

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3555
ANSWERED ON:14.12.2012
FAKE CURRENCY
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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware of the damage being caused to the country's economy through fake currency;
- (b) if so, the amount of counterfeit currency estimated to be in circulation in the country;
- (c) whether the Government has tried to ascertain the sources of fake currency;
- (d) if so, the details thereof; and
- (e) the measures taken/ proposed to be taken by the Government to check the circulation of fake currency?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a & b) : The Reserve Bank of India has informed that the presence of large number of counterfeit notes may impact the inflation and can be used for anti national activities. No estimates of counterfeit currency in circulation are available.

(c & d) : The Ministry of Home Affairs has informed that to track the source and origin of Fake Indian Currency Notes (FICN), a body of intelligence has been developed.

(e) : To address the multi-dimensional aspects of the FICN menace, several agencies such as the RBI, 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 world. At the functional level, the CF4I 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 the purpose. National Investigation Agency 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. Reserve Bank of India has also strengthened the mechanism for detection of Counterfeit notes by the Banks.