

RBI/2004/19

DCM (NE) No.310/08.07.18/2003-04

January 19, 2004

The Chairman, SBI and
Chairman & Managing Directors of
All currency chest maintaining branches

Dear Sir

Providing facilities to public for exchange of notes, coins, etc.

As you are aware the Reserve Bank of India renders retail services to the public like distribution and exchange of currency and coins. Our Regional Offices have been issuing fresh/good notes and coins of all denominations, exchanging soiled notes, adjudicating mutilated notes and accepting coins and notes either for transactions or in exchange. With a view to enlarging these services, we have permitted opening of a large number of currency chests and small coin depots to the public sector banks, private sector banks and also to some foreign banks. We have also delegated full power to the public sector banks and the currency chest branches of other banks to adjudicate mutilated notes under the RBI (Note Refund) Rules.

2. We have in the recent past taken several measures to ensure that fresh notes and coins are freely available in adequate quantities to the currency chests and through them to the non-chest bank branches. Further, we have not only cleared the accumulation of soiled notes at the currency chests but have also created adequate infrastructure to facilitate on-going removal of soiled notes from

the currency chests and their prompt disposal through the Currency Verification and Processing Systems under improved security surveillance.

3. As a matter of overall policy to broad-base the customer services in respect of (a) meeting their demands for fresh/ good quality notes and coins of all denominations, (b) exchanging soiled notes, (c) adjudicating mutilated notes, and (d) accepting coins and notes either for transactions or in exchange, it has been decided that all the branches of currency chest maintaining banks in all parts of the country should provide these services more actively and vigorously to the members of public so that there is no need for them to approach the RBI Regional Offices only for this purpose. I request you to publicise for information of the public at large the availability of such facility at your branches.

4. Please acknowledge receipt.

Yours sincerely

(P.K. Biswas)