



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2016-17/112

DCM (PIg) No.1226/10.27.00/2016-17

November 08, 2016

The Chairman / Managing Director/ Chief Executive Officer,
Public Sector Banks/ Private Sector Banks / Foreign Banks/ Regional Rural
Banks / Urban Cooperative Banks/ State Cooperative Banks

Dear Sir

Withdrawal of Legal Tender Character of existing ₹ 500/- and ₹ 1000/- Bank Notes

In terms of Gazette Notification No 2652 dated November 08, 2016 issued by Government of India, ₹ 500 and ₹ 1000 denominations of Bank Notes of the existing series issued by Reserve Bank of India (hereinafter referred to as Specified Bank Notes) shall cease to be legal tender with effect from 9th November, 2016, to the extent specified in the Notification. A new series of Bank Notes called Mahatma Gandhi (New) Series having different size and design, highlighting the cultural heritage and scientific achievements of the country, will be issued. Bank branches will be the primary agencies through which the members of public and other entities will be exchanging the Specified Bank Notes for Bank Notes in other valid denominations or depositing the Specified Bank Notes for crediting to their accounts, upto and including the December 30, 2016. Therefore, banks have to accord highest priority to this work.

In order to enable the members of public and other entities to exchange their existing ₹ 500/- and ₹ 1000/- notes, the following arrangements have to be made by the banks.

मुद्रा प्रबंध विभाग, केन्द्रीय कार्यालय, चौथी मंज़िल, अमर बिल्डिंग, सर पी. एम. मार्ग, पोस्ट बॉक्स स. 1379, मुंबई -400 001(भारत)

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हिन्दी आसान है, इसका प्रयोग बढ़ाइए



2. Action to be taken on November 09, 2016

- i) November 09, 2016 (Wednesday) shall be a non-business working day for all banks. However, branches will function on that day to carry out preparations for implementing the scheme as per this circular.
- ii) The Specified Bank Notes stocked in ATMs, Cash Deposit Machines, Cash Recyclers, Coin Vending Machines, any other cash dispensing/receiving machine, CIT Companies and Business Correspondents attached to the branch will have to be called back forthwith. The sponsor banks of White Label ATMs will be responsible for recalling the Specified Bank Notes from the White Label ATMs sponsored by them.
- iii) Banks should take steps to stop issuing Specified Bank Notes through their branches, business correspondents from November 9, 2016.
- iv) All ATMs, Cash Deposit Machines, Cash Recyclers and any other machine used for receipt and payment of cash shall be shut on 9th and 10th November, 2016.
- v) All ATMs and cash dispensing machines will have to be re-configured to disburse bank notes of ₹ 100/- and ₹ 50/- denominations prior to reactivation of the machines on 11th November, 2016; however banks should await separate instructions from Reserve Bank of India on issuing Mahatma Gandhi (New) series Notes through ATMs and cash dispensing machines though they can be issued over the counters from Nov 9, 2016.
- vi) Every banking company defined under the Banking Regulation Act, 1949 and every Treasury shall complete and forward a return in the format specified in **Annex-1** showing the details of the Specified Bank Notes held by it at the close of business as on 8th November 2016, not later than 13:00 hrs on November 10, 2016 to the concerned Regional Office of Reserve Bank of India under whose jurisdiction the Head office of the bank is located. The return should also include details of Specified Bank Notes recalled from ATMs, Cash Deposit Machines, Cash Recyclers, Coin Vending Machines, CIT Companies, Business Correspondents, etc.



- vii) Arrangement should be made by the branches to promptly deposit these Specified Bank Notes with the linked currency chest / RBI and get the amount credited to their account.
- viii) Branches should estimate their cash requirement and obtain from the linked / nearby currency chest /RBI Bank Notes of other valid denominations.
- ix) Cash Deposits machines / Cash Recyclers should continue to accept Specified Bank Notes upto December 30, 2016.
- x) Information Material for educating the public regarding withdrawal of Legal Tender character of the Specified Bank Notes (as per Annex-2) and salient features of the Mahatma Gandhi (New) Series Bank Notes (Annex-3) are required to be printed/copied in adequate quantity and distributed to the public / displayed in the banking hall / ATM kiosks.
- xi) Banks should identify the staff for managing the exchange counters and brief them properly about the scheme and the procedure to be followed. A copy of the FAQs provided in Annex-4 may be supplied to the staff manning the exchange counters.
- xii) Banks should provide adequate number of note counting machines, UV Lamps, note sorting machines etc. at their counters to take care of the work load and timely detection of counterfeit notes. As already advised vide our [circular No DCM \(FNVD\) No.1134/16.01.05/2016-17 dated October 27, 2016](#), the banking hall, public areas and counters should be under CCTV surveillance and recording should be preserved.

