

## Training Session on:

- Cash operation procedure
- Detection and Disposal of forged Notes,
- Rules of Changing burnt, soiled & Mutilated Notes,
- Evening Banking, Concept of Negative points.



Course Conducted by:  
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# About Me

Completed Masters From university of Dhaka

Participated in a Training in Pakistan regarding Cash Modernization

Attended a seminar on skill development & knowledge sharing in Indonesia

Attended a seminar on Human Resources in England

Got training on Note Sorting, Money circulation & Different Notes related Regulations via special programs arranged by BBTA

Member of Negative Point Evaluation Committee, Bangladesh Bank

Presently Playing role as President of Bangladesh Bank Officers Association, Dhaka

Elected as Vice Chairman of Bangladesh Bank Employees Cooperative Society, Dhaka





# Topics To Be Covered.....



1

Brief overview of Cash Department

2

Cash Operation Procedure and its importance

3

Explanation of Different types of Notes

4

Detection and Disposal of Forged notes

5

Rules of changing burnt, soiled and mutilated notes

6

Evening Banking

7

Concept of Negative Points

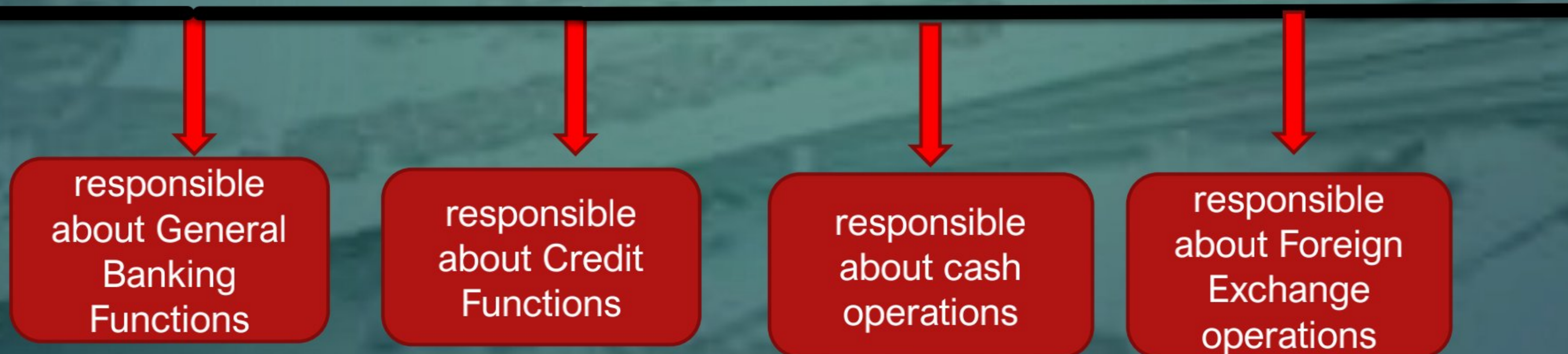




# Managerial Cadre Development



Branch Managers







## Managerial Cadre Development



- ❖ Bank managers lead employees and oversee the day-to-day operations of their assigned branches. They're responsible for managing the banking team, increasing sales of banking products and providing customer service.
- ❖ GB-In-charge is naturally responsible about General Banking Functions, Credit-In-charge is for credit functions, FE in-charge is for Foreign Exchange operations, Cash in-charge is for cash operations. But the managerial role of a bank's branch holds all these cross functional teams and their functions as well as customer service. Branch Manager is also liable for any disciplinary and malfunction of cash department.
- ❖ Thus it is very important for any managerial role of a bank to know from the very core of the cash department along with other banking functions.





## Overview of Cash Department



Cash Department is one of the most important Departments in any Bank. It serves as a center-point for all other departments and without it no transaction can be done. Cash Department can be considered as a reflector of Banks competency, credibility and its trustworthiness. Cash Department, as the name suggests, deals with the cash that is either inward or outward i.e., payment in cash by the customer or payment to customer in cash form, with cheques and with receipts.







## Core Activities of Cash Department-BB vs CB

Bangladesh Bank circulates money(Notes & Coins) through its issue Department



Commercial Bank accelerates the circulation of money through out the country

Bangladesh Bank receives deposit from and makes payment to Commercial Banks



Commercial Bank receives deposit from and makes payment to it's customers (retail and corporate)

Purchases and sell Savings Certificate on behalf of Government



Commercial Bank gets reimbursement of saving certificates only from BB

Sells and purchases Prize bond (including its prize claims)



final settlement of prize bond claim is sorted by BB, but Commercial Banks can Sell and purchases Prize bond

Deals with refund and disposal of Defective notes, Mutilated notes and Claim Notes.



Commercial Banks can collect the defective notes from customers for refund ,but final disposal of defective notes is performed by BB





## Cash Operation Procedure for Commercial Banks



1. Check Cash Position (Denomination wise): Checking whether the previous day balance is perfectly in the declared position as per denomination.
2. Key Holders: Who are the key holders of Vault keys
3. Stamps, Bonds are kept in Vault
4. Duplicate Key: Duplicate key is naturally kept in Same bank any nearby branch or in principal branch otherwise in Sonali Bank.(Basically duplicate keys should not be kept in the same branch or office).
5. Mutilated Note Exchange Register: Torn and Mutilated Notes Statement is sent to Department of Currency Management of BB on monthly basis.
6. Insurance:
  1. Cash in Safe-Vault limit
  2. Cash in counter-Counter limit
  3. Cash in transit- Single carry & Yearly carry
  4. Cash in ATM
  5. Cash in Transit ATM-while carrying cash from branch to ATM booth





## Cash Operation Procedure for Commercial Banks



7. Receipt and Payment Report: Everyday's Receipt and Payment Report need to signed and recorded/filed accordingly.
8. Key Register: Who will hold keys is mentioned here. Also charge handover of key(when in leave or out of station), the assigned person takes responsibility by signing here.
9. Fly Leaf-Each bundle(100 piece) of notes needs to have fly leaf with seal and signature.
10. Fake Note Detection Machine-Each and every branch must have Fake Note Detection Machine to detect any unwanted notes.
11. Note Measurement Machine-To measure the defective notes portion Note Measurement Machine is necessary.
12. Note Binding, strapping Machine-Only 1000/- Re-issue Note will be stapled, for other denomination notes Pin will not be Used. But for Non-Issue Notes 500/- and 1000/- will have PIN and 100/-and below 100/- notes will be sewed.
13. Non-Issue and defective notes need to keep separately from Re-issue ones.





