



༄༅། རྒྱལ་ལོ་རྒྱུ་དང་ལེན་དབང་འཛིན།  
ROYAL MONETARY AUTHORITY OF BHUTAN

FX/RMD/2/5/2007-08/ 5734

Date: 07 February 2008

The Managing Director  
Bank of Bhutan  
P/ling.

The Managing Director  
Bhutan National Bank  
Thimphu

**Sub: Rupee Management**

Sir,

As decided in the meeting held between RMA and the Financial Institutions on 6<sup>th</sup> February 2008, **the maximum INR Working Balance for two Commercial Banks at any given point of time shall not exceed INR 500 million (each)** and any amount beyond the specified limit of INR 500 million will have to be transferred to RMA effectively from 1<sup>st</sup> March 2008.

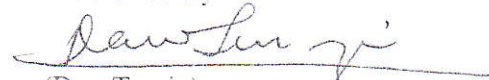
In the event, the **INR liability** of any banks, at any given point of time, **exceeds** that of the prescribed working balance limit, **the RMA shall replenish the required amount** provided the concerned bank furnishes the relevant details of the out-payments and its INR stock position.

Unplanned **high value out-payments** depletes your INR working balance which creates INR **cash shortages** in your bank counter stimulating **undue panic** among customers. You are instructed to **manage INR payment outflows** and **ensure adequate INR cash** for customers within the limit prescribed.

Furthermore, as discussed during our meeting you are advised to instruct your costumers to provide at least one month prior notice of their INR out-payment requirements exceeding INR three hundred thousand to enable you to plan your INR position to render payment services

I am sure with the improved INR management practice we will jointly be able to overcome the INR problem confronting us.

Yours Sincerely

  
(Daw Tenzin)  
Managing Director

CC:

1. Hon'ble Prime Minister and Chairman of the R.M.A. Board of Directors for kind information
2. Dasho Ugyen Dorji, Gyalpoi Droyner, H.M. Secretariat, Tashichhodzong for kind information
3. Dasho Yanki T. Wangchuk, Secretary, MOF, Thimphu for kind information
4. Dasho Sonam Tshering, Secretary, MOEA, Thimphu for kind information
5. Mr. Karma Tshiteem, Secretary, Planning Commission, Thimphu for kind information
6. The Managing Director, BDFC, Thimphu for kind information
7. The Managing Director, RICB, P/Ling for kind information
8. The Director, NPPF, Thimphu for kind information