



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2011-12/544

DCM (FNV) No. 5063/16.02.22/2011-12

May 09, 2012

The Chairman and Managing Director / Chief Executive Officer
All Scheduled Commercial Banks (Including RRBs) and
Scheduled State Co-operative Banks /
Scheduled (Primary) Urban Co-operative Banks

Dear Sir/Madam,

**Detection and Reporting Mechanism of Counterfeit Notes –
Monetary Policy Statement 2012-13**

Please refer to our [Directive No. 3158/09.39.00 \(Policy\)/2009-10 dated November 19, 2009](#) read with [Circular No. NPD.3161/03.39.00 \(Policy\)/2009-10 dated November 19, 2009](#) on Sorting / Processing of banknotes, advising the banks that banknotes in the denomination of 100 and above may be re-issued over their counters or through ATMs, only if such banknotes have been duly checked for authenticity / genuineness by machines. Further, the banks were also advised to use such machines in all bank branches with average daily cash receipt of ₹ 50 lakh and above, within a definite time frame.

2. In light of [Para 127](#) of the Monetary Policy Statement 2012-13 announced by RBI Governor on April 17, 2012 (copy enclosed), banks should now re-align their cash management in such a manner so as to ensure that cash receipts in the denominations of ₹ 100 and above should not be put into re-circulation without the notes being machine processed for authenticity.

3. The above instructions shall come into effect immediately and are applicable to all bank branches, irrespective of the volume of daily cash receipt.

4. Any non-compliance will be construed as violation of the above mentioned Directive issued by the Reserve Bank.

5. Please acknowledge receipt.

Yours faithfully,

(Dr. N Krishna Mohan)
Chief General Manager
Encl: One