## Cash Operation Procedure for Commercial Banks



14. Entrance Door of Cash Counter: Register should be maintained at the door of counter for entry into the cash counter area.

15. Physical Cash Counting: Whether the amount and denomination is okay or not is checked manually.

16. Cash Received and Payment Seal: All debit and credit cash vouchers need to be sealed with the remarks "Received" or "Paid" after receiving or making payment.

17. Balance Remit: While remitting funds to feeding branch, all the notes should be sorted properly; re-issue, non-issue and defective notes must be labeled and marked properly.

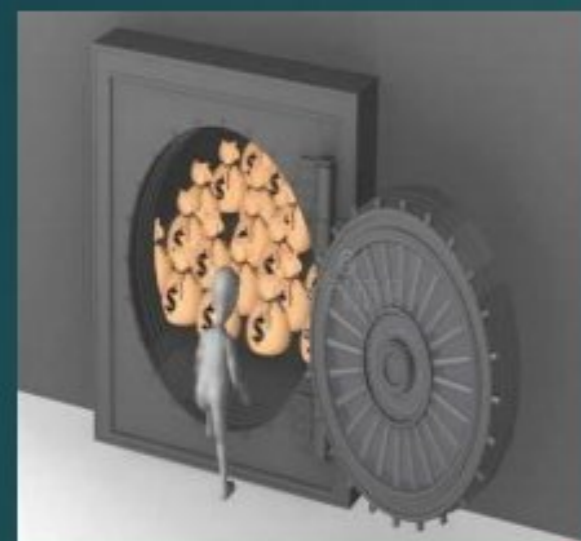
Fly leaf on the notes must be sealed and signed.

18. Torn and mutilated Notes statement should be sent to Department of Currency Management of BB on monthly basis.





## Cash Operation Procedure -BB



Commercial Bank vault

1



Exceed Amount of Vault limit

2



Feeding Branch or Principal Branch

3



Submits notes to BB on Guarantee Bond

4



BB stores them in Guarantee Vault

5

Examines the notes

5

Makes Payment with the re-issue notes

Makes refund to mutilated and non-issue notes

Disposal or Destruction of the settled mutilated and non-issue notes





## Different Types of Notes-Basic Notes

1

Non-issuable Notes

2

Mutilated Notes

3

Claims Notes

4

Re-issuable Notes





## Non-issuable Notes Features:

1

Soiled Notes

2

Multiple seals on Notes

3

More than two signatures/numbers on the Note

4

Rust Marks on Note

5

Unnecessary writings or smudges on the Notes

6

A little color added to the Note, (if there is no problem very find original specification of the note for the color)

(Reference: DCM Circular no.15/2015 dated 07.12.2015 and DCM Circular no. 03/2019 dated 21.05.2019)





# Non-issuable Notes visual images:



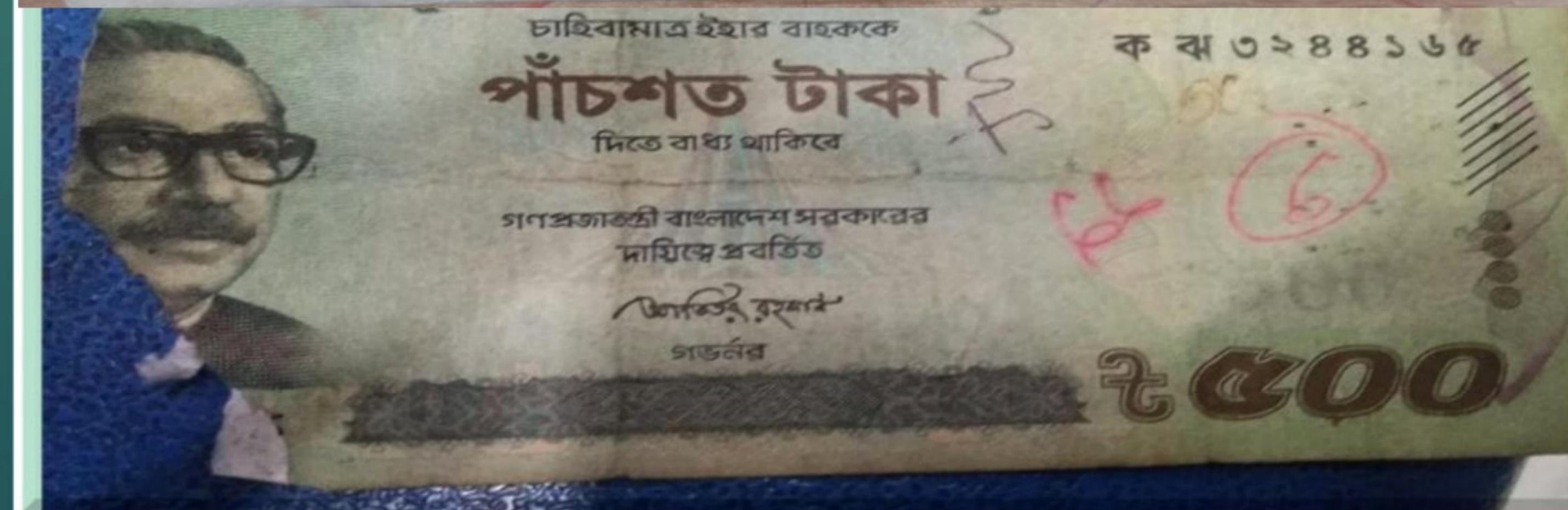




## Mutilated Note



**Mutilated Note** means a note of which a portion is missing or a note which is composed of pieces, provided that the note presented is clearly more than half a note in area and that if the note is composed of pieces of a note joined together, each piece is, in the opinion of Prescribed Officer, identifiable as the part of the same note







