

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2863
ANSWERED ON:24.07.2009
FAKE CURRENCY
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Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) has decided to impose penalty on Government Banks for depositing fake currency in its chest;
- (b) if so, the details thereof;
- (c) whether the First Information Reports (FIRs) have been registered against such banks; and
- (d) if so, the details thereof?

Answer

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

(a) & (b) Reserve Bank of India has, from October 2008, introduced a Scheme of Penalties for banks wherein penalties for detection of substantial quantity of counterfeits are to be charged at the following rate with a tolerance limit of two pieces in each group:

(i) Upto Rs. 100 denomination - Rs.1000 per piece

(ii) Rs.500 and Rs.1000 denomination - Rs.5000 per piece

The above penalty will be in addition to actual loss incurred. In case of 3 instances of fine for any currency chest branch, a penalty of Rs 5 lakh will be imposed and the name of the bank /chest put in public domain.

(c) & (d) RBI has reported that instructions are in place as per which the banks including Regional Offices of RBI impound the counterfeits detected and file FIR in respect of each case of detection of counterfeit note/s with the Police Authorities.