

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:167

ANSWERED ON:23.02.2010

CIRCULATION OF FAKE CURRENCY

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Will the Minister of HOME AFFAIRS be pleased to state:

- (a) whether cases of circulation of fake currency have increased in the country;
- (b) if so, the details of cases reported during each of the last three years and the current year , alongwith the investigation made and conviction rate achieved, State-wise;
- (c) whether a number of cases of smuggling of fake currency have been reported from the Indo-Nepal border;
- (d) if so, the details of such cases reported during the said period and the identity of agencies found to be behind such activities; and
- (e) the steps taken by the Government to prevent circulation of fake currencies in the country and to take up the issue at the international fora?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI AJAY MAKEN)

(a) to (e): The State-wise details of number of fake currency notes seized and recovered by the Police/law enforcement agencies and banks respectively and the number of FIRs registered State-wise and year-wise for the period 1.1.2006 to 31.12.2009 is at Annexure. 'Police' and 'Police Order' are State subjects under the Constitution of India. Accordingly, investigations in most of the cases of Counterfeit Currency are initiated by the State police. As per available information Indo-Nepal border has also proved vulnerable to infiltration of fake Indian currency notes, with border districts being used as transit and storage points.

To address the multi-dimensional aspects of the FICN menace, several agencies such as the RBI, the Ministry of Finance, the Ministry of Home affairs, the Intelligence Agencies of the Centre, the Central Bureau of Investigation (CBI), etc. are working in tandem. The CBI has been declared as the nodal agency for coordination with the states; the Directorate General of Revenue Intelligence Agency . The state Governments have also been asked inter alia, to set up dedicated and well-equipped Cells under senior level supervision to comprehensively monitor and deal with organized crimes including FICN, and also specifically designate a nodal officer to coordinate activities relating to FICN. Further, the offences under IPC, relating to counterfeit currency have been included in the schedule to the National Investigation Agency Act, thereby empowering the National investigation to investigate and prosecute such offences.

Further, the issue has also been taken up consistently with the neighbouring countries in the bilateral fora.