## Mutilated Notes Features:



1 Taped Notes

2 Notes Divided by Two volumes

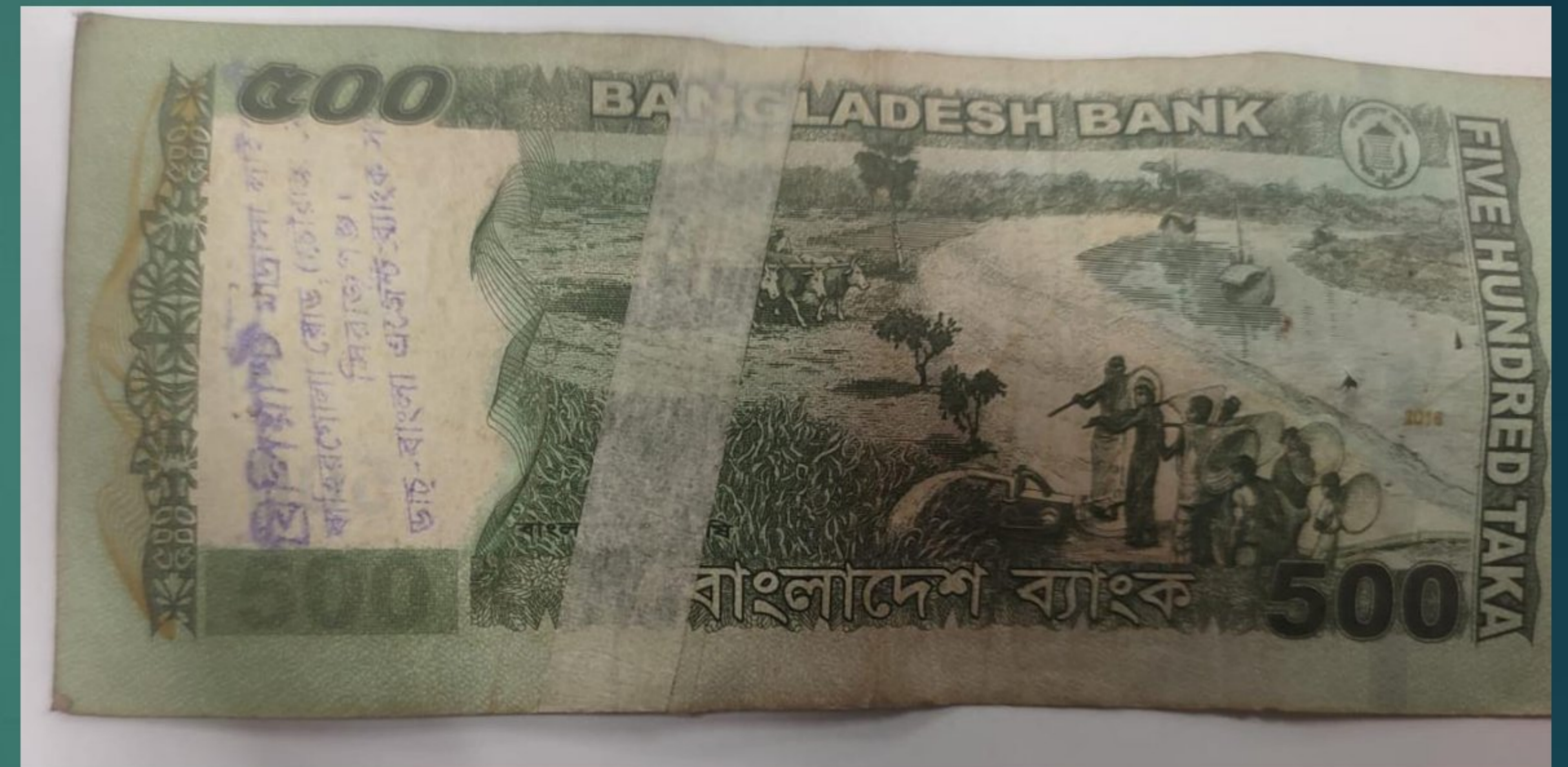
3 Any Part of the Note is missing & the amount of absence is less than 10% of the volume of the note

(Reference: DCM Circular no.15/2015 dated 07.12.2015 and DCM Circular no. 03/2019 dated 21.05.2019)





## Mutilated Notes visual images:







## Claim Notes Features



1

Notes Divided in to more two parts

2

Damp Notes

3

Notes added with more color  
(if it is difficult to verify the  
specification of the original notes  
for color)

4

Any Part of the note is missing &  
the amount of absence is more  
than 10% of the volume of the note



