

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:5482

ANSWERED ON:06.09.2011

WHITE PAPER ON FAKE CURRENCY

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Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether a white paper on the status of fake Indian currency notes has been prepared jointly by the Intelligence Agencies and submitted to the Government recently;

(b) if so, the details thereof; and

(c) the precautionary measures taken by the Government to prevent the circulation of fake Indian currency notes?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI JITENDRA SINGH)

(a) & (b): No, Madam. However the assessment and recommending remedial measures to the threat posed by smuggling and printing of high quality FICN into India is an assigned task of FICN Coordination Cell (FCORD). Apart from the Central Intelligence Agencies, Directorate of Revenue Intelligence (DRI), Central Bureau of Investigation (CBI), National Investigation Agency (NIA) and Reserve Bank of India (RBI) are associated with this task along with State Police Organizations. These agencies in coordination with each other periodically prepare reports and assessments and share the same for operational and policy responses.

(c): To address the multi-dimensional aspects of the FICN menace, several agencies such as the RBI, the Ministry of Finance, Ministry of Home Affairs, Security and Intelligence Agencies of the Centre and States, Central Bureau of Investigation (CBI) etc., are working in tandem, to thwart the illegal activities related to FICNs. The work of these agencies is periodically reviewed by a nodal group (FCORD) set up for this purpose. FCORD (FICN Coordination Cell) coordinates/shares all available information/intelligence and analysis on circulation/smuggling of FICN in the work. At the functional level, the CBI has been declared as the nodal agency for coordination with the States and the Directorate General of Revenue Intelligence has been nominated as the Lead Intelligence Agency for smuggling/circulation FICNs. National Investigation Agency(NIA) has been empowered by National Investigation Agency Act to investigate and prosecute such offences to deal with this menace. The Government has also constituted a Terror Funding and Fake Currency Cell (TFFC) in NIA in 2010 to focus on investigation of Terror Funding and Fake Currency Cases.

The security features in the High Value currency notes are being constantly upgraded. Reserve Bank of India (RBI) has also strengthened the mechanism for detection of Counterfeit notes by the Banks.

The Government has constantly raised the issue in international bilateral fora.