

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1894
ANSWERED ON:02.12.2011
SHORTAGE OF COINS
Singh Shri Rakesh

Will the Minister of FINANCE be pleased to state:

- (a) the denomination-wise quantity of coins issued by the Reserve Bank of India (RBI) to each regional branch during each of the last three years and the current year till date;
- (b) whether coins of smaller denomination are allocated uniformly all over the country;
- (c) if so, the reasons for their shortage in certain States/regions; and
- (d) the steps taken by the Government to deal with the shortage of coins of smaller denominations?

Answer

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

- (a) The details are at Annex.
- (b) In terms of information furnished by the Reserve Bank of India, the coins are allocated by them to their Issue Offices according to their indent and past consumption pattern.
- (c) The possible reasons for increase in demand of coins in certain States could be attributed to increase in number of toll plazas, shopping malls, growth in the service sector, in particular, development of modern means of public transport like Metro Railway, and marketing strategies adopted by manufacturers of Fast Moving Consumer Goods of selling their products in small sachets costing 11 to 5 for which coins are required etc.
- (d) To ensure availability of coins to public, the Reserve Bank of India distributes coins through their counters at 19 locations as well as through counters of various bank branches. Banks are being encouraged to install coin vending machines and Reserve Bank of India has also engaged services of post offices at select locations. Reserve Bank of India is taking steps to make the distribution system effective to meet the demand of coins.