

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:70

ANSWERED ON:17.10.2008

INDIGENOUS MATERIAL FOR PRINTING OF CURRENCY NOTES

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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any proposal to indigenously manufacture paper, ink and machinery used for printing of currency notes;
- (b) if so, the details thereof; and
- (c) the name of the currency press identified for the said purpose in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P.K. BANSAL)

(a) to (c): The currency paper is being produced indigenously in the Security Paper Mill, Hoshangabad for printing currency. To enhance the production of currency paper:

- (i) A Tender has already been floated to procure one new line of Currency Paper Machine for Security Paper Mill, Hoshangabad; and
- (ii) The Security Printing & Minting Corporation of India Limited has already invited bids to set up a new Security Paper Mill in Joint Venture with a reputed International manufacturer. Private partners will be identified through a transparent process.

All the ink used in banknote printing is procured from Indigenous sources presently, mostly from SICPA India Ltd., Sikkim (A subsidiary of SICPA, SA Switzerland) and Ink Factory at Bank Note Press, Dewas. It is not viable to indigenously manufacture machinery used for printing currency notes due to low volume required. Only 2-3 companies cater to the requirement of the whole world.