

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:704

ANSWERED ON:29.02.2000

FAKE CURRENCY

ASHOK NAMDEORAO MOHOL;NARESH KUMAR PUGLIA;RAMESH CHAND TOMAR;SUSHILA SAROJ

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) whether a Pakistani diplomat has been found involved in circulation of fake currency in the country;
- (b) if so, the action taken by the Government against him;
- (c) whether the officials of the Pakistani High Commission, New Delhi are in connivance with the ISI agents and trying to bring fake currency in circulation;
- (d) if so, the steps taken by the Government in this regard;
- (e) whether Pakistani officials have also been arrested in Nepal involving in circulation of fake Indian currency;
- (f) if so, whether the Government of Nepal has told that the seized Indian fake currency from the Pakistani officials was printed in Pakistan; (g) if so, the reaction of the Government in this regard; (h) whether the Government have imposed ban on carrying Indian currency worth of Rs. 500 denominations along the Indo -Nepal border; (i) if so, the details thereof; and (j) the steps being taken by the Government in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI I.D.SWAMI)

(a)to(d) According to information received from the Delhi Police, a case, FIR No.382/- -2-

dated 13.1.2000, u/s 489B - IPC was registered based on the complaint by the Principal , Mount Carmel School, Anand Niketan, R.K.Puram, New Delhi that one Indian currency note in the denomination of Rs.500/- had been returned by the State Bank of Patiala on the ground that it was a counterfeit currency. On verification, the School authorities found out that the currency note in question had been given by Shri Muzzafar Ali Khan, a staff member of the Pakistan High Commission (a Pakistani national), towards the school fee for his son. The case is being investigated by the local police.

(e)to(g) A UDC in the Pakistan Embassy in Kathmandu was caught re-handed while trying to exchange a consignment of fake Indian currency notes totalling Rs.50,000 (in the denomination of Rs.500/-) by the Nepalese Police on 3.1.2000. Since he claimed diplomatic immunity, he was detained by the Nepalese Government. On inquiry, the Nepalese Government found that his conduct and activities were not found to be compatible with his official status. He was, therefore, asked to leave Nepal.

(h)&

(i) The Government has not banned circulation of Rs. 500/- notes in any part of the country and it continues to be legal tender at any place in India. However, the Reserve Bank of India has issued instructions permitting any person to bring with him from Nepal and to send or take out Indian currency notes in denominations upto Rs.100/- only without any time on the total amount, to Nepal.

(j) A committee has been constituted by the Ministry of Finance on 22.2.2000 for examining cases of counterfeit currency notes and to recommend remedial measures that should be taken by the note printing presses from time to time. The Committee has been asked to submit its report within two months.

It may be mentioned that the Reserve Bank of India issues press release, from time to time, to enable the public to distinguish between genuine and fake currency notes. In order to combat counterfeiting, currency notes are also now printed with additional security features. The Central Bureau of Investigation has created a Special Unit for exclusive investigation of counterfeit currency notes. The Border Security troops to be more vigilant so as to ensure that such currency notes are not smuggled into the country.