

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS  
**LOK SABHA**  
**UNSTARRED QUESTION NO.554**  
TO BE ANSWERED ON 24/07/2023

**PRINTING AND CIRCULATION OF NEW CURRENCY**

554. SHRI C.N. ANNADURAI:  
SHRI ARVIND GANPAT SAWANT:  
SHRI MANISH TEWARI:  
SHRIMATI SAJDA AHMED:  
SHRI DHANUSH M. KUMAR:  
SHRI OMPRAKASH BHUPALSINH ALIAS PAWAN RAJENIMBALKAR:

Will the Minister of FINANCE be pleased to state:-

- (a) the criteria followed for printing and circulation of new currency notes with new design and denomination;
- (b) whether there is any scheme to attach microchips to high denomination currency notes and if so, the details thereof;
- (c) the number of currency notes of Rs. 500 denomination printed during 2016-17 along with total cost thereof;
- (d) whether three Government mints situated in Bengaluru, Nashik and Dewas printed 8810.65 million notes of Rs. 500 denomination but the RBI received only 7260 million notes, if so, the details thereof and the reasons for the mismatch along with the cost of such notes which were not submitted to RBI;
- (e) whether the Government has enquired into the matter and if so, the outcome of the enquiry;
- (f) whether the Government has collaborated with the Reserve Bank of India (RBI) and other relevant authorities to assess the potential security risks posed by the disappearance of such a substantial value of currency notes, if so, the details thereof; and
- (g) the corrective steps taken/being taken by the Government to ensure that such lapse does not occur again?

ANSWER

THE MINISTER OF STATE FOR FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) In terms of the section 25 of the Reserve Bank of India Act, 1934, the design, form and material of bank notes shall be such as may be approved by the Central Government after consideration of the recommendations made by the Central Board of RBI. The design of the bank notes and new security features primarily are introduced to make counterfeiting difficult and to stay ahead of counterfeiters. Accordingly, RBI in consultation with Government of India, reviews the design and security features of Indian banknotes from time to time and introduces banknotes with new design and security features.

(b) No, Sir.

(c) & (d) As per RBI, the total number of banknotes of ₹500 denomination (old and new MG series) supplied by the presses of SPMCIL and BRBNMPL to RBI in year 2016-17 is 9273 million pieces. RBI vide Press Release dated 17.06.2023 ([https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=55878](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=55878)) has informed that all banknotes supplied from printing presses to RBI are properly accounted for. Further, there are robust systems in place for reconciliation of banknotes printed at the presses and supplied to RBI which include protocols to monitor production, storage and distribution of banknotes.

(e) to (g) In view of reply (c) & (d) above, the question does not arise.

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