

RBI keen to enlarge Forex Encashment Facilities in India

July 5, 2000

The Reserve Bank of India was keen to encourage enlargement of foreign exchange encashment facilities in India and would look at removing regulatory constraints, if any, with a positive outlook, stated Shri P.R. Gopala Rao, Executive Director, Reserve Bank of India. He was addressing a discussion session arranged by the Forum of Free Enterprises in Mumbai today. The session was attended by company executives.

Giving a background to this initiative, Executive Director stated that the visitors to this country, whether they come for business purposes or as tourists, should not face much difficulties in encashing their travellers cheques. The Reserve Bank of India has been for some time now considering strengthening of the existing network of bank branches and money-changers and is also not averse to encouraging setting up of different types of retail outlets for encashment of traveller cheques and international credit cards in foreign currency. It has also discussed the issue with banks, credit card issuers in India and those giving travel related services with a view to encouraging them to seek alliances or implants for enlarging the network through which visitors to India can easily encash their travellers cheques or make payments or take Indian currency through international credit cards. The Reserve Bank is also considering giving more money-changing licences to those including medium size hotels and departmental stores who could offer such services on a round-the-clock basis. The Executive Director assured that if there were any regulatory constraints in setting up foreign exchange bureaux, the Reserve Bank was willing to take a positive look at those constraints. The Reserve Bank would welcome setting up of foreign exchange shops/bureaux on the lines of STD/ISD booths to give the visitors a feeling of being welcome to India, he added.

Alpana Killawala
General Manager

Press Release No. 2000-2001/25