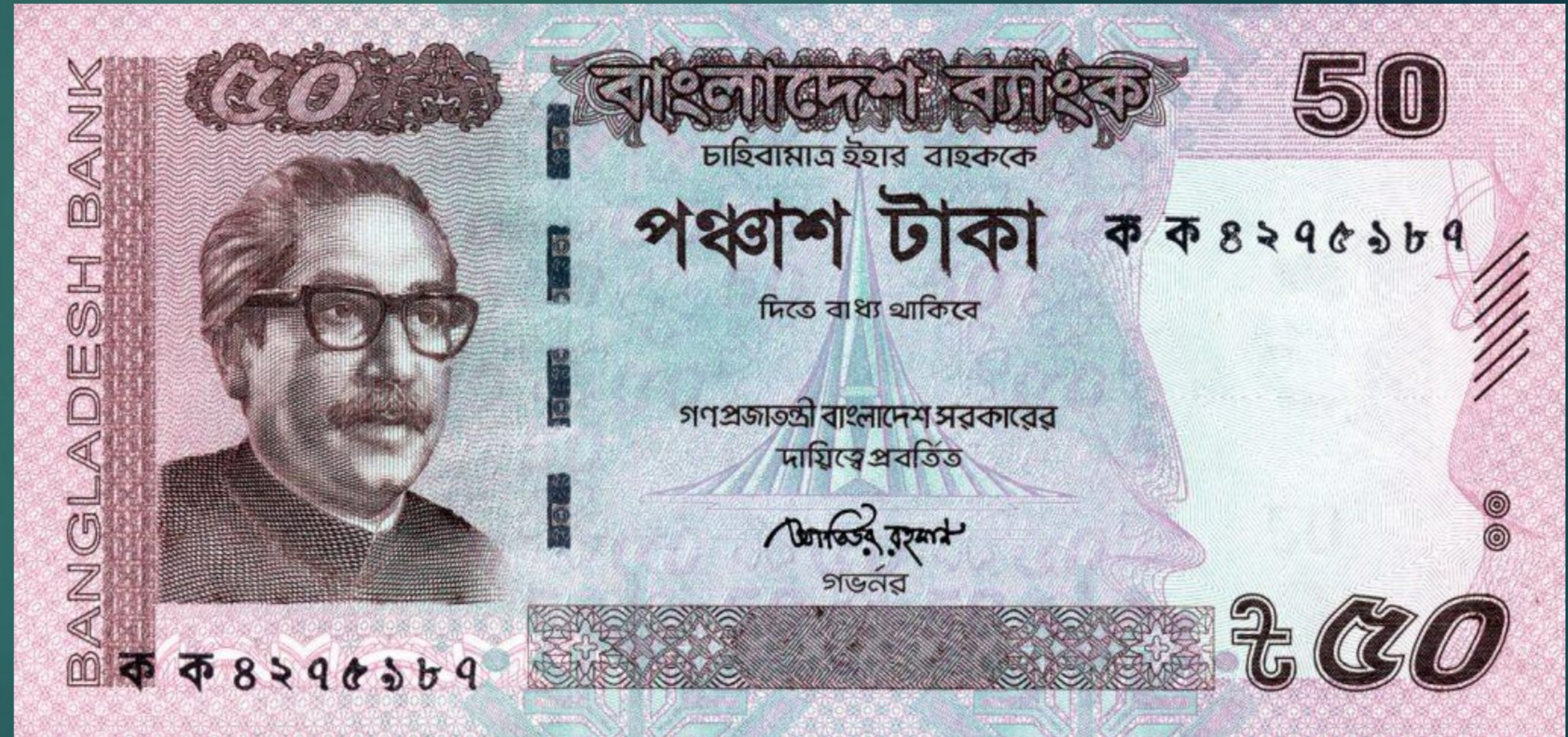




## Re-issuable Note



All the notes which are clean enough to be recirculated except the notes mentioned earlier will be treated as **Re-issuable Notes**







## Detection and Disposal of Forged Notes



A suspected **Forged note**, counterfeit note or fake note is any note which does not possess the characteristics of genuine currency notes.





Essential Features mean the features including security features, which are necessary for the identification of a note, namely-

1. The name of the issuing authority in Bangla/English, that is : Bank or Government of Bangladesh, as the case may be;
2. The guarantee clause in Bangla and/or in English.
3. The Signature; and
4. The water-mark of Tiger head/National Flower Shapla (Water Lily)/ Portrait of the father of the nation Bangabandhu Sheikh Mujibur Rahman, Logo of Bangladesh Bank, and the denomination of the note, as the case may be.

## ১০০ টাকা ব্যাংকনোটের উল্লেখযোগ্য বৈশিষ্ট্য



**ইন্ট্যাগ্টিও কালির অসমতল ছাপা :**  
নোটের সামনের দিকে জাতির পিতা বঙ্গবন্ধু শেখ মুজিবুর রহমানের প্রতিকৃতি ও বাংলাদেশ ব্যাংক লোগো এবং নোটের মূল্যমান ইন্ট্যাগ্টিও কালিতে মুদ্রিত আছে, যা হাতের স্পর্শে উচ্চ-নীচ অনুভূত হবে।

**রং পরিবর্তনশীল হলোগ্রাফিক সূতা :**  
নোটের বামপাশে ৪ মিলিমিটার ৩০ ডিগ্রী চূলের বেণী সূত্র নিরাপত্তা সূতা রয়েছে, যার একটি অংশ লাল হতে সবুজ রঙে পরিবর্তিত হবে এবং অপর অংশ (উজ্জ্বল রূপালী বাত) এ '১০০ টাকা' লেখা রয়েছে। নোটটি আলোর বিপরীতে ধরলে তা দৃশ্যমান হবে। নোটটি নাড়াচাড়া করলে এতে হলোগ্রাফিক ইমেজ দেখা যাবে।

**অতি ছোট আকারের লেখা :**  
অতি সূত্র আলফের BANGLADESH BANK লেখা পুনঃপুনঃ লিখে এই লাইনটিতে মুদ্রিত রয়েছে। লেখাগুলো অতি সূত্র আকারের হওয়ায় আতশী কাঁচ ব্যতীত খালি চোখে এগুলো দেখা যাবে না।

**ইন্ট্যাগ্টিও কালির অসমতল ছাপা :**  
নোটের পিছনের দিকে ইন্ট্যাগ্টিও কালিতে ঐতিহ্যবাহী তারা মসজিদেবের চিত্র মুদ্রিত আছে, যা হাতের স্পর্শে উচ্চ-নীচ অনুভূত হবে।

**লুকানো ছাপা :**  
নোটের নিচের বর্তারে সূত্র বা লুকানো অবস্থায় ১০০ মুদ্রিত আছে। নোটটি অনুভূমিকভাবে ধরলে লুকানো লেখাটি দেখা যাবে।

**কপাজ :**  
নোটটি ১০০% কটন ফাইবার দ্বারা পরিবেশ বান্ধব উন্নত মানের কপাজে মুদ্রিত। এতে লাল, নীল ও হলুদ রঙের অদৃশ্য ফাইবার রয়েছে, যা UV (Ultra Violet) লাইটে দৃশ্যমান হবে।

**জলছাপ :**  
কপাজে জলছাপ হিসেবে জাতির পিতা বঙ্গবন্ধু শেখ মুজিবুর রহমানের প্রতিকৃতি; প্রতিকৃতির নিচে ১০০ লেখা এবং উপরে বামপাশে বাংলাদেশ ব্যাংকের লোগোর উজ্জ্বলতর জলছাপ রয়েছে।

