

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS**

**Rajya SABHA  
UNSTARRED QUESTION NO.2289  
TO BE ANSWERED ON 6<sup>TH</sup> DECEMBER 2016/15<sup>TH</sup> AGRAHAYANA SAKA, 1938  
AVAILABILITY AND CIRCULATION OF SMALLER DENOMINATION  
CURRENCIES DUE TO DEMONETISATION**

**2289. SHRIMATI SAROJINI HEMBRAM:  
DR. V. MAITREYAN:  
SHRI MAHENDRA SINGH MAHRA:**

**QUESTION**

**Will the Minister of FINANCE be pleased to state:**

- (a) the arrangements and steps taken to increase the circulation of currencies of ₹ 10, 20, 50 and 100 denominations before demonetisation on 8<sup>th</sup> November, 2016, if so, details thereof and if not, reasons therefor;
- (b) the numbers and value of lower denomination currencies in circulation as on date and reasons for not printing currency before demonetisation;
- (c) the numbers and value of new currencies of ₹ 2000, ₹ 500 denominations printed and distributed as on date, bank-wise;
- (d) whether Government plans to re-introduce ₹ 1000 currency note again; and
- (e) the reasons that compelled Government to print ₹ 2000 currency notes?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY FOR FINANCE  
(SHRI ARJUN RAM MEGHWAL)**

- (a): Government has taken various initiative to increase circulation of lower denominations currency, which inter-alia includes:
- i) An Incentive scheme for banks was introduced in 2013 for installing ATMs for dispensing lower denomination notes.
  - ii) Removal of intaglio from ₹ 20 and 50 denomination was done to increase the capacity for printing of these notes.
  - iii) The banks have also been instructed to recalibrate 10% of their ATMs exclusively for dispensing ₹ 100 denomination.

(b): The number and lower denomination currencies in circulation are as under:  
(Pieces in million and value in Rs. Crore)\*

Denomination	Pieces in million
₹2	4270.41
₹5	7326.99
₹10	38066.18
₹20	8993.50
₹100	24390.15

\*as on 1.12.2016

RBI periodically estimates and reviews the demand for currency and accordingly in consultation with Government of India indents for supply is placed with the Presses. The same is a continuous process.

(c): Government has till 29.11.2016 has supplied 156 million pieces and 1608 million pieces of ₹ 500 and ₹ 2000 respectively.

(d): New design banknotes in Mahatma Gandhi (New) series have been introduced in the denominations of ₹ 500 and ₹ 2000 and new series notes in other denominations will be introduced in due course.

(e): Purchasing Power Parity (PPP) of ₹1000 has been eroded progressively due to persistent moderate high inflation. Simultaneously, disposable income levels and GDP also continued to grow. This factor along with rising requirement for banknotes was the reason for introduction of banknote of ₹2000 denomination which was done following provisions of RBI Act, 1934.

-----