

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
LOK SABHA UNSTARRED QUESTION NO. 1235
TO BE ANSWERED ON 11.12.2023

Impact of Scrapping Currency Notes on the Growth of Indian Economy

1235. DR. ALOK KUMAR SUMAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the decision to scrap currency notes has slowed down the growth of Indian economy by such a long margin that growth has not returned yet;
- (b) if so, the details thereof;
- (c) the number of Rs. 2000 currency notes yet to be received and yet to be scrapped; and
- (d) the total amount spent on scrapping of currency notes in the country?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b) No Sir.

(c) As on May 19, 2023, when the withdrawal from circulation was announced vide Reserve Bank of India's (RBI's) Press Release dated 19.05.2023, total value of ₹2000 denomination banknotes in circulation was ₹3.56 lakh crore. Of which, the total value of banknotes returned to RBI (till November 30, 2023) is ₹3.46 lakh crore. Total value of ₹2000 banknotes remaining in circulation as on November 30, 2023 is ₹9760 crore.

(d) As per RBI, the withdrawal of ₹ 2000 denomination banknotes from circulation was a currency management operation and was planned keeping in view the Clean Note Policy of RBI. About 89% of ₹2000 denomination notes were issued prior to March 2017 and were close to the end of their useful life which spans from 4-5 years. Hence, expenditure on this has not been calculated separately.
