

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
LOK SABHA UNSTARRED QUESTION NO. 3232  
TO BE ANSWERED ON 09.08.2021

Less Cash Economy

3232. SHRI BALUBHAU ALIAS SURESH NARAYAN DHANORKAR:  
SHRI K. NAVASKANI:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has recently announced that India has shifted from being a cash economy to less cash economy;
- (b) if so, whether it is true that in November 2016, the cash with public was Rs. 17.74 lakh crore before demonetisation;
- (c) if not, the exact cash with public before demonetisation;
- (d) whether it is also true that in January 2021, the cash with public is Rs. 27.17 lakh crore and if not, the exact cash with public in January 2021; and
- (e) whether the Government is not aware that India has now become a more-cash economy than before and if so, the details thereof?

ANSWER

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

(a): It is the policy of the Government to move towards less cash economy and a digital payment ecosystem.

(b) to (d): As per weekly statistical supplement of RBI, the Notes in Circulation (NIC) were ₹17,74,187 crores as on November 04, 2016 and ₹27,80,045 crores as on January 29, 2021.

(e): The quantum of bank notes in the economy broadly depends on the requirement for meeting the demand for bank notes due to GDP growth, inflation, and replacement of soiled bank notes and growth in non-cash modes of payment. The total volumes of digital payments have also increased from 1459.02 crore in FY 2017-18 to 4371.18 crore in FY 2020-21 due to sustained efforts towards digitalisation.

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