

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4128

ANSWERED ON:14.12.2001

FAKE CURRENCY NOTES IN BUNDLES OF RBI AND OTHER PSBS

CHANDRA NATH SINGH;MOHAMMED SHAHABUDDIN;RAM PRASAD SINGH;SATYAVRAT CHATURVEDI;SUNDER LAL TIWARI

Will the Minister of FINANCE be pleased to state:

- (a) Whether the fake currency notes of Rs. 100 denomination and above are still in circulation in the country;
- (b) Whether some cases of fake currency notes used in bundles of RBI/SBI and other Public Sector Banks have come to the notice of the Government ;
- (c) If so, the guidelines issued by RBI for compensating the effective customers in such cases; and
- (d) The action the government have so far taken to destroy 13 crore fake currency notes seized by the CBI between 1995-2000?

Answer

Minister of State in the Ministry of Finance (Shri Balasaheb Vikhe Patel)

- (a) Some instances of circulation of fake currency notes of Rs. 100 denomination and above have come to the notice of the Government.
- (b) Two such cases relating to the State Bank of India (SBI) have been reported .
- (c) The Reserve bank of India(RBI) has not issued any specific guidelines in this regard. However, the bank is duty bound to compensate the customer if a fake note is found in a packet issued by its bank branch.
- (d) The Central Bureau of Investigation(CBI) have seized fake Indian Currency notes (FICN) to the tune of only Rs.79.06 lakhs between 1995 to 2000. This includes the amount seized by the local police with respect to cases which come on transfer to CBI for investigation. The orders of the Competent Trial Courts are required to be obtained for disposal of FICN.