



ALL INDIA STATE BANK OFFICERS' FEDERATION

(Registered under the Trade Unions Act 1926, Registration No: 727/MDS)

Central Office: State Bank Buildings, St. Mark's Road, Bangalore-560 001

Registered Office: 22, Rajaji Salai, Chennai- 600 001



CIRCULAR NO. 08/2026

Date: 09/01/2026

TO ALL OUR AFFILIATES

Revisit of existing SOP for Currency Chest operations (including recovery of RBI-imposed penalties)

We have sent a communication to the Deputy Managing Director (HR) & Corporate Development Officer, State Bank of India, Corporate Centre, Mumbai, on the captioned subject.

The content of the communication is reproduced below.

With Greetings,

Yours Comradely,

(Rupam Roy)
General Secretary

To,

The Deputy Managing Director (HR) & CDO
State Bank of India
Corporate Centre,
Mumbai-400021.

Dear Sir,

Revisit of existing SOP for Currency Chest operations (including recovery of RBI-imposed penalties)

We draw your kind attention to our letter No. 6180/25/22 dated, 29.06.2022 addressed to your good office highlighting the instances on which penalties are being recovered from our officers without any attributable negligence and lacunae on their part.

We understand, Bank's currency chest operations are presently governed by an SOP and a series of operational instructions issued over time in response to RBI's progressively stringent penalty regime. The current framework places heightened emphasis not only on accuracy and timeliness of reporting and reconciliation, but also on continuous availability of security and surveillance

infrastructure (including prescribed recording/retention), functioning of alarms/hotlines and access controls, periodic chest verifications through trained officials, supervisory checks (including review of CCTV footage), and maintenance of strong room/vault fitness and related compliances. These requirements are, by design, distributed across multiple control owners, controllers/monitoring cells for oversight and reconciliation, IT and connectivity support, security/facility functions and vendors for infrastructure uptime, audit/inspection for verification cadence and training/HR for competency and staffing alongside the joint custodians' custody and transaction responsibilities.

In this context, the prevailing practice of effecting recoveries from joint custodians as a default, even where penalty triggers demonstrably arise from infrastructure or vendor failures, systemic connectivity constraints, delayed supervisory visits/verifications or gaps in training and staffing, requires an urgent review. *The Bank has repeatedly underscored that every penalty instance must be suitably examined through a structured fact-finding/SAE approach and that accountability and recovery, wherever warranted, must be aligned to the official(s) actually responsible, with due opportunity for representation and recourse available as per extant provisions.* Field experience, however, indicates that recoveries are often initiated without a clear attribution exercise or a hearing, resulting in outcomes inconsistent with natural justice and with the Bank's own accountability framework, particularly where the officer's role is limited to reporting/escalation and interim mitigation rather than control over the root cause.

We, therefore, request that the SOP for currency chest operations be reviewed and revised to embed an explicit control-ownership and attribution framework mapped to each RBI compliance requirement, and to prescribe a uniform procedure for investigation, documentation, representation and decision before any recovery is initiated. The revised SOP should clearly distinguish wilful misconduct/proven negligence in reporting or custody from shared/systemic deficiencies and from non-attributable lapses arising at third-party or institutional control points, with corresponding recovery rules and escalation to the appropriate function (controller/IT/security/vendor management/audit). Such a revision will strengthen compliance, drive timely correction of root causes, reduce avoidable penalties, and ensure that individual accountability is fixed only where it is fair, evidenced, and within the officer's permissible control.

Yours faithfully,

Sd/-

(Rupam Roy)
General Secretary

At the Service of Members for more than 6 Decades

General Secretary: +91-9957563825

Camp Office – State Bank of India, Local Head Office, Dispur, Guwahati, Assam-781006
Email: aisbfbangalore@gmail.com Web: www.aisbfb.org