RBI examining issue of banks selling gold coins

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MANGALORE: The Reserve Bank is 'examining' an issue of banks - nationalized and private selling gold coins to customers, deputy governor KC Chakrabarthy said. Personally opposed to the banks doing so (selling coins), Chakrabarthy clarified, "My view on the issue is well known." However, RBI being a democratic set up, views of all concerned will be considered before any final decision on allowing or barring banks from doing so is taken, he added.

Taking part in the 'Town Hall' programme, a RBI initiative to listen and address complaints of the public with regard to instances of deficiencies and problems while dealing with banks here on Tuesday, Chakrabarthy said, "It is for banks to decide."

Sudhir Ghate, a businessman said, "Most banks are setting target for its employees to sell gold coins. I have been persuaded on many occasions by my bank to buy these coins to help them meet targets," he said.

To a complaint about banks insisting customers to update know your customer (KYC) norms on a regular basis, Chakrabarthy said, "KYC is very important for the benefit of customers."

In most cases, the banks do not have proper contact details and address of their customers. It is the interest of the customers to provide their contact address and telephone numbers so that the banks can pass on any information about their services and products, he noted.

On the repeated extensions provided by RBI to banks to ensure that their cheques are CTS 2010 compliant, the latest one being July 31, Chakrabarthy said, "Banks need to come back to us with compliance of having supplied such cheque books to all its customers."

Observing that this had not happened, Chakrabarthy said it is not enough it banks print cheque books that will facilitate speedier clearance, but also supply them to their customers.

Responding to a query from Judith Mascarenhas, former deputy mayor on practice of bank employees defacing currency notes by writing on them, Chakrabarthy said, "RBI has issued strict guidelines against such practice and anyone found writing on notes will be punished." He also advised customers not satisfied with service provided by a particular bank to shift to another bank that does and also bargain with their banks for better service and rates.