

RBI/2005-06/74

DCM(CD)No.816/04.36.03/2005-06

July 25, 2005

The Chairman & Managing Directors of banks maintaining Currency Chests

Dear Sir/Madam,

Computerisation of Currency Chest operations

The Reserve Bank of India has taken up a project for computerisation of the currency-related data and accounts. Apart from computerisation of the currency-related data and accounts at the Bank's Issue Offices, the project will cover the following:

- (a) computerisation of the data, accounts and records relating to the currency transactions carried out by the currency chests maintained by banks;
- (b) reporting of the data relating to currency transactions and the balance of notes held in the currency chests, by the chests to the Link Offices of banks as well as to the concerned Issue Office of the Reserve Bank;
- (c) reporting by the link offices of banks of the summary data relating to currency transactions, etc. to the concerned Issue Office of the Reserve Bank; and
- (d) Exchange of information in the form of messages relating to remittances, exchange of defective notes, distribution of coins, etc. between the currency chests, the link offices and the Issue Offices of RBI through the communication network.

2. The proposed system has been named Integrated Computerized Currency Operations and Management System (ICCOMS) and its currency chest module will be called the Currency Chest Reporting System (CCRS). The CCRS will cater to both transaction processing and messaging at the chests and link offices.

3. The primary objective of the proposed system is to facilitate prompt, efficient and error-free reporting and accounting of the currency chest transactions and proactive monitoring of the currency operations as well as the resource position with a view to increasing the efficiency of the currency management function. Introduction of such a system has become imperative in view of the growing magnitude, geographical spread and criticality of the currency chest operations in the overall currency management function. We trust that the Information Technology initiatives taken by the banks for computerisation of branch operations coupled with the advances in the communication facilities in the country will provide the necessary environment and infrastructure for successful implementation of the CCRS system across the country.

4. The application software for CCRS at the chests and the link offices, for which we have retained the services of M/s CMC Ltd., will be supplied by RBI to banks. The banks will, however, be required to put in place, the requisite hardware and system software at the chests/link offices. The development of the software for computerisation of currency chest reporting system is almost complete and banks would be forwarded the Compact Diskette (CD) with installation notes shortly. The recommended minimum configuration of the desktop personal computer system to be used for implementing the package is as follows:

Hardware

Intel P IV, 512 MB RAM, 1.44 MB Floppy Disk Drive, CDD, 1 X 40 Gb Hard Disk, 10/100 Mbps Network Card, Smart Card Reader, Connectivity Thro' Infinet/Internet, Tape Drive (For Backup)

Software

Windows 2000

Internet Explorer 6 Or Latest Version (comes bundled with OS)

MS Access (comes bundled with MS Office 2000)

5. The aforesaid software envisages use of PKI technology which requires Smart Card reader and smart card with necessary Digital Certificates (to be arranged by the user). As regards communication/connectivity, it is envisaged to use primarily Structured Financial Messaging System (SFMS) through Indian Financial Network (INFINET) or alternatively through RBI's Secured Website (SWS) using Internet connectivity through leased line/dial up. Meanwhile, banks will be required to arrange for allocation of Indian Financial System Codes (IFSC) to all currency chests and link offices.

6. Please acknowledge receipt.

Yours faithfully,

(U.S. Paliwal)
Chief General Manager