

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2082
ANSWERED ON:05.12.2014
FAKE CURRENCY THROUGH ATMS
Dhurve Smt. Jyoti;Kachhadia Shri Naranbhai

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received complaints about the circulation of fake currency through Automated Teller Machines (ATMs) installed by various public / private sector banks across the country leading to harassment of the customers by the police;
- (b) if so, the details thereof along with the number of complaints received during the last three years and the current year and the action taken on such complaints, State-wise; and
- (c) the other safety measures taken / being taken by the Government to keep a check on circulation of such fake currency through ATMs?

Answer

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY)

(a) & (b) :Asreported by Reserve Bank of India (RBI), during the last three years RBI has received 21 complaints from members of public on this matter. No complaint has been received in the current year i.e. July 01, 2014, onward. Year wise details are as under:

Name of State	01.7.2011 - 30.6.2012	01.7.2012 - 30.6.2013	01.7.2013 - 30.6.2014	01.7.2014 - 30.9.2014	Total
West Bengal	1	-	-	-	1
Uttar Pradesh	2	-	1	-	3
Maharashtra	2	3	2	-	7
Assam	1	-	-	-	1
New Delhi	2	2	-	-	4
Rajasthan	1	-	-	-	1
Goa	-	1	-	-	1
Bihar	-	1	-	-	1
Pondichhery	-	-	1	-	1
	9	7	4	-	20

In one case the complainant did not indicate the location of the ATM. RBI seeks a report upon receiving a complaint in this regard and takes such action as deemed fit based on the report, including issue of advisory to the concerned bank, undertaking a snap audit, etc.

(c) : To keep a check on circulation of fake currency through ATMs, RBI has issued instructions to 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 machines. A directive in this regard under Section 35A of Banking Regulation Act, 1949 has also been issued to all scheduled banks. In order to train bank staff engaged in cash handling on features of Indian banknotes, RBI has advised Indian Banks' Association (IBA) to ensure, in consultation with the banks, that all bank personnel handling cash are trained on features of genuine Indian bank notes with the objective to train all such personnel within a period of 3 years. The Reserve Bank also provides faculty support and training materials for this purpose.