**OVI :**  
নোটের উপরের ডানকোণায় সোনালী থেকে সবুজ রঙের OVI (Optically Variable Ink) দ্বারা ১০০ লেখা রয়েছে, নোটটি নাড়াচাড়া করলে বা সোনালী থেকে সবুজ রঙে পরিবর্তন হবে।

**ইন্ট্যাগ্টিও কালির অসমতল ছাপা :**  
অঙ্কনের জন্য নোটের ডানদিকে ৭টি সমান্তরাল লাইন ও এর নিচে ৩টি ছোট বৃত্ত ইন্ট্যাগ্টিও কালিতে মুদ্রিত আছে, যা হাতের স্পর্শে উচ্চ-নীচ অনুভূত হবে।

**কপাজ :**  
নোটটি ১০০% কটন ফাইবার দ্বারা পরিবেশ বান্ধব উন্নত মানের কপাজে মুদ্রিত। এতে লাল, নীল ও হলুদ রঙের অদৃশ্য ফাইবার রয়েছে, যা UV (Ultra Violet) লাইটে দৃশ্যমান হবে।

নোটের সাইজ : ৬২ X ১৪০ মিলিমিটার।

ব্যাংকনোটের ব্যবহার সম্পর্কে সচেতন হোন  
নোট জালকারীচক্রের প্রতারণা থেকে নিজেকে রক্ষা করুন





**The security features of a note, for deciding the genuineness or otherwise include-**

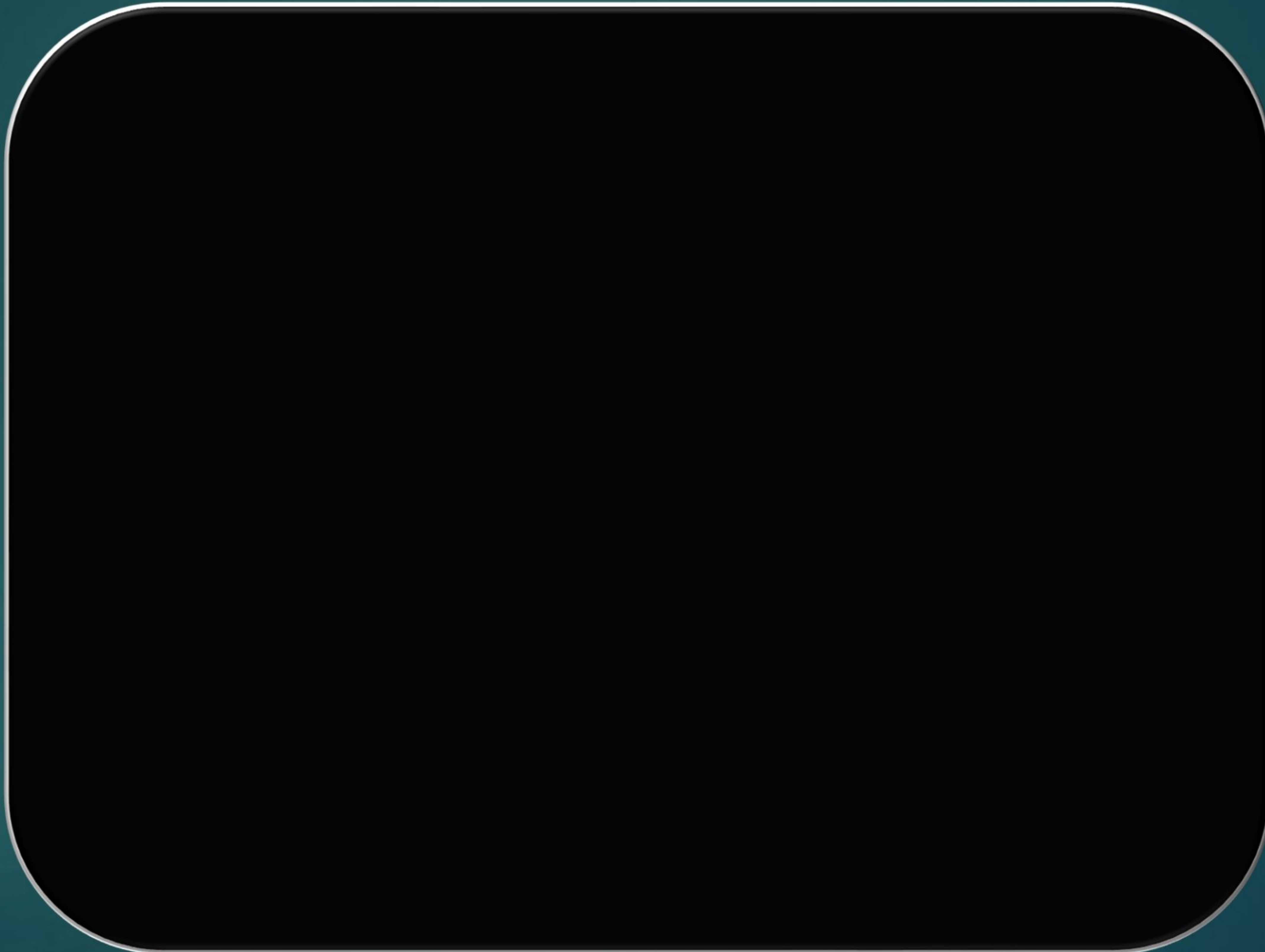
1. Paper Quality
2. Size and shape of numbers
3. Security thread
4. Intaglio printing
5. Latent image in vertical band
6. Electrotpe watermark(in watermark window)
7. Micro lettering
8. Fluorescence (number panels and central band)
9. Optically viable ink; and
10. Any other security feature that may be introduced by the Bank







# How To Identify Fake Notes...







## Disposal of Forged Notes: What to do when you get a Fake/Forged Note



### INSTRUCTIONS ARE ON TREASURY RULES, PART-3, CHAPTER-4, SECTION-52

In the event of a forged note being presented, the note and the presenter should be made over to the police. However, if the Bank is convinced that the presenter has presented the forged note in good faith, believing it to be genuine, he should impound the note, take his name, his father's name, local and permanent address and his full signature with date or left-hand thumb impression if he is illiterate on the back of the forged note, and his statement regarding the person from whom he received the note. The forged note and the presenter's statement should be sent to the police for further enquiry. After the enquiry has been completed, the police will forward the forged note to the Currency Officer, Bangladesh Bank along with a report.







