

RBI/2004-05/149

DCM.(FNVD) No. G- 12 /16.01.01/2004-05

31st August 2004

The Chairman/Managing Director,
All Commercial/Co-operative Banks/
RRBs/Private Banks/Foreign Banks &
Director of Treasuries of all States.

Dear Sir,

Detection and Impounding of Forged Notes- Updated Master Circular (2004)

As you are aware, in order to enable the banks to have all the existing instructions on the subject at one place, the Reserve Bank of India had issued a Master Circular dated 27th April 2002 containing guidelines/instructions to banks and Treasuries /Sub-Treasuries on the procedure to be followed in dealing with forged notes detected at the counters of banks' branches or treasury / sub-treasury offices. The referred Master Circular has now been updated incorporating further instructions issued till date and is enclosed herewith.

Yours faithfully,

--Sd--

(P.R. Nair)
General Manager

Encl: Master Circular with all Annexures.

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MASTER CIRCULAR
DETECTION AND IMPOUNDING OF FORGED NOTES

1. **Authority to impound forged notes**

The forged notes can be impounded by -

- i) all branches of the public sector banks
- ii) all branches of Private Sector banks & Foreign banks
- iii) all branches of Co-operative banks & Regional Rural Banks
- iv) all treasuries and sub-treasuries
- v) all RBI Issue Offices.

2. **Stamping on the Forged Note:**

Each note, which is suspected to be forged or is found to be forged, shall be branded with a stamp 'FORGED NOTE' and impounded. For this purpose, a stamp with a uniform size of 5 cm x 5 cm with the following inscription may be used.

FORGED NOTE IMPOUNDED BANK BRANCH SIGNATURE DATE

3. **Issue of Receipt to the Tenderer:**

When a currency note tendered at the counter of RBI Issue Office or a bank branch or Treasury is found to be forged, an acknowledgement receipt in the format as per Annexure I should be issued to the tenderer, after stamping the note as in para 2 above. The receipt, in running serial numbers, should be in duplicate and should be authenticated by the cashier as well as by the tenderer. Notice to this effect should be displayed prominently at the Offices / branches for the information of the public. Acknowledgement receipt may be issued even in cases where the tenderer is not willing to countersign the receipt.

4. **Forged notes detected in cash tenders received by the branch**

The forged notes detected in the cash received by the branch shall be forwarded to local police for investigation by filing the FIR as per Annexure II. A copy of the FIR shall be sent to the Forged Note Vigilance Cell at the Head Office of the bank (only in the case of banks) and in the case of the Treasury, it should be sent to the concerned Issue Office of RBI. Particulars such as name, address of the tenderer and his /her statement as to how the said note came into his / her possession shall also be forwarded to police authorities. (**However, if only one or two notes are detected as forged in the cash tendered by an individual who may appear innocent and whose bonafides are beyond suspect, such cases may not be reported to the police. The forged notes should however, be impounded and forwarded to Issue Office of the RBI #.**) The data of detection of such notes at bank branches & treasuries should be included in the monthly returns forwarded to the RBI Issue Offices as shown in para 9 below. In no case, the forged notes should be returned to the tenderers or destroyed by the bank branches / treasuries.

5. **Guidelines on detection of forged notes**

With a view to educating the branch staff on detection of forged notes, the design and security features of all the banknotes shown in Annexure IV have been supplied to all the banks / treasuries with instructions to display them prominently at the branches for information of the public. The Controlling Offices/Training Centres may also organise/conduct training programmes on the security features of banknotes. If necessary, they may take help of the officers from the nearest Issue Office of RBI.

6. **Examination of notes**

With a view to ensuring detection of forged notes, it is necessary that all the notes received at the branches are carefully examined. It must further be ensured that in no case, the forged notes are mixed up, even inadvertently,

in the cash issued to the public or remittances sent to other bank branches/RBI offices. Banks should ensure that they stock their ATMs with good quality genuine banknotes only. Disbursement of forged notes through the ATMs would be treated as an attempt to circulate the forged notes by the bank concerned. Further, bank branches / currency chests / treasuries are expected to detect forged notes at their end and not to include them in the remittances sent to RBI Offices. RBI may consider the option of imposing penalty for the value of forged notes detected in the remittances received from the currency chests from the date of last removal of soiled notes from them.

7. **Establishment of Forged Note Vigilance Cell at Head Office of the bank**

Each bank shall establish at its Head Office a Forged Note Vigilance Cell to undertake the following functions:

- i) To disseminate the RBI instructions on forged notes to the branches.
- ii) To monitor the implementation of these instructions.
- iii) To compile the centralised data on monthly basis on the forged notes detected at their branches and report the same to RBI & NCRB in the enclosed format (Annexure III).
- iv) Share the information thus compiled with bank's CVO and report to them all cases of acceptance /issue of forged notes over the counters.

