literacy among the public, often exploited by aggressive sales tactics
- Disconnected customer service where different departments don't coordinate effectively

## **Regulatory Push**

The State Bank has introduced several initiatives in recent years:

- Customer Facilitation Desks at banks
- Complaint resolution portals
- A greater focus on financial inclusion, transparency, and accountability

However, despite policy changes, the gap between what's promised and what's delivered remains wide, particularly for everyday customers without VIP status or strong internal connections.

## **Why Independent Banking Advisory Matters**

This is where services like Sacha Banker play a transformative role. With insider knowledge, regulatory fluency, and zero institutional conflict of interest, an independent advisory firm can:

- Decode complex products and fine print
- Rectify mis-sold policies or unjustified deductions
- Advise clients on how to get results faster within the system
- Guide customers towards safer financial decisions