

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:929
ANSWERED ON:05.08.2011
CIRCULATION OF COINS
Singh Shri Rakesh

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has discontinued or decided to discontinue the circulation of 25 paise and other lower denomination coins in the country;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has taken into consideration the plight of consumers who would have to pay more for the products for payments of which these coins are required or they will have to increase or decrease the quantity of the product; and
- (d) if so, the steps taken thereto?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE(SHRI NAMO NARAIN MEENA)

- (a) Yes, Sir. The Government has decided to call in from circulation the coins of the denomination of 25 paise and below with effect from 30.06.2011.
- (b) Over a period of time, the metal value of these coins exceeded the face value, thus rendering these coins liable to melting and sale by unscrupulous elements. Moreover, these coins were hardly in demand. Therefore, a decision was taken by the Government to call in from circulation the coins of the denomination of 25 paise and below.
- (c)& (d): The Ministry has advised the concerned Ministries/Departments to make appropriate changes in the prices of various commodities, items, and taxes/levies etc., consequent upon the call in of coins of 25 paise and below from circulation.