GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
LOK SABHA UNSTARRED QUESTION NO. 1335
TO BE ANSWERED ON JULY 27, 2026 / SHRAVANA 5, 1948 (SAKA)

Introduction of Plastic Notes

1335. Shri Ramprit Mandal:
Smt. Krishna Devi Shivshankar Patel:

Will the Minister of FINANCE be pleased to state:
(a) whether it is a fact that the Government and the Reserve Bank of India proposes to introduce polymer/plastic notes;
(b) if so, the reasons therefor and the manner in which this is likely to impact the digital payment system;
(c) whether the Government proposes to replace paper currency with polymer notes within a timeframe; and
(d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): The Reserve Bank of India (RBI), with the recommendation of its Central Board, had sent a proposal to the Government in terms of Section 25 of the Reserve Bank of India Act, 1934, for introduction of one billion pieces each of ₹10 and ₹20 polymer banknotes for field trials and for regular issuance of polymer banknotes in these two denominations after successful completion of field trials. The proposal has been approved by the Government.

(b): RBI had informed that as per international studies, the life span of polymer banknotes is significantly higher than that of paper banknotes. The introduction of polymer banknotes is currently in a preliminary phase and the impact on digital payments, if any, could be ascertained only after regular issuance of these notes. Moreover, banknotes and digital payment systems are complementary payment tools available to public.

(c) & (d): As per RBI, Polymer banknotes are proposed to be issued along with paper substrate-based banknotes and that there is no proposal to replace paper currency with polymer substrate-based banknotes.

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