



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2013-14/244

DCM (Plg) No. G 12 /10.65.03/2013-14

September 10, 2013

The Chairman & Managing Director /
Chief Executive Officer
(All Scheduled Commercial banks including RRBs)

Madam/ Dear Sir,

**Monetary Policy Statement for 2013-14-Distribution of Banknotes and Coins-
Alternative Avenues**

Please refer to [Para 110](#) of the Monetary Policy Statement 2013-14 wherein it was stated that “With a view to effectively meeting the growing demand for banknotes and coins in the country, there is a need for identification of alternative avenues for their distribution by banks. For this purpose, banks may explore the possibility of offering these services through Business Correspondents (BC) and consider engaging the services of Cash in Transit (CIT) entities for the purpose of distribution of banknotes and coins, thereby addressing the last mile connectivity issues.”

2. We invite attention to [DBOD circular No.BAPD.BC. 46/22.01.009/2013-14 dated September 2, 2013](#), permitting banks to include distribution of banknotes and coins also in the scope of activities which may be undertaken by Business Correspondents (BCs).

3. Banks are accordingly advised to explore the possibility of enlisting the services of their BCs for carrying out the various currency management functions.

4. Please acknowledge receipt.

Yours faithfully

(B P Vijayendra)
Principal Chief General Manager