

State Bank allows banks to exchange Rs. 500 old design banknote till October 01, 2012

The State Bank of Pakistan (SBP) has allowed all commercial banks/Microfinance Banks (MFBs) and the field offices of SBP Banking Services Corporation (SBP BSC) operating throughout the country to exchange Rs. 500 old design (bigger size) banknote until close of banking hours on October 01, 2012.

It may be pointed out that earlier the deadline of exchange of Rs. 500 old design (bigger size) banknote was September 30, 2012. However, September 30, 2012 is Sunday, the Federal Government, through a Gazette Notification issued in June, 2012 has facilitated the public to exchange the demonetized Rs 500 (old design) banknote until October 01, 2012.

The State Bank of Pakistan/SBP BSC will neither exchange nor be liable to pay any value of such banknote to any person or a bank after the deadline fixed above (i.e., October 01, 2012).

Branches of banks/NBP Chests/Sub-Chests should display posters/banners regarding the revised date for the acceptance of the demonetized Rs. 500 old design banknotes (bigger size), at public counters and other visible places in and outside their branches, according to a Circular Letter issued by SBP to the Presidents/Chief Executives of all commercial banks/Microfinance banks.

SBP has also directed all banks to issue the necessary instructions to their respective branches to ensure meticulous compliance of time lines for the exchange of demonetized Rs 500 old design (bigger size) banknotes by displaying posters/banners for awareness of the general public. Instructions issued to banks in this regard can be viewed at SBP's website on the following link: <http://www.sbp.org.pk/acc/2012/CL3.pdf>

It may be recalled here that Rs. 500 old design (bigger size) banknote had already been demonetized from 1st October, 2011, and, hence, cannot be used as a legal tender.
