

PRESS INFORMATION BUREAU**GOVERNMENT OF INDIA**

The Prime Minister Shri Narendra Modi reviewed the position for the second consecutive day yesterday regarding the smooth supply and availability of currency notes; Among major decisions taken during the Meeting include to continue to give highest importance to ensure convenience for the public; Use of Indelible ink for over the counter exchange against old Rs.500/- and Rs.1000/- notes; Arrangements to make available adequate cash to the Postal Department for their use including the branch Post Offices.

New Delhi, 15th November, 2016

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The Prime Minister Shri Narendra Modi reviewed the position with regard to supply and availability of currency notes yesterday (14.11.2016). The Meeting, which went on till about midnight, was attended among others by the Union Minister for Finance and Corporate Affairs, Shri Arun Jaitley, Minister of State (Independent Charge) for Coal & Power, Shri Piyush Goyal, Principal Secretary to the Prime Minister Shri Nripendra Misra and Additional Principal Secretary to the Prime Minister, Dr. P.K.Mishra, Cabinet Secretary, Shri P.K.Sinha, Governor, RBI, Dr. Urjit R Patel, Secretaries from Finance Ministry and other officials from PMO. A detailed review was made with regard to the steps that have been taken for smooth distribution and dispensing of cash through various channels of disbursement.

After detailed discussions, the following decisions were taken :

1. Highest importance should continue to be given to ensure convenience for the public. Effort should be made to avoid long queues in Bank branches, ATMs, etc. Already separate queues for senior citizens, divyang persons etc. have been announced. The drawing limits against Bank Accounts and from ATMs and over the cash disbursement have also been increased. It was noted that one of the primary reasons for long queues was that the same persons were visiting Bank branches, ATMs etc. repeatedly. It was also noted that certain unscrupulous elements are using the services of poor and innocent people to convert their black money into white.

To prevent such misuse of the facility and enable larger number of persons to draw cash, indelible ink used during elections shall be used for over the counter exchange against old Rs.500/- and Rs.1000/- notes. This is not applicable in the case of withdrawal from or deposit into accounts.

Cash disbursement points, especially Bank branches will be advised to put-up notices outside their branches advising people to avoid exchange of old notes over the counter multiple times.

2. Already instructions have been issued permitting District Central Cooperative Banks (DCCBs) for cash withdrawal from existing accounts, subject to limits applicable in the case of Banks. Arrangements have been made to enhance the availability of cash with the DCCBs.
3. Arrangements have been made to make available adequate cash to the Postal Department for their use including the branch Post Offices. There are 1.3 lakh branch Post Offices having wide coverage in the rural areas. Availability of adequate cash with the branch Post Offices will ensure wider coverage of the rural areas.
4. Contributions are made in hundis and separate boxes in places of worship. Such establishments have their accounts with the Bank branches. Bank branches have been advised to approach the concerned authorities in these establishments to obtain the currency notes, especially of lower denomination and put them back into circulation. This will help in improving the circulation of lower denomination currency notes.
5. Information has been received that there is sudden spurt in the quantum of deposits in several Jan Dhan Accounts. There are also reports of unscrupulous elements using Jan Dhan Accounts of poor and innocent persons to convert their black money into white. Such spurt in deposits will be looked into closely. Jan Dhan Account holders are requested not to allow their accounts to be misused by anyone. Further, it is also clarified that Jan Dhan Account holders will not be put to any kind of inconvenience for carrying-out their legitimate activities.
6. Old Rs.500/- and Rs.1000/- notes are accumulating in Post Offices and Bank branches. Special efforts will be made to shift such notes and create space in the Post Offices and Bank branches to receive new notes.
7. A high level Task Force consisting of representatives from various agencies is being set-up to monitor movement/receipt of fake notes in vulnerable areas. This Task Force will also take special efforts to monitor black money being deposited into Bank/Postal Accounts, especially under fictitious and other names.
8. A technology team is being set-up to popularize the use of e-wallets.
9. Government is closely monitoring the supply of essential commodities.

10. A coordination group chaired by the Cabinet Secretary and including representatives of various Departments and major Banks is holding regular meetings to monitor the implementation of all the steps.

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