

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4514
ANSWERED ON:23.12.2005
FAKE CURRENCY NOTES
Patil Shri Balasaheb Vikhe

Will the Minister of FINANCE be pleased to state:

- (a) whether Reserve Bank of India, Kanpur have received fake currency notes from currency chest at State Bank of India, Noida;
- (b) if so, the details thereof;
- (c) whether Government proposes to set up any inquiry committee to ensure into such marketing of fake notes and their printing;
- (d) if so, the details thereof;
- (e) the action has been taken against the persons involved in this fraud;
- (f) whether any survey has been conducted in other branches of State Bank of India in the country; and
- (g) if so, the details thereof ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) & (b):- Issue Department, Reserve Bank of India (RBI) Kanpur had received remittance of soiled notes of Rs. 100/- and Rs. 500/- denomination from Currency Chest at State Bank of India (SBI) Noida. On examination of the same during the period March 1, 2005 to May 18, 2005, fake notes were detected, details of which are as under:-

Denomination of the bank note	No of pieces received/examined	No of fake notes detected
Rs. 100	12,76,000	266
Rs. 500	40,000	2

(c) & (d):- No inquiry committee has been constituted in this regard by RBI. The notes were forwarded on August 25, 2005 to the Senior Superintendent of Police Gautam Budh Nagar along with a request to file FIR with the police station concerned.

(e):- Forged notes received from SBI, NOIDA, have been debited to the extent of the value of the forged notes detected, in addition to the penalty levied. Further, Bank has been instructed to investigate and look into the staff accountability in such cases.

(f) & (g):- RBI conducts inspection of currency chests at periodic intervals based on assessment of risk and risk management policies while ensuring that each currency chest is subjected to inspection atleast once in two years and a currency chest is inspected immediately on detection of forged notes and/or reporting of frauds/major irregularities. Over and above this, inspection is also conducted by the SBI's own inspection team.