



STATE BANK OF PAKISTAN  
FINANCE DEPARTMENT  
I.I. Chundrigar Road  
KARACHI

FD Circular Letter No. 02/2016

May 30, 2016

**The Presidents/Chief Executives  
All Banks / Microfinance Banks**

Dear Sir/Madam,


**SBP Currency Management Strategy**

Reference FD Circular No.03/2015 dated August 26, 2015 and FD Circular No.01/2016 dated January 25, 2016 on the captioned subject.

It has been observed in the last quarterly progress report for January – March 2016 that the overall progress of banks in developing/acquiring the requisite infrastructure for automation of cash processing functions is modest at the best. It is reiterated that as per FD Circular No.01/2016, Clause III – Selection of Cash Processing Machines, the banks are required to get their selected cash processing machines cleared from SBP by 30<sup>th</sup> June 2016 failing which penal action will be taken against non-compliant banks under Banking Companies Ordinance (BCO), 1962. The banks having arrangements with other banks to get their cash processed will also be penalized if the banks with whom they have made arrangements fail to get their selected machines cleared from SBP by 30<sup>th</sup> June 2016.

Further, it is advised that the quarterly progress report as per Circular Letter No.1/2016 dated March 16, 2016 has now been changed to monthly progress report to be submitted by 10<sup>th</sup> of each month following the month to which the report pertains. The first such monthly progress report for the month of May 2016 shall be submitted to SBP latest by **10<sup>th</sup> June, 2016**.

Please acknowledge receipt.

Yours faithfully,  


**(Saleemullah)**  
Director