

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
RAJYA SABHA
UNSTARRED QUESTION NO-3002
ANSWERED ON-20.12.2011

Supply of fake bank note papers by De La Rue

3002 Shri P. Rajeeve

- (a) whether the British firm De La Rue, with which Government has had contracts, has been supplying fake bank note paper;
- (b) whether contracts signed between De La Rue and Bharatiya Reserve Bank Note Mudran Private Ltd.(BRBNMPL) have provisions for termination on grounds of the paper not meeting specifications;
- (c) how many metric tonnes of banknote paper received from De La Rue is currently lying in the godowns in India for transportation to currency printing presses; and
- (d) The details of decisions taken in this regard?

ANSWER

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

(a) to (d) : De La Rue had some contracts with BRBNMPL for supply of bank note paper to India. However during July-August 2010, it came to the notice that the paper being supplied by De La Rue was not conforming to some of the prescribed specifications. Accordingly, the supply of the paper was suspended. The deficiency in the Paper was subsequently admitted by De La Rue also. Meanwhile, the security clearance was denied to De La Rue and thus the supplies were not resumed. BRBNMPL have informed that the contract can be terminated relying on fact that the paper supplied by De La Rue was not strictly as per the contract specifications.

As on date, no paper is lying in godowns in India for transportation to Currency Printing Presses. In the absence of security clearance to De La Rue, the supplies cannot be resumed and stocks cannot be used.