Money Laundering Act, 2002 (PMLA) and Unlawful Activities Prevention Act, 1967 (UAPA) and the rules made there under, apart from various other legislations in India dealing with anti money laundering (AML) and combating financing of terrorism (CFT). FATF Secretariat forwarded its first Draft Mutual Evaluation Report on India (DMER) on 5th March, 2010 seeking the views of Indian authorities on the DMER. The finalised response to the DMER was sent to the FATF Secretariat on 2nd April, 2010. The FATF has now sent a revised. DMER on 19th April, 2010 which will be the base document for face to face meeting between the Indian delegation and FATF Mutual Evaluation Assessment Team from 26-30 April, 2010 at Sydney, Australia. Based on the outcome of discussions in the face to face meeting, the FATF would prepare a final report which will be placed before the FATF Plenary in June, 2010 which will decide on India's membership.

Value of seized fake currency notes

3430. SHRI NANDI YELLAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the total value of maximum counterfeit currency seized by law enforcement agencies recovered through Banking channels from January, 2009 to March, 2009 is Rs. 4,09,49,465 covering five States Uttar Pradesh, Gujarat, Maharashtra, Andhra Pradesh and Karnataka; and

(b) if so, what are the stringent measures already taken to curb such menace of counterfeit currency in these States where in a matter of 3 months alone the detectives could trace Rs. 4,09,49,465?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) No, Sir. However, as per the information furnished by National Crime Record Bureau (NCRB), value of Fake Indian Currency Notes (FICN) seized by State/UT Policy (State Crime Record Bureaux – SCRB) and recovered by Reserve Bank of India (RBI) for the period from January to March, 2009* is as follows:—

State/SCRB	Value of FICN seized (from SCRB) (Rs.)	Name of RBI's Branch	Value of FICN recovered (from RBI) (Rs.)	Total value of FICN (2+4) (Rs.)
Andhra Pradesh	21,87,800	Hyderabad	34,57,330	56,45,130
Gujarat21,10,910	Ahmedabad	7,09,080	28,19,990	
Karnataka	11,10,100	Bangalore	17,92,460	29,02,560
Maharashtra	16,84,515	Nagpur Mumbai and Navi Mumbai	70,21,910	87,06,425
Uttar Pradesh	13,98,450	Lucknow Kanpur	33,55,150	45,53,600
TOTAL:	84,91,775		1,61,35,930	2,46,27,705

*Figures are provisional.

(b) The steps taken by the Government to curb circulation of 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 Cells in all the Head Offices of the banks. Additional security features have also been incorporated in the banks 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.

Fake currency notes

3431. PROF. P.J. KURIEN : Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware of reports in the media about the large influx of fake Indian currency notes, presumably from Pakistan;

(b) if so, the details thereof and the steps being taken by Government to check the spread of fake Indian currency;

(c) the details about the arrest of a person at Kochi International Airport by the Directorate of Revenue Intelligence (DRI) on 11 March, 2010 with fake Indian currency worth Rs. 25 lakhs; and

(d) the details of specific action, if any, being formulated by Government to prevent the smuggling of fake Indian currency through the coastal areas of the country, especially through Kerala coasts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Available inputs indicate that Fake Indian Currency Notes (FICN) are printed in a neighbouring country and pushed into India through neighbouring countries.

(b) There have been significant seizures of FICN by Directorate of Revenue Intelligence (DRI) at different place in India. Persons found involved in smuggling of FICN are arrested and prosecuted under Customs Act, 1962 by DRI. In appropriate cases, action under COFEPOSA is taken against offenders. The matter in all such cases is also referred to CBI/State Police to initiate action against the offender, under IPC.

The other steps taken by the Government to curb circulation of 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 Cells in all the Head Offices of the banks. Additional security features have also been incorporated in the bank notes in 2005 to