

GOVERNMENT OF INDIA
MINISTRY OF HOME AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO.2701

TO BE ANSWERED ON THE 19th FEBRUARY, 2014/MAGHA 30, 1935 (SAKA)

PRINTING OF FAKE INDIAN CURRENCY NOTES BY PAKISTAN

2701. DR. K.P. RAMALINGAM:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether National Investigation Agency has, in its probe, concluded that qualities and features of genuine Pakistan currency notes printed in its Government press matched with fake Indian currency notes recovered all over the country;

(b) whether experts from Security Printing and Minting Corporation of India Limited had opined that fake Indian currency notes recovered have most of pivotal parameters like density of paper, wax pick quotient, poly vinyl alcohol, PH value similar to Pakistan currency;

(c) whether said investigation led to conclusion that Pakistani Government presses are printing fake Indian currency notes; and

(d) if so, steps taken by Government in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS
(SHRI R.P.N. SINGH)

(a)to(c): NIA during investigation of a case pertaining to circulation of FICN had collected samples of FICN taken from various seizures made in different parts of the country. The forensic examination of samples by Security Printing and Minting Corporation of India Limited (SPMCIL) concludes that Fake Indian Currency Notes (FICN) were manufactured in regular currency making machines owned by a sovereign government. The committee of experts from Security Printing and Minting Corporation of India Limited have observed that some of the pivotal parameters of FICN and Pakistan currency notes bear similar value. However, based on the similarities, it cannot be concluded that FICN and genuine Pak currency have originated from the same source. Moreover, the forensic evidence coupled with field investigation establishes the role of Pakistan in the manufacture of FICN.

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(d): To address the multidimensional aspects of the FICN menace, several agencies such as the RBI, the Ministry of Finance the Ministry of Home Affairs, Security and intelligence agencies of the Centre and States, CBI are working in tandem to check the inflow of fake Indian currency notes.

The legal regime has been further strengthened 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'.

Further, one special FICN Co-ordination Group has been formed in MHA to share the intelligence / information amongst the different security agencies of States/Centre to counter the menace of circulation of Fake currency notes in the country.

NIA has been empowered by NIA Act to investigate & prosecute offences relating to FICN. The Government has also constituted a Terror Funding & Fake Currency Cell in NIA in 2010 to focus investigation on Terror funding & Fake currency cases.

At the international level, the issue of circulation of FICN has been raised in the financial Action Task Force (FATF). India had conducted a typology project in the working group on typologies (WG Typ) of the FATF on "Money Laundering terrorist Financing related to counterfeiting of currency" which was approved in the FATF plenary held in June, 2013. Fake Indian Currency Notes is one of the issues being discussed under the Indo-US Homeland security Dialogue for further cooperation.
