

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS  
LOK SABHA  
UNSTARRED QUESTION NO. 482  
ANSWERED ON 24/07/2023

**WITHDRAWAL OF RS 2000 DENOMINATION FROM CIRCULATION**

482. SHRI THIRUNAVUKKARASAR SU:

SHRI RAKESH SINGH:

SHRIMATI SUPRIYA SULE:

SHRI DINESH CHANDRA YADAV:

SHRI RAJIV RANJAN SINGH *ALIAS* LALAN SINGH:

DR. SUBHASH RAMRAO BHAMRE:

SHRIMATI MANJULATA MANDAL:

SHRI KULDEEP RAI SHARMA:

SHRIMATI SANGEETA KUMARI SINGH DEO:

DR. AMOL RAMSING KOLHE:

SHRI RAVNEET SINGH BITTU:

SHRI SANJAY JADHAV:

SHRI OMPRAKASH BHUPALSINH ALIAS

PAWAN RAJENIMBALKAR:

DR. T.R. PAARIVENDHAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has recently withdrawn Rs. 2000 denomination currency notes from circulation, if so, the details thereof and the reasons therefor along with the cost for printing a note and the total number of these notes in circulation and deposited in the banks and the percentage thereof, State/UT-wise especially in Punjab;

(b) whether the introduction and consequent withdrawal of Rs. 2000 notes has cast doubts on the integrity and stability of the Indian currency, if so, the details thereof;

(c) the criteria to change the Rs. 2000 notes;

(d) whether the Government intends to extend the deadline for the exchange of Rs. 2000 note in banks beyond September, 2023 and if so, the details thereof;

(e) whether the Government is planning to demonetise other high denomination currency notes to eliminate black money and if so, the details thereof and the corrective measures taken/being taken to curb the black money and fake currency;

(f) whether the Government has any proposal to augment the supply of other denomination notes or reintroduce circulation of Rs. 1,000 currency notes to fill the vacuum, if so, the details thereof and if not, the reasons therefor; and

(g) whether there is shortage of circulation of lower denomination notes viz. Rs. 50, 20 and 10 resulting in huge inconvenience to the people, if so, the details thereof along with the time by which the printing of these notes are likely to be started?

## ANSWER

THE MINISTER OF STATE FOR FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a): The ₹ 2000 denomination banknotes were introduced on November 10, 2016 under Section 24(1) of Reserve Bank of India (RBI) Act, 1934, to expeditiously meet the currency requirement of the economy post withdrawal of legal tender status of all ₹500 and ₹1000 banknotes in circulation at that time. Vide RBI's Press Release dated 19.05.2023 ([https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=55707](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=55707)), RBI has conveyed that about 89% of ₹2000 denomination notes were issued prior to March 2017 and are close to the end of their useful life which spans from 4-5 years. According to Pan-India survey of public conducted by RBI, ₹ 2000 denomination banknotes are no longer preferred for transactions. Further, the stock of banknotes in other denominations continues to be adequate to meet the currency requirement of the public. In view of above and in pursuance of RBI's "Clean Note Policy", Reserve Bank of India decided to withdraw the ₹2000 denomination banknotes from circulation.

As per the RBI Annual Report 2016-17, the total expenditure incurred on security printing stood at ₹7965 crore for the year July 2016-June 2017.

According to RBI, as on 30.6.2023, the value of ₹2000 denomination banknotes in circulation is ₹0.84 lakh crore and the percentage of ₹2000 denomination in total banknotes in circulation is 2.51%. State/UT wise information on deposit of ₹2000 denomination banknote is not being compiled by RBI.

(b): No Sir,

(c): The process of withdrawal of ₹2000 banknotes is as per RBI Press Release dated 19.05.2023 {mentioned in para (a) above} and separate guidelines issued to all banks vide RBI circulars dated 19.05.2023 (<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12505&Mode=0>) and 22.05.2023 (<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12506&Mode=0>).

(d): At present, this matter is not under consideration.

(e): No, Sir.

(f): According to RBI, the withdrawal was a currency management operation planned to avoid any inconvenience to public or any disruption in the economy. Further, withdrawal of ₹2000 banknotes has been factored in, in the current year's requirement and sufficient buffer stock of banknotes in other denominations is being maintained across the country to meet exchange / withdrawal requirements.

(g): As per RBI, currency in denomination of ₹10 and ₹20 is available either in the form of banknotes or coins. As regards currency in denomination of ₹50, adequate quantity of banknotes are available for the use of the members of the public. Hence, there is no shortage of currency.

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