# Punishment for Note Counterfeiting



## Special Powers Act, 1974 (Act No. XIV of 1974)

### Penalty for counterfeiting currency-notes and Government stamps

25A. Whoever-

- (a) Counterfeits, or knowingly performs any part of the process of counterfeiting any currency note or Government stamp; or
- (b) sells to, or buys or receives from, any person, or otherwise traffics in or uses as genuine, any counterfeit currency-note or Government stamp, knowing or having reason to believe the same to be counterfeit; or
- (c) makes, or performs any part of the process of making, or buys or sells or disposes of, or has in his possession, any machinery, instrument or material for the purposes of being used, or knowing or having reason to believe that it is intended to be used, for counterfeiting any currency-note or Government stamp, shall be punishable with death, or with imprisonment for life], or with rigorous imprisonment for a term which may extend to fourteen years, and shall also be liable to fine.







## Punishment for Note Counterfeiting



Counterfeiting  
currency-notes or bank-  
notes

489A. Whoever counterfeits, or knowingly performs any part of the process of counterfeiting, any currency-note or bank-note, shall be punished with imprisonment for life, or with imprisonment of either description for a term which may extend to ten years, and shall also be liable to fine.

Using as genuine a  
forged document

489B. Whoever sells to, or buys or receives from, any other person, or otherwise traffics in or uses as genuine, any forged or counterfeit currency-note or bank-note, knowing or having reason to believe the same to be forged or counterfeit, shall be punished with imprisonment for life, or with imprisonment of either description for a term which may extend to ten years, and shall be liable to fine.

Possession of forged or  
counterfeit currency-  
notes or bank-notes

489C. Whoever has in his possession any forged or counterfeit currency-note or banknote, knowing or having reason to believe the same to be forged or counterfeit and intending to use the same as genuine or that it may be used as genuine, shall be punished with imprisonment of either description for a term which may extend to seven years, or with fine, or with both.

Making or possessing  
instrument or materials for  
forging or counterfeiting  
currency-notes or bank-  
notes

489D. Whoever makes, or performs any part of the process of making, or buys or sells or disposes of, or has in his possession, any machinery, instrument or material for the purpose of being used, or knowing or having reason to believe that it is intended to be used, for forging or counterfeiting any currency-note or bank-note, shall be punished with imprisonment] for life, or with imprisonment of either description for a term which may extend to ten years, and shall also be liable to fine.





## Rules of Changing Burnt, Soiled and Mutilated Notes



**No Claim in respect of a mutilated note shall be entertained unless the single largest piece of the note presented is more than 50%. Where the single largest piece is more than 50% the payment shall be made in the following manner, namely:**

