

RBI tells Banks to distribute Coins/Exchange Soiled Notes to Public on Sunday

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As one more initiative in implementing 'Clean Note Policy', the Reserve Bank of India has advised banks to consider keeping a few of their currency chests branches open on one Sunday in a month to provide exclusively few counters for currency note exchange facilities and distribute coins to the members of public. In a letter written last week to the banks, the Reserve Bank of India Deputy Governor, Shri Vepa Kamesam, has stated that the facilities of exchange should be available on Sunday only to individuals. The Deputy Governor has advised banks to run the campaign initially for three months from September on an experimental basis at select pilot centres. The Reserve Bank has left the choice of selection of branches on the basis of their assessment of the scarcity of coins and circulation of soiled notes in the area and give feedback to it on a monthly basis regarding success of the campaign.

Taking cue from the central bank's advice, one bank has already initiated steps for distribution of coins in exchange for soiled and mutilated notes on first Sunday of September at Bangalore, Hyderabad, Calicut, Chennai and this would continue for three months.

Apart from providing good quality currency notes to members of public from the four currency note printing presses on a much larger scale, the Reserve Bank has also focussed on withdrawal of soiled notes from circulation. To facilitate easy exchange of mutilated notes, it had, in 1986, delegated full powers under the Note Refund Rules to all branches of public sector banks including non-currency chest branches. Last week, the central bank also invited applications from public organisations, such as, public sector undertakings, regional rural banks, cooperative banks, reputed and national/regional level social welfare organisations to apply for assisting in the endeavour to reach coins to their clients/members. The select Sunday exchange counters spread across the country of public sector banks should mitigate the hardship experienced at upcountry centres.

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