

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:725
ANSWERED ON:05.12.2003
INFLOW OF COUNTERFEIT CURRENCY NOTES
PRABODH PANDA

Will the Minister of FINANCE be pleased to state:

- (a) whether the inflow of counterfeit currency notes into the National Capital continues;
- (b) if so, the amount of such fake notes seized by the Reserve Bank of India during each of the last three years;
- (c) whether all of these fake notes are of Rs.1000 and Rs.500 denominations;
- (d) whether such fake notes were received from various banks and companies;
- (e) if so, the details of the banks and companies;
- (f) the number of cases registered and persons arrested in this connection during each of the last three years;
- (g) whether these notes are printed in India or other countries; and
- (h) if so, the steps taken by the Government to stop such business ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI ANANDRAO V. ADSUL)

(a) & (b): The counterfeit currency notes detected by the Reserve Bank of India (RBI), New Delhi for the last three years are follows:

	(April-March)			
	April, 03	to Oct.,03		
2000-01	2001-02	2002-03		

No. of Pieces	10064	20881	33360	10382
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Value In Rupees.	30,81,340	15,08,490	65,91,430	63,52,330
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(c) No, Sir. The fake notes of other lower denomination have also been detected.

(d), (e)&(f) :The fake notes detected by the RBI Office include fake notes detected at their counters from currency chest remittances and bank branches falling under their jurisdiction. The number of cases registered by RBI, New Delhi with the police during the last three years is as under:

Year	No. of cases filed with
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(April-March)	Police
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2000-2001	4,811
2001-2002	13,590
2002-2003	32,195
Upto October,2003	8,797

(g) Fake currency is injected into circulation by local counterfeiters and as well as by external agencies who smuggle fake Indian Currency Notes into India through air, land and sea routes.

(h) Corrective measures include stepping up of vigilance by the Border Security Force/Customs authorities to prevent smuggling of

fake currency; setting up a special unit in the Central Bureau of Investigation exclusively for investigation of counterfeit currency notes; incorporation of special security features in high denomination notes, dissemination of information on security features available in Indian bank notes through print and electronic media for the benefit of the public. As per recommendations of a High Level Committee, additional security features have been recommended for incorporation in the Indian bank notes which would make counterfeiting extremely difficult.