

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6140
ANSWERED ON:03.05.2013
EXCHANGE OF TORN CURRENCY
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Will the Minister of FINANCE be pleased to state:

- (a) whether facility of distribution of currency notes and coins through the Reserve Bank of India (RBI) counters against soiled / torn currency has been extended to the public;
- (b) if so, the details thereof;
- (c) whether the said facility has since been withdrawn and if so, the details thereof and the reasons therefor; and
- (d) the alternative measures being taken by the Reserve Bank of India (RBI) to help the citizens in this regard?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (d): Reserve Bank of India (RBI) has informed that presently the facility of distribution of currency notes and coins through its counters against soiled / torn currency is being extended to the public. Bank notes and coins are distributed in exchange through counters of 19 Regional Offices of RBI and currency chest / bank branches. Public can also tender their torn / soiled currency in Triple Lock Receptacle (TLR) covers to the issue offices of RBI at 19 locations, the value of which is remitted to their bank account / address at a later date. All bank branches have been instructed to extend this facility to the members of public vide instructions dated January 28, 2013.

In the Annual Monetary Policy Statement (AMPS), 2012-13 announced on April 17, 2012, it was indicated to channelize the distribution of bank notes and coins only through currency chests / bank branches. RBI's reach with its presence restricted to just 19 centres is quite limited and commercial banks with their wide network of branches are better positioned to meet the requirements of common person relating to currency and coins. The rationale behind the proposed move is to better serve the interest of the common person. However, RBI will continue to manage the distribution of bank notes and coins through the currency chests and bank branches.