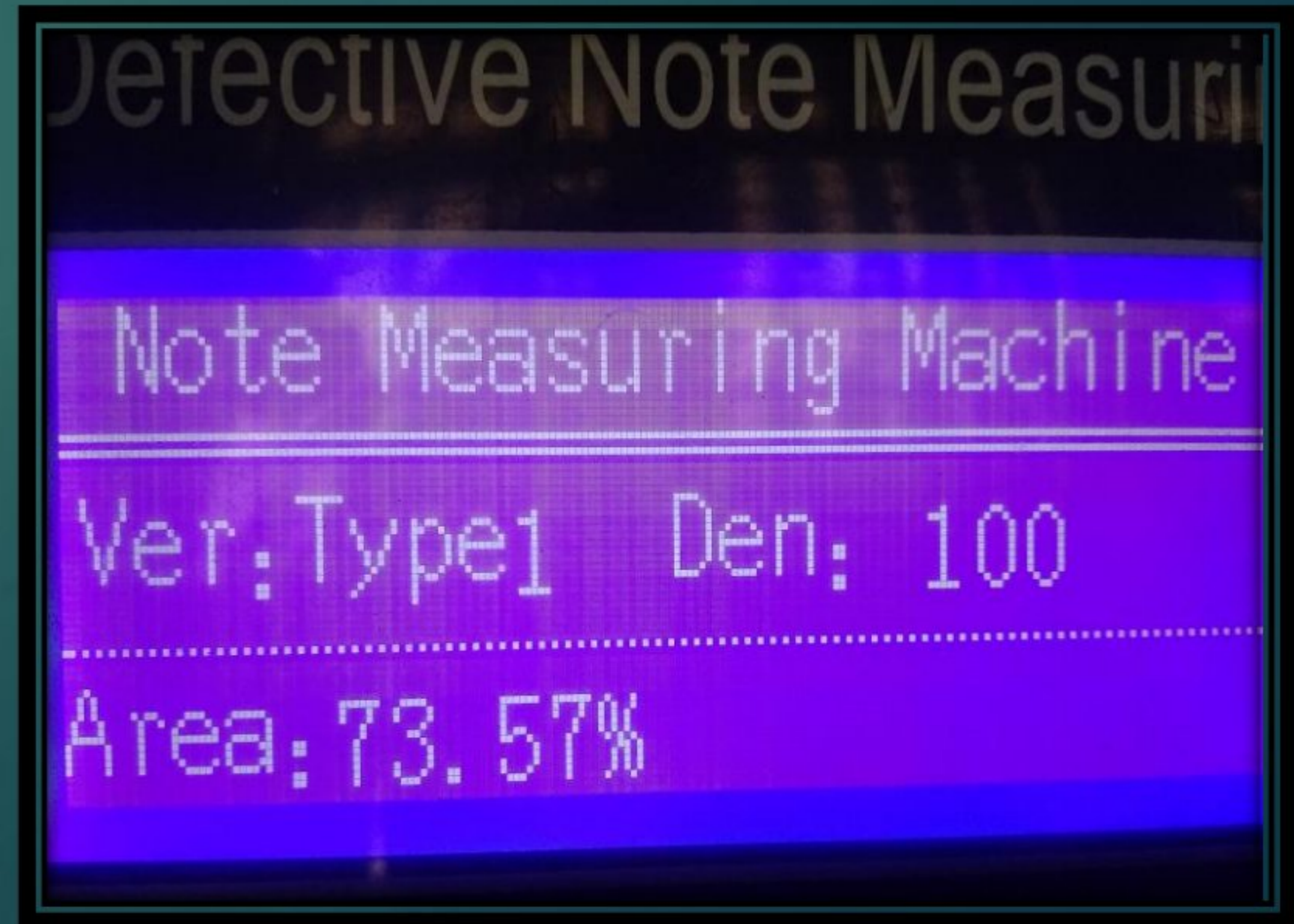
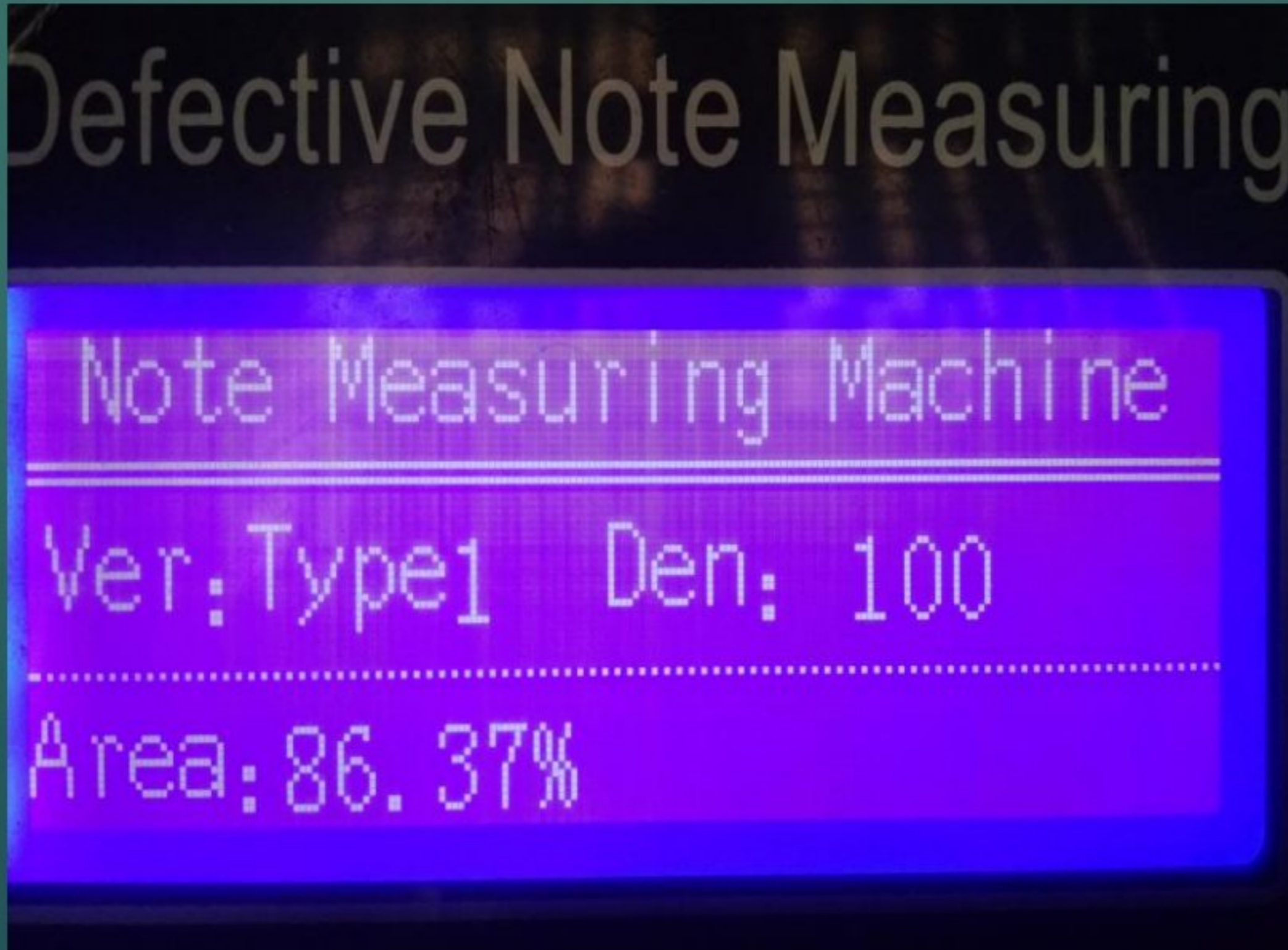
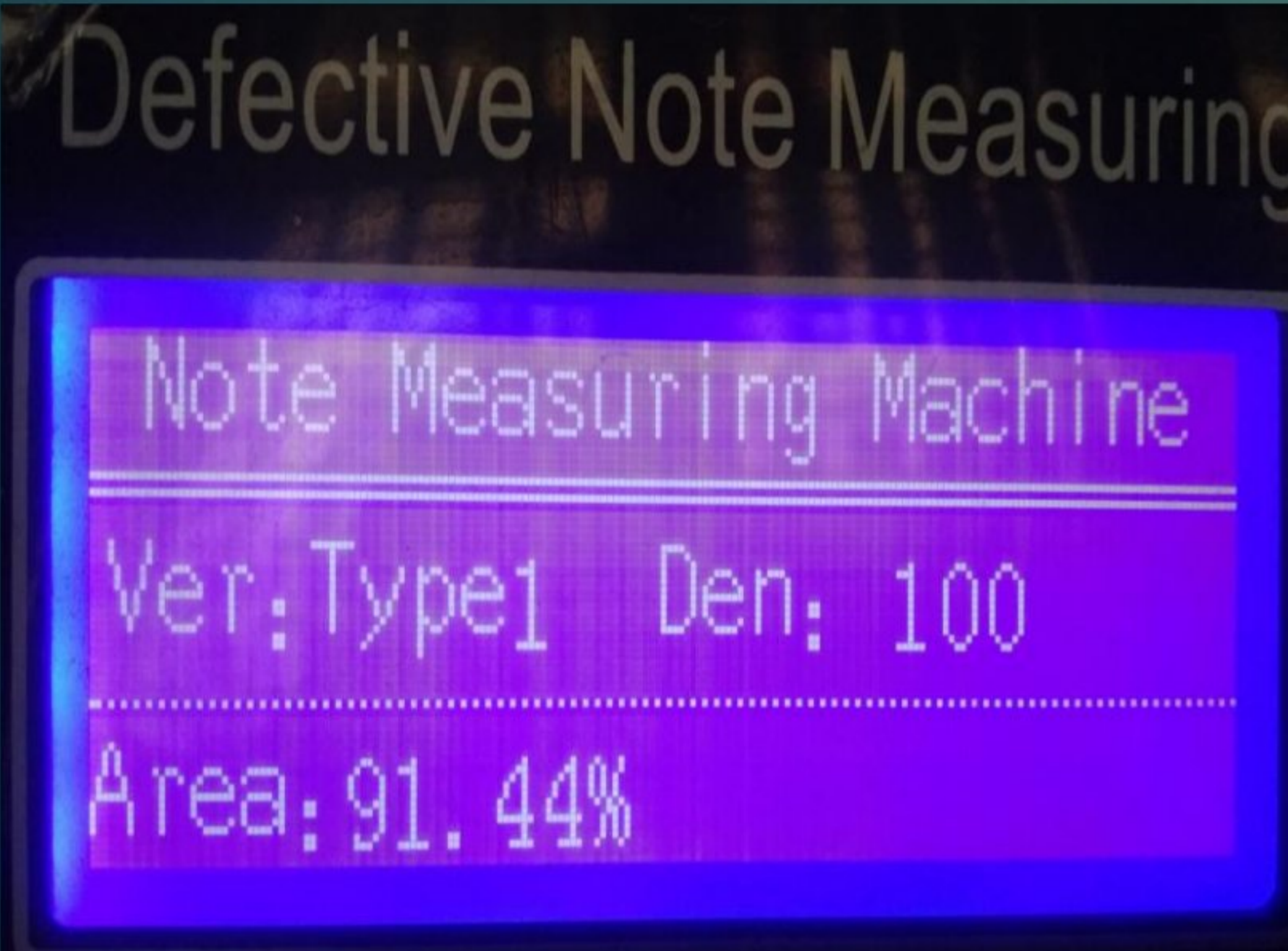
- (i) Full value shall be payable if the area of the note presented is more than 90% of the respective denomination.**
- (ii) Proportionate value shall be payable if the area of the note presented is more than 50% and less than or equal to 90% of the respective denomination as percentage:**

