

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

RAJYA SABHA

QUESTION NO 02.03.2010

ANSWERED ON

LAW FOR CONTROLLING FAKE CURRENCY CIRCULATION .

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Shri Mangala Kisan

Will the Minister of COAL, HEALTH AND FAMILY WELFARE, INFORMATION AND BROADCASTING AND FINANCE be pleased to state :-

- (a) the amount of fake currency found in the counters of Reserve Bank of India, State Bank of India, and other Public Sector Banks;
- (b) the steps Government is going to take to stop the fake currency circulation in various parts of the country; and .
- (c) whether Government is planning to make stringent laws to control the circulation of fake notes. in the country?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI NAMO NARAIN MEENA)

(a): As per the information furnished by Reserve Bank of India (RBI), total of counterfeits detected at the Reserve Bank of India, State Bank of India and other bank branches during the last three years is furnished below:-

Year	Detection at RBI	Detection at SBI and other bank branches	Total
2006-07	59048	45695	104743
2007-08	62,134	1,33,677	1,95,811
2008-09	55,830	3,42,281	3,98,111

(b): The steps taken by the Government to curb circulation of Fake Indian Currency Notes (FICN) in the country include stepping up of vigilance by the Border Security Force and Custom authorities to prevent smuggling of fake notes; dissemination of information on security features through print and electronic media and formation of Forged Note Vigilance Celis in all the Head Offices of the banks. Additional security features have also been incorporated in the bank notes in 2005 to make counterfeiting very difficult. To strengthen the security of bank notes further, incorporation of latest security features is underway. A High Level Committee headed by the Union Home Secretary comprising officials from central agencies and other senior police officials has been constituted to monitor and draw a comprehensive strategy to combat FICN. Similar bodies have also been set up in the States. In addition, Government of India have nominated the Central Bureau of Investigation as the Nodal Agency to monitor investigation of fake currency note cases. The RBI has also strengthened the mechanism for detection of counterfeit notes by the Banks.

(c): The National Investigation Agency has been constituted under the provisions of the National Investigation Agency Act and it empowers National Investigation Agency to investigate and prosecute offences mentioned in the Schedule to the Act, which, inter-alia, includes offences relating to counterfeit currency.