8. **Provision of Ultra-Violet Lamps & other infrastructure**

With a view to facilitating the detection of forged notes, all bank branches/ Treasuries may be equipped with ultra-violet lamps. The banks may also consider providing branches with note sorting machines of appropriate capacity for segregating soiled and suspected forged notes from bulk receipts as also at least one note counting machine (with dual display facility) for public use at the counter.

9. **Data compilation and submission of returns**

A statement as per Annexure III (slightly modified from the earlier format, incorporating the names of the States/UT where the branch operates)

showing the details of forged notes detected in the bank/branches during the month shall be compiled and forwarded to the following offices so as to reach them by 7th of the next month :

- (i) Concerned Issue Office of RBI
- (ii) Asstt. Director, National Crime Records Bureau, Government of India, Ministry of Home Affairs, East Block-7, R.K. Puram, New Delhi-110 066
- (iii) Deleted

FIRs are to be filed in all cases of detection of forged notes with effect from 10-11-2004

Acknowledgement Receipt to be issued to the tenderer of forged notes

(Name of the Bank)

Address of the Bank Branch

Serial Number:-

Date:

The note(s) described below received from

.....
(name and address of the tenderer) is/are forged and has/have therefore been impounded and stamped accordingly.

Sl.No. of the Note

Denomination

(Signature of the tenderer)

(Signature of the counter cashier)

Name & Address of the bank branch

Ref. No.

Date :

The Sr. Inspector of Police,
 _____ Police Station,

Dear Sir,

Detection of Forged Note/s -
 Request for investigation

We enclose the following forged notes detected in our office on _____. The name and address of the tenderer together with his statement is furnished.

2. Since the bonafides of the tenderer are suspect he is also being handed over to you*. As the printing and/or circulation of forged Indian currency notes is an offence under Sections 489A to 489E of the Indian Penal Code, we request you to conduct the necessary investigation and bring the culprits to book. In case it is decided to file criminal proceedings in the court of law, you may first arrange to send the notes to the General Manager, Bank Note Press, Dewas (Madhya Pradesh) or General Manager, Currency Note Press, Nashik (Maharashtra) for examination. The expert opinion furnished by the Dewas/ Nashik Press may be produced in the court as evidence under Section 292 of the Criminal Procedure Code. The forged notes may please be returned to us after the completion of the investigation and/or proceedings in the court of law along with the detailed report of the investigation/decision of the court.

Details of Forged Note/s

		Series	Number of pieces	Value
A	Denomination			
B	Name & address of the tenderer			
C	Our Entry No.			

Yours faithfully,

Manager/Assistant General Manager

***(strike out this line if the bonafides of tenderer are not suspected)**

ANNEXURE-III

Name & Address of the bank branch

Statement showing the details of Forged Notes detected in the

branch during the month of _____

A) Denomination-wise Details

Denominations						Total Pcs.	Total Value	Name of the State/U T where the branch is situated
Rs.10	Rs.20	Rs.50	Rs.100	Rs.500	Rs.1000			

B) Details of cases filed with police

- i) No. of cases pending with police at the beginning of the month
- ii) No. of cases sent to police during the month
- iii) No. of cases returned by the police during the month
- iv) No. of cases pending with police at the end of the month

Forwarded to :-

1. The General Manager/Deputy General Manager, Reserve Bank of India, Issue Department, _____
2. The Assistant Director, National Crime Records Bureau, Government of India, Ministry of Home Affairs, East Block-VII, R.K. Puram, New Delhi-110 066.
3. Deleted

(Signature)
Name & Designation
of the Authorised Official

ANNEXURE-IV

Designs of bank notes issued by the Reserve Bank of India since 1967 onwards

Year	Size	Watermark	Front	Back
I. Rs.10 notes				
1967	137x63mm	Ashoka Pillar	Purple colour. Numeral 10 in the centre.	Value of the note in 14 languages. The oval seascape with country craft.
1968	-do-	-do-	Blue black colour. Promise clause, guarantee clause and signature printed in bilingual.	-do- RBI's name in Hindi added.
1969	-do-	-do-	Blue Black colour. 'Ten Rupees' instead of 'Rupees Ten'.	Mahatma Gandhi's Portrait.
1970	-do-	Ashoka Pillar with spinning wheels.	Hindi version of RBI incorporated in place of English and vice versa. Hindi rendering of Guarantee clause, promise clause and Governor's signature have been interchanged incorporated. Watermark window and numbering panel enlarged.	Bilingual seal incorporated
1975	-do-	-do-	Dark brown, umber and blue colour. Numeral '10' printed in dark brown. Intaglio printing. Languages scroll on left and Ashoka Pillar emblem on right.	Pale brown, Ochre blue and green colour. A circle with two Peacock on branch of a tree. Deer, horses, bird and lotus.
1992	-do-	-do-	Overall colour scheme in pale pink, magenta and yellow	Shalimar garden

