

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3444
ANSWERED ON:20.08.2004
LOWER DENOMINATION COINS
Adhalrao Patil Shri Shivaji;Madhwaraj Smt. Manorama

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that coins of small denominations like 25 paise, 50 paise, are not accepted by shopkeepers/banks stating that these coins have been discontinued;
- (b) if so, whether the Reserve Bank of India has issued any fresh instructions to Banks in this regard; and
- (c) if so, the details thereof ?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) Some complaints regarding non acceptance of small denomination coins like 25 paise and 50 paise by shopkeepers/banks are received by the Reserve Bank of India/ Government.

(b) & (c) Yes, Sir.The Reserve Bank of India has issued instructions first in October,2003 and again in April,2004 to all public/private sector banks to accept coins of all denominations from the public tendered at their counters for exchange or deposit in accounts, and that any non-compliance in this regard is viewed as violation of instructions issued by the Reserve Bank of India. All the Reserve Bank of India offices are also accepting coins of all denominations from the public without any restriction.