

The Investigation of High Quality Counterfeit Indian Currency Offences Rules, 2013

UNION OF INDIA

India

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Rule

THE-INVESTIGATION-OF-HIGH-QUALITY-COUNTERFEIT-INDIAN-CUR of 2013

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The Investigation of High Quality Counterfeit Indian Currency Offences Rules, 2013Published vide Notification New Delhi, the 19th September, 2013Last Updated 14th January, 2019Ministry of Home AffairsG.S.R. 661 (E). - In exercise of the powers conferred by sub-section (1) and clause (f) of sub-section (2) of section 52 of the Unlawful Activities (Prevention) Act, 1967 (37 of 1967), the Central Government hereby makes the following rules, namely :-

1. Short title and commencement.

(1)These rules may be called the Investigation of High Quality Counterfeit Indian Currency Offences Rules, 2013.(2)They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.

(1)In these rules, unless the context otherwise requires,-(a)"Act" means the Unlawful Activities (Prevention) Act, 1967 (37 of 1967);(b)"Code" means the Code of Criminal Procedure, 1973 (2 of 1974);(c)"Face value" means the arithmetic computation of value printed on the seized counterfeit notes;(d)"section" means section of the Act.(2)Words and expressions used herein and not defined in these rules, but defined in the Act, shall have the meanings respectively assigned to them in the Act.

3. Forensic determination of high quality counterfeit Indian paper currency.

- No Investigating Officer shall apply the provisions of sub-clause (iiia) of clause (a) of sub-section (1) of section 15 read with section 16 unless he obtains a report of the authorised forensic laboratory in respect of the seized currency.

4. Notification of Forensic Authority.

- For the purposes of section 15, the following shall be authorised or notified forensic authorities, namely :-(a)Laboratories under the Bharatiya Reserve Bank Note Mudran Private Limited or Security Printing and Minting Corporation of India Limited;(b)Forensic Laboratories under the Government of India and the State Governments;(c)any other establishment having necessary facilities and trained personnel so notified by the Central Government from time to time.

5. Damage to the monetary stability of India.

- Damage to the monetary stability of India, referred to in section 15 by way of production or smuggling or circulation of high quality counterfeit Indian paper currency, shall be deemed to have been caused, if in addition to other considerations,-(a)seizure is of high quality counterfeit Indian currency of face value of such threshold amount as may be decided by the Central Government from time to time, not being less than rupees one lakh:Provided that the said threshold limit shall not apply when the counterfeit Indian currency has been intercepted at the international border, international airport or Immigration Check Post;(b)the seized counterfeit currency includes any one of the [notes of denomination of One hundred rupees and above] [Substituted 'three highest denominations' by Notification No. G.S.R. 22(E), dated 11.1.2019.] issued by the Reserve Bank of India, and in circulation at such point in time.

6. Procedure for applying the provisions of sub-clause (iiia) of clause (a) of sub-section (1) of section 15 read with section 16.

(1)When a case has been registered upon seizure of currency suspected to be high quality counterfeit Indian currency, the Investigating Officer shall forthwith send the seized currency or sample thereof to the authorised or notified forensic authority and the said authority shall forward a preliminary report, as to whether the seized currency is "high quality counterfeit Indian currency" within fifteen days of receipt of such samples.(2)The Investigating Officer shall forward the seized currency by the quickest means to the notified forensic authority, not later than forty-eight hours of the seizure, and the notified forensic authority shall communicate the results of the examination to the requisitioning officer by the quickest possible means including e-mail or facsimile:Provided that the preliminary report may not contain a detailed forensic report, but may restrict itself to the question of whether the key security features as specified in the Third Schedule to the Act have been imitated or compromised in the seized counterfeit currency and the complete report for the purposes of prosecution shall be provided before completion of the investigation:Provided further that the procedure referred to in sub-rule (1), shall not preclude the continuation of investigation under any

other law for the time being in force.(3)On receipt of a positive preliminary forensic report, the Investigating Officer shall transmit the same along with a report on the facts of the seizure to the concerned Superintendent of Police or such other officer of equivalent or above rank, and if such officer is satisfied that the act amounts to an attempt to damage the monetary stability of India, he may order applying of the provisions of sub-clause (iiia) of clause (a) of subsection (1) of section 15 read with section 16.(4)While determining whether the act amounts to damage or an attempt to damage the monetary stability of India, the Superintendent of Police or such officer empowered under sub-rule (4) shall, in addition to the conditions specified in rule 5, shall also take into account any one or more of the following, namely :-(a)whether the accused was previously involved in a case of counterfeit currency;(b)whether the accused belongs to a terrorist gang or terrorist organisation;(c)whether the recovery of high quality counterfeit Indian currency is associated with recovery of arms, ammunition, or explosives prohibited under laws for the time being in force;(d)whether the high quality counterfeit Indian currency has been recovered while smuggling through international check posts or borders;(e)whether there is prima facie indication that the high quality counterfeit Indian currency has been produced in a foreign country;(f)whether the high quality counterfeit Indian currency is being produced, smuggled or circulated at the instance of a foreign country, entity, agency, or person situated abroad;(g)whether complex methods have been used to smuggle or transport high quality counterfeit Indian currency, and to collect or move the proceeds of crime;(h)whether the high quality counterfeit Indian currency is mixed with genuine currency in currency chests, Automated Teller Machines;(i)whether the face value of high quality counterfeit Indian currency seized is extremely high, or the proceeds of crime to be generated are extremely large;(j)any other circumstance that reveals that the production, smuggling or circulation of high quality counterfeit Indian currency was undertaken with the object of threatening the monetary stability of the country.(5)For the purposes of sub-rule (3) and sub-rule (4), the empowered officer shall while ordering investigation, record the reasons thereof in writing.(6)The Authority appointed under section 45 shall take into consideration the consideration order under sub-rule (3), while disposing of the request of sanction for prosecution.(7)Notwithstanding anything contained in these rules, an officer not below the rank of Inspector General of Police specifically designated by the Director General and Inspector General of Police of States or Union territories, Commissioner of Police of Delhi and Kolkata, Director and Inspector General of Delhi Special Police Establishment or Director General of the National Investigation Agency may order investigation under sub-clause (iiia) of clause (a) of sub-section (1) of section 15 read with section 16 under special circumstances as explained in rule 7.

7. Investigation in special cases.

(1)When any case is registered upon seizure of currency suspected to be of high quality counterfeit Indian currency, which does not conform to the conditions laid down in rule 5, but the Investigating Officer submits a report to the concerned Superintendent of Police, or such other officer of equivalent rank, that there exist special reasons that the offence involves damage or an attempt to damage the monetary stability of India, upon satisfaction, such Superintendent of Police or other officer of equivalent rank shall send the report thereof with his recommendations to the authorised officer under sub-rule (7) of rule 6, who on being prima facie satisfied, shall cause the seized counterfeit currency to be sent for forensic examination, as per the procedure laid down in sub rule

(1) of rule 6.(2)On obtaining a positive forensic report, and on being convinced from the special circumstances of the case, the authorised officer under sub rule (7) of rule 6 may proceed after recording the reasons thereof to order investigation under sub-clause (iiia) of clause (a) of sub-section (1) of section 15 read with section 16.

8. Review of security features.

- The Bharatiya Reserve Bank Note Mudran Private Limited, and Security Printing and Minting Corporation of India Limited, shall annually conduct a review of the counterfeit currency analysed by them during the period, and submit a report to Reserve Bank of India for recommending to the Central Government, revisions to the Third Schedule.