

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:1412
ANSWERED ON:14.07.2009
CIRCULATION OF FAKE CURRENCY NOTES
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Will the Minister of HOME AFFAIRS be pleased to state:

- (a) whether a large number of fake currency notes is in circulation in various parts of the country;
- (b) if so, the details of cases reported alongwith the amount seized during each of the last three years and in the current year, State-wise;
- (c) the details of investigations made against the guilty persons and sources of such currencies;
- (d) the steps taken by the Government to prevent use and circulation of fake currency notes;
- (e) whether any action taken to educate the masses about methods to detect currency notes; and
- (f) if so, the details thereof?

Answer

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

- (a): As per available information, cases of seizure and recovery of Fake Indian Currency Notes (FICNs) have come to the notice of the Government.
- (b): As per available information, the total number of FIRs alongwith denomination-wise, State/UT-wise, statements of Counterfeit Currency Notes recovered and seized, from the year'2006 to March, 2009 are enclosed at Annexure-'A' to 'D'. The figures for the years 2007, 2008 and 2009 (upto March, 2009) are provisional.
- (c): 'Police' and 'Public Order' are State under the Constitution of India. Accordingly, investigations in most of the cases of Counterfeit Currency are initiated by the State Police. However, as per available information, during the last three years. 13 cases were taken up for investigation by the Central Bureau of Investigation (CBI) and in 12 cases, the trial of the accused has commenced, while in the remaining one case, the charge sheet has been filed and further investigation by CBI has commenced.
- (d): 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 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 States; the Directorate General of Revenue, Intelligence has been nominated as the Lead Intelligence Agency for this purpose. 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 FICN, 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.
- (e) & (f): As per available information, the Reserve Bank of India has been conducting training programmes for detection of counterfeit notes for employees/officers of banks and other organizations handling large amount of cash. They have been asked to step up the conduct of such programmes. The Bank has been taking steps, inter-alia, through the Website providing information to the public on security features of banknotes, and posters on 'Know Your Bank Notes' displayed at bank branches to educate the masses about the methods to detect fake currency notes.