

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1578
ANSWERED ON:27.11.2009
ARRANGEMENT TO IDENTIFY FAKE CURRENCY
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Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that there are no effective arrangements to identify fake currency notes in most of the branches of Public Sector Banks (PSBs);
- (b) if so, whether the Government is aware of the problems being faced by the consumers on this account;
- (c) if not, the factual situation in this regard; and
- (d) the steps being taken by the Government in the matter?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM)

(a) to (d) Reserve Bank of India (RBI) has reported that all Currency chest branches of banks and certain non-currency chest branches have been equipped with Note Sorting Machines to detect and curb the circulation of counterfeit notes. 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.