

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2861
ANSWERED ON:17.12.2004
FAKE BANK DOCUMENTS
Reddy Shri S.P.Y.

Will the Minister of FINANCE be pleased to state:

(a) Whether the Government is aware of widespread forgery and fake duplication of various documents and instruments of public transaction like stamp papers, letters of credits and certificates of authority, bank Guarantees, insurance cover notes of all varieties and NSC certificates etc. leading to huge loss of public revenues and serious erosion of government's credibility; and

(b) If so, steps proposed to be taken by the Government to take effective preventive steps to make all such documents and instruments fool proof and forgery resistant?

Answer

Minister of State in the Ministry of Finance (SHRI S.S.PALANIMANICKAM)

(a) Yes, Sir.

(b)

(i) Based on the recommendations of two Working Groups /Committees constituted in the Ministry of Finance, additional security features have been approved by the Ministry for incorporation in the Non Judicial Stamp Papers (NJSP) and Adhesive Stamps. The new security features, which are being introduced in a phased manner, will make counterfeiting difficult.

ii) Two meetings of State Revenue Secretaries were held in the Ministry of Finance to discuss the proposals for initiating modern methods of revenue collection and other related issues.

iii) IFCI is assisting the Government of India to put in place a pilot Project for de-matting of Stamp Paper. The system will be in operation in 10-12 cities initially. The entire capital cost of the system would initially be borne by the Government of India; and

iv) The Stamp Act has been amended to facilitate modern methods of revenue collection. All the States / Union Territories have been requested to send to the Government of India a time-bound programme to introduce fool-proof modern methods of revenue collection.