Year	Size	Watermark	Front	Back
1996	-do-	Portrait of Mahatma	Overall colour scheme in mauve brown, orange and pink	Intricate guilloche and floral patterns
		Gandhi with multidirectional lines in the watermark window.	Portrait of Mahatma Gandhi. Embedded security thread containing the words “₹, ₹, RBI’ readable on both sides when held against light.	with profiles of an elephant, rhinoceros and tiger’s faces. Value of note in 15 Indian languages.
II. Rs.20 notes				
1972	147X63 mm	Ashoka Pillar	Saffron colour . Ashoka Pillar emblem on the right and language panel on the left side.	Bold lettering in Hindi appears centrally in a horizontal panel, flanked by figures 20 at the corner. Picture of Parliament House. On the left value in Indian languages
1975	-do-	Small Ashoka Pillar with chain of spinning wheels. Resin treated paper	Red, blue, mauve and pale yellow colour. Numerical 20 in dark mauve on a light yellow lotus shaped design. Language scroll on the left and Ashoka Pillar emblem on right. The printing bleeds off on all sides but not in corners which are paper white. Bilingual names, clauses and signature.	Dry offset printing. Red, blue and mauve colour. Chariot wheel of Konark Sun temple at the centre. Watermark window in pale blue is surrounded by an ornamental design in perfect register with corresponding design on obverse of the note.
2001	-do-	Mahatma	The security thread totally	The central theme

Year	Size	Watermark	Front	Back
		Gandhi Portrait	<p>embedded with the letters "Bharat" (in Hindi) and "RBI". The colour is predominantly reddish orange. The Ashoka Pillar has been replaced by the Mahatma Gandhi's Portrait in dark red while the Ashoka Pillar has been shifted to the left side bottom corner and the size is smaller. The numeral 20, RBI seal, Mahatma Gandhi's Portrait, RBI Legend, Guarantee and Promise clauses, Governor's Signature and Ashoka Pillar inset are in intaglio. The words RBI and the numeral 20 in Micro letters appear alternatively behind the Mahatma Gandhi's Portrait. An identification mark by way of a small vertical rectangle in raised form appears on the left side of the note to facilitate the visually impaired to identify the denomination of the note. The numbers in the number panel are printed in red.</p>	<p>depicts the Indian coastal line with coconut grooves. The value of the note appears in 15 languages in a vertical panel in the left hand side.</p>
III. Rs.50 notes				
1975	147X73 mm	Ashoka Pillar with chain of wheels.	<p>Mauve colour with hues of blue green and purple. Numeral 50 in dark brown. Language scroll on left and Ashoka Pillar emblem on right. Printing bleeds off on all sides except at corners.</p>	<p>Mauve, brown and yellow colours. Parliament House at the centre. Watermark window in pale mauve, surrounded by an ornamental design which is in perfect</p>

Year	Size	Watermark	Front	Back
				register with corresponding design on the obverse.
1981	do	-do-	Intaglio-fast blue, yellow red. Ashoka Pillar and languages in deep violet colours, rest in deep green and brown colours. ₹, 1/2, 1/2 below Ashoka Pillar emblem.	Dry offset-yellowish brown and body in deep purple colour. Parliament House with a National flag on top
1997	-do-	Portrait of Mahatma Gandhi with multidirectional lines in the window.	Yellow, blue and violet colour. Ashoka Pillar replaced by Mahatma Gandhi Portrait in blue. Security thread totally embedded inside the note the letters '₹, 1/2, 1/2' and RBI'. A small black solid square on the left hand side of the watermark to help the visually impaired to identify the denomination of the note.	A panoramic view of India's Parliament House with floral patterns above and filigree patterns on the sides. The value of the note in 15 Indian languages.
IV. Rs.100 notes				
1967	157X73mm	Ashoka Pillar	Blue colour. Numeral 100 appears prominently in centre. Ashoka Pillar emblem on the right.	Vertical panel of 14 Indian languages on left. Hirakud Dam in the background in a circular frame.
1969	-do-	-do-	Blue colour and promise clause, Guarantee clause and Governor's signature in bilingual.	Picture of Mahatma Gandhi in a sitting posture with Sevagram Ashram in the background in a

