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SBP warning to banks on issuance of fresh currency notes

The State Bank of Pakistan (SBP) has warned the banks that it will impose on them fines at the rate of Rs one lakh (Rs 1,00,000/-) per wrapped bundle (10 packets) and Rs 50,000/- (Fifty thousand) per five packets (in serial) of fresh currency notes found on sale in the market.

It advised the banks not to issue bundles of small denominations (Rs 10 to Rs 100) of fresh currency notes, which were issued to them by the field offices of SBP Banking Services Corporation (SBP BSC), as the same can be sold in the market on premium.

SBP said that teams from field offices of SBP BSC have also been constituted to monitor the supply of fresh currency notes to the general public by banks. Verification teams of SBP BSC will also monitor the compliance of SBP instructions by visiting banks' branches and their vaults as per the prescribed procedure.

These steps have been taken by the State Bank to prevent the sale of fresh currency notes in the market on premium.

SBP through a circular has also advised all banks to ensure strict compliance of its instructions as any violation thereof would attract punitive action under the relevant provisions of the Banking Companies Ordinance, 1962.
