

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2230
ANSWERED ON:12.08.2011
FAKE CURRENCY
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Will the Minister of FINANCE be pleased to state:

- (a) whether instances of fake currencies notes dispensed through ATMs been reported during the last three years;
- (b) if so, the details thereof, bank-wise including State Bank of India alongwith the action taken by the Government on such complaints;
- (c) whether the Government has conducted any inquiry in this regard; and
- (d) if so, the details thereof and if not, the reasons therefor alongwith the action taken in the matter?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) and (b):- Reserve Bank of India (RBI) has reported that during July, 2009 to April, 2011, they have received a total of 17 complaints regarding fake currency notes dispensed through ATMs of banks including 5 complaints relating to State Bank of India, Punjab National Bank - 2, Allahabad Bank - 1, Canara Bank - 1, ICICI bank Ltd. - 2, HDFC Bank - 1 and 2 complaints relating to State Bank of Hyderabad. The concerned banks were suitably advised to redress the complaints to the satisfaction of the customers.

(c) and (d):- Upon receiving such complaints, RBI took-up the matter with all the banks and advised them to ensure that only properly sorted and examined notes are dispensed through ATMs and across counters. RBI has, accordingly, instructed banks that banknotes in denominations of Rs. 100/- and above should be re-issued by banks over their counters or through ATMs only if these banknotes are duly checked for authenticity / genuiness and fitness by Note Sorting Machines. The banks have also been advised to establish Forged Note Verification Cells at the Head Offices of the Banks to take effective steps to deal with counterfeiting and to impound the counterfeit notes and lodge FIR with police authorities.

Further, as part of the public awareness campaign to educate the public, RBI has also been popularizing the security features of the bank-notes through its website, posters displayed at branches of the bank etc. A film depicting the security features of a genuine note has also been released in theaters besides being exhibited by Regional Offices of RBI at various exhibitions, bus-stops / railway stations, etc. To check the menace of counterfeiting of banknotes, the RBI has initiated several measures, which also includes augmenting security features on the bank-notes so as to render counterfeiting more difficult and expensive.