



**SHIVALIK**  
Shivalik Small Finance Bank

# Clean Note Policy



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## 1. Overview

In India, currency forms a significant part of the money supply, even though we are moving towards Digitization. It was observed that many of the notes in circulation were soiled and mutilated and these were no more considered as a decent medium of exchange. Nobody wanted to accept these notes, however, if somebody acquired these notes while transacting, they wanted to get rid of them at the first available opportunity. The Reserve Bank of India (RBI) has Introduced clean note policy in 1999, asking the banks do not pass on the soiled, torn, and scribbled notes to the customer and deposit the same to the RBI. RBI has issued a directive under Section 35A of the Banking regulation Act, 1949, prohibiting the stapling of currency notes/packets.

## 2. Objective

The objective of the Clean Note Policy is to give the customers good quality currency notes and coins while the soiled notes are withdrawn out of circulation and issue only good quality clean notes to the public and refrain from recycling the soiled notes receive over the counter.

## 3. RBI's Clean Note Policy

- Bank shall accept and deliver currency notes in unstapled and unstitched condition only.
- Bank will ensure removal of soiled notes and will ensure such notes are not circulated. All such notes will be replaced with good notes.
- All customers are requested to tender currency notes in unstapled condition. The bank will also issue currency notes in unstapled condition.
- Please DO NOT write or scribble on the currency notes.
- DO NOT use banknotes for making garlands/toys, decorating pandals and places of worship or for showering on personalities in social events, etc.
- Please count and check the currency notes before leaving the counter.
- Soiled and Mutilated currency notes are freely exchanged under RBI note refund rules 2009 at our Teller Counters .
- Coins and small denomination notes are freely accepted/issued at our cash counters.
- It is to be noted that the watermark on these notes is a major security feature and if the watermark is damaged or broken the machine classifies them as bad notes.