

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

STARRED QUESTION NO:102

ANSWERED ON:29.11.2011

CIRCULATION OF FAKE INDIAN CURRENCY NOTES

Hussain Shri Syed Shahnawaz;Mandal Shri Mangani Lal

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) whether the circulation/inflow of fake currency notes have been reported from various parts of the country;
- (b) if so, the details of such cases reported during the current year, State-wise;
- (c) whether the National Investigation Agency (NIA) has probed cases of circulation of fake currency notes and their linkage to terror modules;
- (d) if so, the details of such cases and the outcome of the probe; and
- (e) the corrective measures taken/ proposed to be taken by the Government to check inflow/circulation of such currencies?

Answer

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

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.102 FOR 29.11.2011

(a) & (b): Yes Madam. During the current year i.e. from 01.01.2011 upto 31.10.2011 a total of 1946712 numbers of Fake Indian Currency Notes (FICN) with face value of Rs. 96,15,60,797.00 have been reported as seized and recovered. The details of such reported seizure and recovery during the said period state- wise are at Annexure.

(c) & (d): Yes Madam. NIA has probed two such cases. In one case, initially registered in Mumbai, charge sheet was filed on 05.11.2009 and subsequently after further investigation, a supplementary charge sheet was filed on 27.06.2011.

In another case initially registered in J&K, charge sheet was filed on 16.07.2011. In this case further investigation is continuing to identify the source of FICN and other suspects involved in the case.

(e): 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, 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 are periodically reviewed by a nodal group set up for this purpose. In this context, at the functional level, the CBI has also been declared as the nodal agency for coordination with the States and, the Directorate of Revenue Intelligence has been nominated as the Lead Intelligence Agency for smuggled FICNs.

Further, one special FICN Coordination Group (FCORD) has been formed in Ministry of Home Affairs to share the intelligence/information amongst the different security agencies of State/Centre to counter the menace of circulation of Fake Currency within the country, with CBI being the nodal agency.

NIA has been empowered by the National Investigation Agency Act to investigate and prosecute such offences. The Government has also constituted a Terror Funding and Fake Currency Cell in National Investigation Agency (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. RBI has also strengthened the mechanism for detection of counterfeit notes by the Banks.