

RBI/2004-05/348

DCM (RMMT) No.1403/11.37.01/2004-05

January 19, 2005

The Chairman & Managing Director,
All Public/Private Sector banks

Dear Sir,

Non-acceptance of coins by bank branches

Please refer to our circulars DCM (RMMT) No.404/11.37.01/2003-04 dated October 9, 2003 and DCM (RMMT) No.1181/11.37.01/2003-04 dated April 5, 2004 advising you to ensure acceptance of coins of all denominations without any restriction from the members of public etc. by your branches. However, complaints regarding non-acceptance of coins by bank branches in various parts of the country, continue to be received by us/the Government and critical reports often appear in the Press. In order to ensure that such incidents (leading to image risk) do not recur, you are requested to periodically sensitize the staff so that there is no cause for complaint from the customers. Further, the instructions relating to surprise visits by Regional Managers/Zonal Managers to verify compliance by the branches with the instructions relating to acceptance of coins and review of their reports at the Head Office (cf. para 4 of the circular dated April 5, 2004) may be strictly adhered to.

Please acknowledge receipt.

Yours faithfully

(U.S. Paliwal)
Chief General Manager