

(b) the institutions from which the above coins were got minted and currency notes got printed;

(c) whether the cost of printing, of these currency notes in the country is less than the printing in abroad; and

(d) is so, the reasons for getting these printed in abroad?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAT PAL MAHARAJ) : (a) The number and denominations of coins got minted in the country during 1994-95, 1995-96, 1996-97 & 1997-98 (upto October 1997) are as under:—

Denomination	Total coins minted in the country (in million pieces)				
	1994-95	1995-96	1996-97	1997-98	(upto Oct.)
Rs. 5/-	256	337	280	168	
Rs. 2/-	262	454	279	133	
Rs. 1/-	379	198	528	352	
50 p.	341	146	267	215	
25 p.	404	240	142	66	
20 p.	22	24	20	3	
10 p.	10	23	41	16	
5 p.	30	26	4	-	

Government of India has decided to import 1000 million pieces of coins (700 million pieces of Rupee 1 denomination and 300 million pieces of Rs. 2 denominations). Orders for the same have already been placed.

Denomination	Notes (figures in million pieces)				
	1994-95	1995-96	1996-97	1997-98	(upto Oct. 97)
Re. 1/-	40	-	-	-	
Rs. 2/-	91	-	-	-	
Rs. 5/-	459	177	-	-	
Rs. 10/-	2575	2743	3040	2065	
Rs. 20/-	50	61	109	168	
Rs. 50/-	1041	1177	823	441	
Rs. 100/-	1274	1351	1593	1146	
Rs. 500/-	88	105	59	-	

The Reserve Bank of India has been authorised to import 3600 million pieces of printed notes from abroad (2000 million pieces of Rs. 100 denomination and 1600 million pieces of Rs. 500 denomination).

(b) The coins are minted in India Govt. Mints, Mumbai/ Calcutta/Hyderabad/Noida. The 1000 million pieces of coins are being imported from M/s Hyundai Corporation, Korea (300 million pieces of Rs. 2) and M/s Casa De Moneda De, Mexico (700 million pieces of Rs. 1). The notes are printed at the existing two Presses under Government control, viz. Bank Note Press, Dewas (MP) and Currency Notes Press, Nasik (Maharashtra), as also in the two Presses under the control of RBI, i.e. one at Salboni and the other at Mysore. The printed notes are being imported from the following firms:—

#### *Name of Company*

(A)

(a) *Consortium*

(i) De La Rue Currency & Security Print (formerly known as TOLR)

(ii) Debden Security Printing

(b) American Bank Note Corporation

(c) Bundesdruckerei GmbH\*

(B)

(a) *Consortium*

(i) Gissecke & Devrient GmbH

(ii) Francois Charles Oberthur Fiduciaire

(iii) British American Bank Note

(b) Canadian Bank Note Co.

\*This firm has not executed the agreement. The Bank has withdrawn its letter of offer and has decided to reallocate the 100 million pieces to the other two suppliers on a pro rate basis.

(c) No, Sir.

(d) The printed notes are being imported for meeting the shortage as a one time measure.

[English]

#### **Spoiled Currency Notes**

532. SHRI VIJAY PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether spoiled notes are very much in circulation in the country which is against norms and this can create a situation for circulation of fake notes;

(b) if so, the details thereof; and

(c) the steps taken/proposed to be taken to overcome the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) No, Sir.

(b) While it is difficult to estimate the exact quantity of soiled notes in circulation at any given point of time, during 1996-97 (July-June), the Reserve Bank of India had received around 4300 million pieces of soiled notes in all denomination back from circulation.

(c) The following steps have been taken to overcome the situation:

- (1) Coinisation of lower denomination notes of Re. 1, Rs. 2 and Rs. 5 and diversion of the capacity so released for printing notes of higher denominations.
- (2) Modernisation of the two note printing presses at Nashik and Dewas.
- (3) Setting up of two new note-printing presses under RBI, i.e. one at Mysore (Karnataka) and other in Salboni (West Bengal) with an annual capacity of 4950 million pieces each.
- (4) Import of 3,600 million pieces of printed notes from abroad, as a one time measure.

[Translation]

#### Loan Relief Scheme

533. SHRI GIRDHARI LAL BHARGAVA : Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government had cleared Loan Relief Scheme in 1989-90;

(b) whether as per the original scheme there was a provision in the scheme to compensate the full amount of relief to the Central Co-operative Banks/Primary Land Development Banks in advance or within the period of 15 days after receiving the claim;

(c) if so, whether the full amount of relief was compensated to the Central Cooperative Banks/Primary Land Development Banks;

(d) whether NABARD has slashed the amount of Rs. 14.69 crores at the rate of 5 per cent from the claims submitted by Central Cooperative Banks/Primary Land Development Banks of Rajasthan and if so, the justification thereof; and

(e) whether as per the scheme 'NABARD' has received claims from Rajasthan Cooperative Department to compensate the interest of Rs. 40.33 crores as the payment was not made in time and if so by when the payment of the said claim is likely to be made by the Union Government/NABARD?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) to (e) Presumably the Hon'ble Member is referring to the Agricultural & Rural Debt Relief (ARDR) Scheme, 1990 which was formulated

and implemented by the Central Government during the year 1990. The Scheme envisaged providing debt relief to selected category of borrowers of public sector banks and Regional Rural Banks (RRBs) who complied with eligibility criteria prescribed under the scheme. The State Government also formulated their own schemes for borrowers of cooperatives. While the debt relief given by the public sector banks and RRBs were to be fully reimbursed by the Central Government, under the State scheme, the burden of providing debt relief by the cooperatives was to be shared between the Central Government and the State Governments on a 50:50 basis.

The claims lodged by the cooperative banks were settled by National Bank for Agriculture and Rural Development (NABARD) in a phased manner after scrutiny of the claims and subject to availability of funds from the Central Government/Reserve Bank of India (RBI). In terms of provisions of the same, NABARD was required to settle the claims within three months from the date of receipt of the claims, after appropriate scrutiny. As certain deficiencies were noticed in the implementation of the scheme by the cooperative banks, NABARD has advised the banks to ensure 100% verification of the claims to be done before the final claims were lodged. The claims lodged by banks were finally settled by NABARD on the basis of certificate as to the veracity of such claims as issued by the Chief Executives of these banks.

The final settlement of claims lodged by banks was made by NABARD after excluding the portion of penal interest/compound interest, wherever included in such claims, as stipulated under the scheme. However, where the concerned SCB/SLDB has certified that penal/compound interest had been excluded in their claims, no such exclusion was exercised. As a certificate was submitted by Rajasthan SLDB that penal and compound interest was not included in their claims, NABARD had settled their claims in full. However, as the Rajasthan SCB had not furnished such certificate, an amount of Rs. 14.68 crores was deducted from its claims in respect of penal and compound interest included by them in the said claims.

As per the guidelines, 31 March 1991 was the cut-off date prescribed by the Government for implementation of the ARDR Scheme. Although there was delay on the part of the banks in Rajasthan in the submission of the claim applications, advance payments were made by NABARD on the basis of estimated claims lodged by the banks. In the case of Rajasthan SCB, by the time the final claims were lodged with NABARD, a sum of Rs. 250.53 crores out of the total reimbursement of Rs. 278.83 crore had already been advanced. Similarly, a sum of 29.36 crore out of the total reimbursement of Rs. 32.62 crore was already made