

**GOVERNMENT OF INDIA  
HOME AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:309

ANSWERED ON:27.07.2010

CIRCULATION OF FAKE CURRENCY

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**Will the Minister of HOME AFFAIRS be pleased to state:**

- (a) whether several cases of circulation of fake currency have been reported in the country;
- (b) if so, the details of such cases reported during the current year, alongwith the investigations made and conviction rate achieved, State-wise;
- (c) whether such cases are rampant along the border areas of the country including Bihar;
- (d) if so, the details during the said period, border-wise; and
- (e) the steps taken by the Government to check circulation of fake currencies within the country and from across the border?

**Answer**

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

(a) to (e): As per available information the State-wise/Union Territory-wise details of number of Fake Indian Currency Notes (FICNs) seized and recovered by the police/ law enforcement agencies and banks respectively, and the number of FIRs registered, State-wise and Union Territory-wise, for the period 1/1/2010 to 31/5/2010 is at Annexure.

As per the constitution of India, 'Police' and 'Public Order' are State subjects. Accordingly, investigations in most cases of fake Indian currency notes are initiated by the State police. As per available information instances of smuggling of high quality FICNs into the country in large quantities from across the indo- Pakistan and Indo-Bangladesh borders, have been reported. The districts of East Champaran and West Champaran in Bihar, and Malda in West Bengal have particularly come to adverse notice.

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 security and Intelligence Agencies of the Centre and States, the Central Bureau of Investigation (CBI), etc. are working in tandem to thwart the nefarious activity related to FICNs. The activities of these agencies are also periodically reviewed in a nodal group set up for this purpose. In this context, at the functional level, the CBI has been declared as the nodal agency for coordination with the State; the Directorate General of Revenue Intelligence has been nominated as the Lead Intelligence Agency for smuggled FICNs. Apart from the above, the State Governments have been asked to set up dedicated and well-equipped Cell under senior level supervision to comprehensively monitor and deal with organized crimes including FICNs, and also specifically designate a nodal officer to coordinate activities relating to FICNs. The States have also been asked to set up a Committee headed by the DGP of the State with GM/DGM of RBI, Senior Officers of SIB, Intelligence Branch of State Police, CID of State Police, etc. as members. 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 Agency to investigate and prosecute such offences.