



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

RBI/2013-14/450

DCM (CC) No.G-16/03.39.01/2013-14

January 13, 2014

The Chairman & Managing Directors /  
Chief Executive Officers  
All Scheduled Commercial Banks  
(Including RRBs, UCBs, State Cooperative Bank  
& District Central Cooperative Banks)

Dear Sir / Madam,

### **Distribution of Banknotes & Coins – Review of Incentives & Penalties**

Please refer to SI No.4 of our [Circular DCM \(CC\) No.G-10/03.39.01/2013-14 dated August 12, 2013](#), whereby we had extended the scheme of Incentives for reimbursement of Installation of Note Sorting Machines (NSMs) to RRBs & UCBs up to 50% of cost of installation in urban / metropolitan areas and 75% in semi-urban and rural areas.

2. On a review, it has now been decided to extend the scheme of incentives for Installation of Note Sorting Machines (NSMs) to all licensed State Co-operative Banks and District Central Co-operative Banks also.

3. This revision comes into force with immediate effect. All other instructions including those for reimbursement for establishment of Coin Vending Machines contained in our Master Circular dated July 01, 2013 shall apply to all the machines including NSMs.

4. Please acknowledge receipt.

Yours faithfully,

(B.P. Vijayendra)  
Principal Chief General Manager