

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2888
ANSWERED ON:29.08.2012
SHORTAGE OF COINS QUESTION
Meghe Shri Datta Raghobaji

Will the Minister of FINANCE be pleased to state:

- (a) whether there is an acute shortage of coins of small denomination in the country;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether unauthorised sale and purchase of coins of small denomination is taking place; and
- (d) if so, the steps taken by the Government in the matter?

Answer

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

(a & b):. Reserve Bank of India (RBI) has informed that despite taking initiatives for smooth distribution and easy availability of coins to public, the demand for coins has been continuously growing. RBI has further informed that it distributes the coins received from the India Government Mints through its counters and by sending remittances to the currency chest branches of banks which, in turn, arrange to issue these coins from their counters and the counters of their branches linked to them.

Bulk users viz. retailers, trade bodies, associations, Chambers of Commerce etc. obtain coins after producing proof of their identity. The Reserve Bank of India has informed that in the Monetary Policy Statement 2012-13, banks have been advised to strengthen their distribution systems and procedures so as to cater to the growing needs of the common man.

(c & d): Any Complaint received by the RBI regarding unauthorised sale and purchase of small denomination currency, shortage/black-marketing/hoarding of coins is forwarded to their concerned regional offices for satisfactory redressal of the complaint by supplying more coins and to take up the matter with the concerned authorities to initiate necessary remedial action.