

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:337  
ANSWERED ON:23.11.2012  
INTRODUCTION OF NOTES AND COINS  
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**Will the Minister of FINANCE be pleased to state:**

- (a) whether Government has plans to completely replace 10 rupee notes with 10 rupee coins in the country;
- (b) if so, the reasons therefor;
- (c) whether the Government has studied the relative cost effect in this regard;
- (d) if so, the details thereof;
- (e) whether Government also plans to introduce polymer notes in place of paper notes in the country;
- (f) if so, whether this will apply to all denomination of notes; and
- (g) if so, the details thereof?

**Answer**

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

(a) to (d) The Reserve Bank of India has informed that in the long run, RBI plans to gradually replace the ₹ 10 banknotes with ₹ 10 coins in the country. However, this will depend upon the capacity of the Mints to supply the required quantity of coins. They have further informed that the average life of a ₹ 10 denomination bank note is approximately 9-10 months and its average cost of printing is 96 paise per piece. The cost of minting of ₹ 10 coin is ₹ 6.1064. Considering the short life span of ₹ 10 banknote, printing of the note is not cost effective.

Accordingly, Government had issued a notification dated 24.7.2007 in respect of coinization of ₹ 10 and thereafter coins of ₹ 10 were put into circulation in March 2009.

(e) to (g) With a view to elongating the life of the banknotes, particularly lower denominations, it has been decided by the Government of India and Reserve Bank of India (RBI) to conduct field trial of one billion polymer/plastic notes of the denomination of ₹ 10.