

## **RBI directs Banks to accept Coins**

**October 9, 2003**

The Reserve Bank of India has today directed banks to immediately instruct their branches to accept coins of all denominations from any member of public without any restrictions and pay the value in notes.

The Reserve Bank has also advised banks to use coin counting machines or accept coins by weight in order to be able to accept large quantities of coins tendered at the bank counters provided the coins are tendered after sorting out.

In its letter issued today to the Chairmen and Managing Directors of all public and private sector banks, the Reserve Bank of India has stated that it had, of late, been receiving a number of complaints from the members of public, chambers of commerce, cooperative banks that the banks did not accept coins from them. Due to various measures taken by the Reserve Bank, coins are now freely available with the shopkeepers, traders, transport undertakings and members of public, causing reverse flows to the banks from the public.

The Reserve Bank of India has also directed banks to accept, from members of public, small coins in the denominations of 5, 10 and 20 paise if tendered at the counters. It has stated that though minting of small coins of 5, 10 and 20 paise denominations has been discontinued, these coins issued earlier are still in circulation and continue to be legal tender. The bank branches should accept them at the counters, if tendered, by any member of public.

The Reserve Bank of India has also advised banks to ensure that adequate quantity of bank notes are available at their branches and ATMs considering the ensuing festival season of Deepavali.

**Alpana Killawala**  
**General Manager**

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