

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1394
ANSWERED ON:27.11.2009
FAKE CURRENCY THROUGH ATMS
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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received complaints about the circulation of fake currencies through the ATMs installed by various banks across the country;
- (b) if so, the details thereof and the action taken by the Government on such complaints during each of the last three years;
- (c) whether the Government has conducted any enquiry regarding the circulation of fake currency through ATMs;
- (d) if so, the outcome of such enquiry; and
- (e) the steps taken/to be taken by the Government to curb such incidents?

Answer

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

(a) & (b): Reserve Bank of India (RBI) has reported that during the last four years a few instances of counterfeit currency being dispensed through ATMs have come to their notice, the details of which are given below :

Year No. of pieces

2005 21
2006 NIL
2007 07
2008 04
Upto 04
June
2009

The banks from whose ATMs counterfeits were dispensed, were advised suitably to redress the complaint to the satisfaction of the customer.

(c) to (e): No, Sir. Upon receiving the complaints of fake notes being dispensed through ATMs of various banks, RBI took 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 further 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 / genuineness and fitness by Note Sorting Machines. Banks have also been advised to use, by March 2010, Note Sorting Machines in all their branches having average daily cash receipts of Rs 1 crore and above and also in those branches having average daily cash receipts between Rs.50 lakh and Rs.1 crore by March 2011.

As a 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 stations/railway stations etc.

To check the menace of counterfeiting of banknotes, the Reserve Bank has initiated several measures, which include, augmenting security features on the bank notes so as to render counterfeiting difficult and expensive.