

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:281  
ANSWERED ON:06.12.2013  
SMUGGLING OF FAKE CURRENCY  
Rane Dr. Nilesh Narayan

**Will the Minister of FINANCE be pleased to state:**

- (a) whether there is a sharp rise in smuggling of fake currency notes into the country particularly in Mumbai;
- (b) if so, the number of cases of fake currency notes detected by Customs officials during the last three years and value of such fake currency notes seized during the said period; and
- (c) the steps taken by the Government to check the menace of fake currency notes in the country including Mumbai?

**Answer**

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

(a) & (b): No, Sir. Details of the number of cases of seizures of fake currency notes by Customs including Mumbai, and value of such fake currency notes during the last three years is as follows :

(Rs. in Crores)

Year	No. of Cases seized	Indian currency at Mumbai	Face value of cases of fake Indian currency seized	Out of these, fake Indian currency seized	No. of cases at Mumbai	Face value of fake Indian currency seized
2010-11	28	3.12	-	-		
2011-12	17	8.25	2	0.3417		
2012-13	21	12.78	1	0.0045		

(c) : Import of counterfeit currency into India is prohibited vide Notification No. 23/99-Cus (NT) dated 13.4.1999. Prosecution and imprisonment upto seven years has been prescribed under the Customs Act, 1962. Further, action under the COFEPOSA Act, 1974 is initiated against the offenders. Offences of such nature are referred to CBI/State Police for initiating action under the Indian Penal Code. Customs field formations and DRI officers are always on alert to check and curb the menace of smuggling of FICN. In addition, to address the multi-dimensional aspects of the Fake Indian Currency Notes (FICN) menace, several agencies such as the Ministry of Home Affairs, RBI, Ministry of Finance, 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 set up for this purpose. Further, one special FICN Coordination (FCORD) Group has been formed in the 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 Notes in the country. National Investigation Agency (NIA) has also been empowered by NIA Act to investigate and prosecute offences relating to FICN. The Government has also constituted a Terror Funding and Fake Currency Cell (TFFC) in NIA to focus investigation on Terror Funding and Fake Currency cases. The legal regime has been further strengthened by the Ministry of Home Affairs by way of recent amendments in the Unlawful Activities (Prevention) Act, 1967 wherein the damage to the monetary stability of India by way of production or smuggling or circulation of High Quality Fake Indian Paper Currency, coin or any other material has been declared as 'terrorist act'.