

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

**LOK SABHA  
UNSTARRED QUESTION NO.2695  
TO BE ANSWERED ON 17<sup>th</sup> MARCH, 2017/26<sup>TH</sup> PHALGUNA SAKA, 1938**

**CIRCULATION OF CASH**

**2695. SHRI LALLU SINGH:**

**QUESTION**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that the circulation of cash in the country in January 2017 was only 45 per cent of that in the pre-demonetisation period;
- (b) if so, the details thereof; and
- (c) the extent to which the consumption and inflation in country has been impacted by the decline in cash circulation?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY FOR FINANCE**

**(SHRI ARJUN RAM MEGHWAL)**

(a) to (b) The Specified Bank Notes (SBNs) of Rs. 500 and Rs. 1000 returned to currency chests of Reserve Bank of India (RBI) as on December 10<sup>th</sup>, 2016 amounted to Rs. 12.44 lakh crores. The data obtained in this regard would need to be reconciled with the physical cash balances to eliminate counterfeit notes, accounting errors/ possible double counts etc., after which only the final figures will be arrived at. The currency in circulation as on 3<sup>rd</sup> March, 2017 is Rs. 12 Lakh crores.

(c) The growth rate of Indian economy is estimated to have remained at 7.0 percent in the Third Quarter (Q3) of 2016-17, as per Quarterly Estimate released by the Central Statistics Office. The growth rate of agriculture and allied sectors was 6.0 per cent in the Q3 (October to December) of 2016-17, as compared to 1.9 percent and 3.8 per cent respectively in the first quarter (Q1) and second quarter (Q2) of 2016-17.

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