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GOVERNMENT OF INDIA**

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**Union Finance Minister, Shri Pranab Mukherjee's speech on the occasion of  
Commissioning of the New Bank Note Print Line in Devas**

**New Delhi, January 7, 2012**

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**Following is the text of Finance Minister's Speech at Devas**

" I am happy to be here today for commissioning the new bank note printing line at Dewas. I take this opportunity to congratulate the management of Security Printing and Minting Corporation of India Limited (SPMCIL) and the officers and employees of Bank Note Press, Dewas on this momentous occasion.

Following the recommendations of the Expenditure Reforms Commission and a study undertaken by IFCI, SPMCIL was formed as a company, corporatizing nine units including four mints, two currency printing presses, two security printing presses and one security paper mill. These units were earlier functioning under the Currency and Coinage Division of the Department of Economic Affairs, Ministry of Finance. The

main objective of corporatization was to foster efficiency through speedy decision making and improving the pace of modernization for creating the state of art security products within our country.

I am told that the performance of the corporation in terms of production, turnover, profitability and other financial and physical parameters has improved significantly over the last five years, since becoming a wholly owned corporation of the Government of India in the beginning of 2006. SPMCIL has returned about Rs. 1000 crore of loans from the RBI and the Ministry of Finance and by this year end, it is likely to be a zero debt company. SPMCIL has been granted Mini Ratna category-I status.

SPMCIL is making coins and currency not only for India but also for other countries. The expertise gained by the company over the years should be harnessed further by developing products for other countries and assuming a leadership position in this domain.

Good managerial practices including transparency in operations and a sense of vision for the company are vital for sustaining innovation and business development. I am told that in order to bring further efficiency and transparency in SPMCIL, SAP Enterprise Resource Planning (ERP) has been introduced and implemented in all units of SPMCIL. This should help

SPMCIL in pursuing transparent business processes particularly in its procurement activities. A new revised Procurement Manual was also released in a step towards this direction.

In order to create adequate indigenous capacity to meet our growing demand for currency and coinage we need to have the required flow of investments and retain our focus on modernization of SPMCIL. I am told that SPMCIL has an investment plan of about Rs 2500 crore covering the period 2009 to 2014. This is likely to give a big boost to the Indigenization efforts of the security products used in the creation of currency.

I had constituted a Committee under Shri Shilabhadra Banerjee in December 2009 to inter-alia suggest a roadmap for progressive indigenization of various inputs. Following the recommendations of this Committee the Government has initiated steps to indigenise the production of banknote paper to meet our domestic requirements of banknote paper. A foundation stone of Bank Note Paper Line with annual capacity of 6000 MT. was laid on 17<sup>th</sup> December 2011 at SPM, Hoshangabad, where Shri Shivraj Singh Chouhan Jee, Chief Minister of Madhya Pradesh and Shri Suresh Pachouri jee from the Congress Party were also present. This unit is likely to be commissioned by October 2013. Similarly, a Joint Venture Bank Note Paper Mill at Mysore with an annual capacity of 12000 MT per annum is also scheduled to fully commence commercial production by April 2014. These steps would make the country nearly self-sufficient in the production of banknote paper.

I have been informed that steps to enhance the production of indigenous ink for security printing has been taken up through the modernization and expansion of the ink factory at the Bank Note Press (BNP) Dewas. With this, the requirement of SPMCIL and BRBNMPL for the off-set numbering and intaglio ink will be taken care of.

Ladies and Gentlemen,

As you are aware, new Indian Rupee Symbol has been introduced in all currency notes and coins. This symbol reflects the Indian ethos and culture and is a matter of national pride underscoring the growth of the Indian economy. This symbol now lends a distinctive character and identity to the Indian currency. With this India has joined a select club of few countries who have symbols for their currency.

A comprehensive act namely The Coinage Act 2011 was recently enacted by the Parliament. This will simplify the provisions related to coins and currencies by amalgamating the erstwhile four Acts and one Ordinance relating to coinage. This Act enables the Central Government to establish a new mint at any place based on the rising demand of coins. It also provides for stringent punishment with imprisonment which may extend up to seven years and with fine if a person is found to be making or melting or destroying the coins.

You would be pleased to know that last year, with a view to acknowledge and honour the contribution of some of our prominent organizations and eminent personalities Commemorative coins on the theme of '100 years of Civil Aviation', '100 years of Indian Council of Medical Research', '150<sup>th</sup> Anniversary of Comptroller and Auditor General of India' and '150<sup>th</sup> birth Anniversary of Madan Mohan Malviya' were released.

We have also taken up a series of measures to strengthen the security features of Indian currency notes, for which a high level committee comprising of officers of concerned agencies including security agencies has been constituted under Shri Bimal Julka, Director General, Directorate of Currency for acquiring robust security features through global competitive bidding. This acquisition of new security features is being done in an efficient and transparent manner. I am hopeful that with the up-gradation of security features, the Government will be able to check the menace of fake currency circulation in the country.

I am happy to note that Bank Note Press Dewas has always adopted best safety practices in the industry and has been receiving the National Safety Award since 1996 consecutively, the latest being the 15<sup>th</sup> National Safety Award in 2011.

As a part of modernization of Currency Printing Presses, one line of Currency Printing machine at Bank Note Press, Dewas is being commissioned today. For this line, machines worth over Rs. 233 crores have been purchased. The On line Printing and finishing equipments are state-of-art with higher speed and shall have capability for incorporation of sophisticated print-based security features which will help in reducing counterfeiting of currency notes. I am informed that this machine will also result in improved productivity as well as optimization in the consumption of raw materials specially ink and manpower requirement.

I am confident that as a result of the comprehensive reforms being undertaken in the area of currency and coinage over the last two years, we will be self reliant to a large extent. The reforms related to security features will also ensure that the incidences of fake currency are reduced considerably. The functioning of the line being inaugurated today will further add to our efforts in this direction.

Let me conclude by congratulating once again all the officers and staff of the Directorate of Currency, SPMCIL and BNP, Dewas on this occasion and extend my good wishes for your future endeavours. ”

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**AD/JS**