

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2915
ANSWERED ON:29.08.2012
MUTILATED CURRENCY
Yadav Shri Ranjan Prasad

Will the Minister of FINANCE be pleased to state:

- (a) the total denomination-wise number of soiled/mutilated currency received by the Reserve Bank of India during the last three years and current year;
- (b) the mode of disposal of such currency;
- (c) whether shredded currency notes worth crores of rupees were found in a plywood factory in Bellary, Karnataka;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the action taken against the persons for not following the proper guidelines for disposal of such currency?

Answer

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

- (a) Details of denomination-wise receipt of soiled/mutilated bank notes for the last three years and current year is as below;

Denomination	2009-10 (Apr-March)	2010-11 (Apr-March)	2011-12 (Apr-March)	April - July 2012
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Rs.1000	83	202	394	137
Rs. 500	1276	1963	2012	682
Rs. 100	4249	5589	5580	1778
Rs.50	2004	2038	1516	446
Rs. 20	663	614	580	183
Rs. 10	3191	3550	3594	1200
Up to Rs. 5	256	155	100	27

Total	11722	14111	13776	4453
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- (b) The soiled bank notes collected from public and banks are processed and disposed of in an environmental friendly manner by Reserve Bank of India through Currency Verification and Processing System and on Shredding & Briquetting System.

(c) & (d) Reserve Bank of India has informed that there was a report in Deccan Herald dated June 13, 2012 on the seizure of shredded pieces banknotes from M/s. Krishna Plywood Industries. However, it has been stated that the shredded pieces of banknotes are treated as 'waste' and disposed of through tendering as it has no value.

(e) RBI has further informed that as per their guidelines these briquettes are disposed of to the empanelled vendors through tendering process.