<b>Serial No.</b>	<b>Area of the note of respective denomination</b>	<b>Payable value of the note of respective denomination</b>
<b>1.</b>	<b>51% - 75%</b>	<b>50%</b>
<b>2.</b>	<b>76% - 90%</b>	<b>75%</b>





# Refund of Mutilated Notes







## Disposal of Charred Notes:(Burnt Notes)



### Disposal of Charred Note(s):

A claim for the value of Charred note(s) shall be disposed of by a committee designated by Head Office of Bangladesh Bank. The committee shall be headed by the Currency Officer/General Manager and the members not below the rank of Joint Manager. No claim in respect of charred note shall be entertained unless the unburnt area of the note(s) is more than 50%, bearing main essential features and is worth to check its genuineness. The Value shall be payable at the rate stipulated in sub regulation of Mutilated note percentages.







## Disposal of Charred Notes:(Burnt Notes)



Serial No.	Area of the note of respective denomination	Payable value of the note of respective denomination
1.	51% - 75%	50%
2.	76% - 90%	75%





## EVENING



Evening banking is an extended banking service after regular banking time. Specific services are offered during that banking hours and some selected branches are permitted for these services.

Example of some banks which have Evening Banking Service  
BRAC Bank Ltd.  
Commercial Bank of Ceylon PLC.  
Standard Chartered Bank  
The Premier Bank Ltd.



Evening Banking  
hours 06:00PM –  
08:00PM.





## Concept of Negative Points



If notes are not sorted properly (for example non-issue notes in re-issue, mutilated notes in non-issue notes etc.) while submitting them to central bank, it (the unwanted note) adds some weightage to the note pieces resulting in a score termed as negative points. When this score touches or crosses a bar of 50,000 points the bank is liable to explain the reason for such default and even for financial obligation (fine/penalty).





# How to calculate Negative Points



## Negative Points calculation Methods

Mixed up Notes	Weightage	Note piece	Negative Point (Weightage * Note Piece)
Non-issue Notes in Re-issue Notes	0.5		
Mutilated Notes in Re-issue Notes	1		
Claim Notes in Re-issue Notes	2		
Re -issue Notes in Non- issue Notes	0.5		
Mulitaled Notes in Non- issue Notes	1		
Claim notes in Non-issue Notes	2		
Re -issue Notes in Mulitaled Notes	1		
Non-issue Notes in Mutilated Notes	0.5		
Claim notes in Mutilated Notes	2		





## How to calculate Negative Points



### Example of Negative Points Calculation

Mixed up Notes	Weightage	Note piece	Negative Point (Weightage * Note Piece)
Non-issue Notes in Re-issue Notes	0.5	1,000	500
Mutilated Notes in Re-issue Notes	1	100	100
Claim Notes in Re-issue Notes	2	10	20
Re -issue Notes in Non- issue Notes	0.5	1,000	500
Mulitaed Notes in Non- issue Notes	1	100	100
Claim notes in Non- issue Notes	2	10	20
Re -issue Notes in Mulitaed Notes	1	10	10
Non-issue Notes in Mutilated Notes	0.5	1,000	500
Claim notes in Mutilated Notes	2	10	20
<b>Total Negative Points</b>			<b>1,770</b>



বাংলাদেশ ব্যাংক



THANKS