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In Response to The Times of India Article: "Millions of notes not printed in mints reaching RBI vaults"



RESERVE BANK OF INDIA

The Times of India on August 4, 2013, carried a news item "Millions of notes not printed in mints reaching RBI vaults". The news report was based on information elicited through the Right to Information Act from Currency Note Printing Presses and the Reserve Bank of India on the notes printed and the notes received/supplied from the Presses, respectively, from 1999-2000 to 2010-11.

There are several discrepancies in the data published with the article that have resulted in incorrect conclusions by the reporter.

The newspaper has arrived at the conclusion that notes not printed in mints are reaching RBI based on the data given in [Table I](#) which was published along side the article.

Table I						
` 500						
(Pieces in millions)						
Year/Production at the press	Nashik	Dewas	BRBNMPL	Total	Supplied to RBI	Difference
1	2	3	4	5	6	7
1999-00	8.567	35	NA	43.567	41	2.567
2000-01	108.869	100	97	305.869	293	12 (15.436 in transit)
2001-02	71.043	78	397	546.043	551	4.957 (10.479 in transit)
2002-03	111.451	76.464	434	621.915	615	6.915 (17.394 in transit)
2003-04	117.37	48.536	987	1152.906	1168	15.094 (2.3 in transit)
2004-05	121.46	79	1071	1271.46	1252	19.46 (21.76 in transit)
2005-06	185.101	49	416	650.101	661	10.899 (10.861 in transit)
2006-07	293.163	101.72	1071	1465.883	1473	7.117
2007-08	259.536	216.312	1398	1873.848	1805	68.848
2008-09	971.24	90.96	2335	3397.21	3459	61.78 (10.80 in transit)
2009-10	970.11	447.21	2600	4017.32	4008	9.327 (20.13 in transit)
2010-11	870.24	349.66	2550	3769.91	4130	360.08 (20.13 in transit)

` 1000 (Pieces in millions)						
Year/Production at the press	Nashik	Dewas	BRBNMPL	Total	Supplied to RBI	Difference
1999-00	0	0	0	0	0	0
2000-01	0	0	114	114	114	0 (tally)
2001-02	43.033	0	4	47.033	40	7.033 (in transit)
2002-03	70.967	0	100	170.967	178	7.033
2003-04	82	0	131	213	209	4 (in transit)
2004-05	0.3	0	253	253.3	257	3.7 (0.3 in transit)
2005-06	0	0	130	130	130	0 (tally but 0.3 mn notes are in transit)
2006-07	102.342	0	489	591.342	598	6.658 (excess notes received)
2007-08	185.868	0	549	734.868	699	35.868 (in transit)
2008-09	117.36	0	614	731.36	763	31.63 (4.23 in transit)
2009-10	318.61	0	701	1019.61	1007	12.61 (16.85 in transit)
2010-11	177.80	0	269	446.80	467	20.19 (16.85 in transit)

In this table,

- i. In column 4, *supply* figures of Bharatiya Reserve Bank Note Mudran Private Limited (BRBNMPL) – one of the printing presses - have wrongly been shown as *production* figures.
- ii. The figure in column 6 (notes supplied to RBI) showing 598 million pieces of ` 1000 notes in 2006-07 is incorrect. The correct figure is 589 million pieces ([RBI Annual Report 2006-07](#)).
- iii. For the year 2010-11, the report has used the Reserve Bank and BRBNMPL figures for 12 months (April- March) whereas Security Printing & Minting Corporation of India Ltd. (SPMCIL) figures are for nine months (April –December).
- iv. Changes in the floating stock held at the Presses.

Also, a point to note is that like in any other production process, in printing of currency notes also, there is both, stock and flow of banknotes produced; and like in any other production line, in banknote printing process too there are some quantities of banknotes that flow *across* the years.

When all these factors are considered, the alleged differences get reconciled.

While regretting the error on its part in its edition of August 6, 2013, The Times of India raised another question on the integrity of BRBNMPL's data to the RTI applicant, pointing out discrepancies between the numbers provided in response to two similar queries as shown in [Table II](#) below:

Table II					
CURRENCY PRESSES STRIKE DIFFERENT NOTES UNDER RTI					
	Year	Rs.1000 denomination		Rs.500 denomination	
		Nov 2011	Dec 2011	Nov 2011	Dec 2011
Bharatiya Reserve Bank Note Mudran Pvt. Ltd., an RBI Subsidiary, provided two different sets of numbers in response to similar RTI queries about its currency note production	2000-01	115	114	104	97
The difference for the 1000-rupee notes stands at 9.69 million notes and 72.782 million for the 500-rupee notes. (figures in million pieces)	2001-02	3.17	4	419.156	397
	2002-03	100	100	409.964	434
	2003-04	134	131	1006.372	987
	2004-05	272.75	253	1069.548	1071
	2005-06	117.534	130	427.052	416
	2006-07	506.866	489	1095.948	1071
	2007-08	561.496	549	1562.324	1398
	2008-09	594.53	614	2211.175	2335
	2009-10	689.344	701	2573.243	2600
	Total	3094.69	3085	10878.78	10806

However, the question on BRBNMPL's data integrity raised on the basis of Table II is also incorrect. According to BRBNMPL:

- i. The details of data indicated in the table pertaining to the two dates were against two different queries.
- ii. The reply provided in November 2011 was for the query "Give details of ` 1000 and ` 500 printed in each year from the date of printing of ` 1000 and ` 500 started." Accordingly, BRBNMPL provided data pertaining to notes *printed* in their presses.
- iii. The reply provided in December 2011 was for the query, "How many Indian Currency notes have printed by BRBNMPL as per the order of Reserve Bank of India from the year 1947 to December 2010." Accordingly, BRBNMPL provided data pertaining to notes *supplied* to RBI as per the Reserve Bank's indent.

Alpana Killawala
Principal Chief General Manager
Department of Communication
Reserve Bank of India
Central Office
Shahid Bhagat Singh Road
Mumbai 400 001
India