

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2892
ANSWERED ON:29.08.2012
FIBRE CURRENCY
Choudhary Shri Bhudeo

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to launch fibre currency in the country;
- (b) If so, the time by which it is likely to be launched;
- (c) the denomination of the new notes proposed to be circulated in future and the details of the procedure for phasing out the old notes of the denomination of 500 and 1000 along with the reaction thereof; and
- (d) the expenditure estimated to be incurred on printing of fibre currency?

Answer

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

- (a) & (b) It has been decided by the Government of India and the Reserve Bank of India (RBI) to introduce ? 10 notes in polymer/plastic on a field trial basis. The policy of production of currency notes is a dynamic and continuous process which is carried out in accordance with extant guidelines.
- (c) The Reserve Bank of India has informed that they do not propose to introduce any new denomination notes for circulation. On periodical basis, measures are initiated to phase out bank notes in old series in a phased and non-disruptive manner. However, the bank notes of old series continue to be legal tender.
- (d) The expenditure estimated to be incurred would be finalized in accordance with extant guidelines.