Year	Size	Watermark	Front	Back
				circular frame.
1975	-do-	Ashoka Pillar with spinning wheels.	Intaglio deep blue with hues of blue, brown, pink and dark green. Numeral 100 in dark blue. Watermark window light blue. RBI's name, promise clause, Guarantee clause and Governor's signature in bilingual. Language scroll on left and Ashoka Pillar emblem on right. Printing bleeds off on all sides except at corners.	Intaglio deep blue and brown shade of corn, agricultural operations, Tea plantation and hydro electric power project. 'Watermark' window is surrounded by an ornamental design which is in perfect register with similar design on the obverse.
1979	-do-	-do-	One side intaglio blue, red and deep green, Tints of reddish and yellowish green shade below Ashoka Pillar emblem.	Dry-offset. Black and maroon colours. Tint design in greenish blue and brownish shades.
1996	-do-	Portrait of Mahatma Gandhi with multidirectional lines in the watermark window.	Printed with the combination of offset and intaglio process. Overall colour is predominantly blue, grey and green. Portrait of Mahatma Gandhi. A windowed security thread partly visible from the front but totally embedded inside. Letters '₹,₹,₹' and 'RBI' printed on the thread. A small black solid triangle in intaglio on left hand side of the watermark to help the visually impaired to identify the denomination of the note.	Central theme depicts a panoramic view of the Kanchanjunga range with floral patterns above and filigree patterns on the sides. The value of note appears in 15 languages on the left hand side.
V. Rs.500 notes				

Year	Size	Watermark	Front	Back
1987	167X73mm	Ashoka Pillar with spinning wheels.	Printed by dry offset and intaglio process. Background colours in peacock blue, ochre and green. Portrait of Mahatma Gandhi, Ashoka Pillar emblem, Promise clause & language panel are printed in intaglio. Five black horizontal relief lines in intaglio on the left side of the watermark to help the visually impaired to identify the denomination of the note.	Background showing rising sun. Background colours in deep green, orange and sky blue. Mahatma Gandhi leading a group of people.
1997	-do-	Portrait of Mahatma Gandhi with the multidirectional lines in the watermark window.	Printed by offset and intaglio process. Colour scheme is predominantly in yellow, green, mauve and brown. Mahatma Gandhi's portrait is dark brown in colour. Mahatma Gandhi's portrait, RBI legend guarantee and promise clauses, Ashoka Pillar inset and Governor's signature are in intaglio. A windowed security thread, partly visible from the front but totally embedded inside. Letters ₹, ₹, and RBI are printed on the thread. Green vertical band behind the Mahatma Gandhi portrait where latent image of 500 is printed. A small black solid circle in intaglio on the left hand side of the watermark to help the visually impaired to identify the denomination of the note.	Mahatma Gandhi leading a group of people in brown colour with floral patterns appearing above and filigree patterns on each side of this theme. A vertical panel of 15 languages appear on the left. All the above features are in intaglio.
2000	-do-	-do-	The colours are predominantly mild yellow,	The design is the same as is on the

Year	Size	Watermark	Front	Back
			mauve and brown. Mahatma Gandhi's portrait is in light brown. Numeral 500 printed in Optically Variable Ink (OVI) in Green to Blue colour shift. Except these changes, other designs are same as of 1997 series notes.	1997 series note.
VI. Rs.1000/- notes				
2000	177X73 mm	Portrait of Mahatma Gandhi with multidirectional lines in the watermark window.	Colour is generally pink (light peach colour with grey offset background). Mahatma Gandhi's portrait is brown in colour. Mahatma Gandhi's portrait, numeral 1000, ₹ 1000, RBI seal, RBI legend, guarantee and promise clause, Governor's signature are in intaglio printing. Left hand number panel in red colour and right hand number panel in blue colour. Numeral 1000 printed in Optically Variable Ink (OVI) in Green to Blue colour shift. Optically variable (colour shifting) windowed security thread with magnetic property and containing text '₹ 1000 RBI'. Green vertical band behind the Mahatma Gandhi portrait where latent image of 1000 is printed. A small black solid diamond shape mark in intaglio on the left hand side of the watermark to help the visually impaired to identify the denomination	The theme depicts the overall development of the Indian economy in three colour intaglio. The 15 language panel is on the left side.

Year	Size	Watermark	Front	Back
			of the note.	