3. Action to be taken on November 10, 2016

- a. Bank branches will commence normal operations on November 10, 2016.
- b. Banks have to accord top priority to provide facility for exchanging / accepting deposits of Specified Bank Notes and open additional counters to meet the public demand and keep the counters open for extended hours, if necessary. Maximum staff should be deployed for this purpose. If necessary banks may consider hiring retired employees for a temporary period to take care of additional work load.



c. Provision of Exchange Facility:

The specified bank notes held by a person other than a banking company referred to in sub-paragraph (1) of paragraph 1 or Government Treasury may be exchanged at any Issue Office of the Reserve Bank or any branch of public sector banks, private sector banks, foreign banks, Regional Rural Banks, Urban Cooperative Banks and State Cooperative Banks for a period up to and including the 30th December, 2016, subject to the following conditions, namely:—

(i) the specified bank notes of aggregate value of ₹ 4,000/- or below may be exchanged for any denomination of bank notes having legal tender character, with a requisition slip in the format specified by the Reserve Bank and proof of identity; the limit of ₹ 4,000/- for exchanging specified bank notes shall be reviewed after fifteen days from the date of commencement of this notification and appropriate orders may be issued, where necessary;

(iii) there shall not be any limit on the quantity or value of the specified bank notes to be credited to the account maintained with the bank by a person, where the specified bank notes are tendered; however, where compliance with extant Know Your Customer (KYC) norms is not complete in an account, the maximum value of specified bank notes as may be deposited shall be ₹ 50,000/-;

(iv) The equivalent value of specified bank notes tendered may be credited to an account maintained by the tenderer at any bank in accordance with standard banking procedure and on production of valid proof of Identity;

(v) the equivalent value of specified bank notes tendered may be credited to a third party account, provided specific authorisation therefor accorded by the third party is presented to the bank, following standard banking procedure and on production of valid proof of identity of the person actually tendering, as indicated in Annex-5;



(vi) cash withdrawal from a bank account over the counter shall be restricted to ₹ 10,000/- per day subject to an overall limit of ₹ 20,000/- a week from the date of the notification until the end of business hours on 24th November, 2016, after which these limits shall be reviewed;

(vii) there shall be no restriction on the use of any non-cash method of operating the account of a person including cheques, demand drafts, credit or debit cards, mobile wallets and electronic fund transfer mechanisms or the like;

(viii) withdrawal from Automatic Teller Machines (hereinafter referred to as ATMs) shall be restricted to ₹ 2,000 per day per card up to 18th November, 2016 and the limit shall be raised to ₹ 4,000 per day per card from 19th November, 2016;

(ix) any person who is unable to exchange or deposit the specified bank notes in their bank accounts on or before the 30th December, 2016, shall be given an opportunity to do so at specified offices of the Reserve Bank or such other facility until a later date as may be specified by it.

(x) Business Correspondents (BCs) may also be allowed to exchange Specified Bank Notes upto ₹ 4000/- per person as in the case of bank branches, against valid identity proof and requisition slip. For this purpose banks may, at their discretion, enhance the cash holding limits of BCs at least till December 30, 2016.

(xi) While crediting the value of Specified Bank Notes to Jan Dhan Yojna Accounts, the usual limits will apply mutatis mutandis.

4. Reporting Mechanism

Each bank branch exchanging Bank Notes in the denominations of ₹ 500/- and ₹ 1,000/- shall report at the close of business on each day starting from November 10, 2016 till the closure of the scheme on December 30, 2016 (or till any other date thereafter as may be advised by RBI) by email or Fax to their Controlling Office a statement as per Annex-6 showing the details of



Specified Bank Notes exchanged by it and the respective Controlling Offices will aggregate these as per Annex-6A and report to the Department of Currency Management, RBI, Central Office by [email](#) on a daily basis.

5. Banks may issue detailed instructions to their branches advising them to strictly adhere to the norms of the scheme and procedures laid down above. The staff at the branch level, particularly the tellers, should be adequately sensitized. For this purpose, information as available at our website (www.rbi.org.in) and Government of India website may be used. Staff should familiarise themselves with the FAQs (as per Annex-4).
6. Banks should make copies of information material (As available at Annex-2, Annex-3 and Annex-4) and distribute these to the public.
7. Bank should issue instructions to BCs, ATM Switch Operators and CIT Companies on various aspects of the above scheme relevant to them.
8. Banks should monitor the implementation of the scheme on a day to day basis through a monitoring cell headed by an Officer not below the rank of a General Manager, who will act as a Nodal Officer. The Contact details of the Nodal officer will be reported to the concerned Regional Office of RBI, with a copy to RBI Central Office, Mumbai through email as indicated below.
9. RBI has opened a Control Room at its Central Office for monitoring the progress and providing guidance to banks and members of public. The email id and telephone numbers of the Control room are as under:

Email id: bankquery@rbi.org.in

Telephone No: 022 22602804 / 022 22602944



10. Please acknowledge receipt.

Yours faithfully

(P Vijaya Kumar)

Chief General Manager

Encl: as above

**Annex-1**

Statement to be submitted by bank branches to their Controlling Office by 13:00 hrs on November 09, 2016

Details of withdrawn banknotes in the denominations of ₹ 500/- and ₹ 1000/- held in the custody of the branch including those in ATMs, cash recyclers, Cash dispensing machines, Coin Vending Machines and any other machine accepting or disbursing cash, attached to it, as at the midnight of November 08, 2016

Name of the Bank: _____

Name of the Branch: _____ IFSC Code: _____

Denomination	Number of Pieces	Total value
₹ 500		
₹ 1000		
TOTAL		

Name and Designation of the Branch In-charge

Signature of the Branch In-charge _____

Date: _____

Place: _____

**Annex-2**

Withdrawal of Legal Tender Character from existing series of
Bank Notes in the denominations of ₹ 500 and ₹ 1000 -
Salient features of the scheme

1. In terms of Gazette Notification No 2652 dated November 08, 2016 issued by Government of India, existing series of banknotes in the denominations of ₹ 500/- and ₹ 1000/- issued by the Reserve Bank of India upto November 8, 2016, hereinafter referred to as Specified Bank Notes (SBN), shall cease to be legal tender in payment or on account at any place with effect from the 9th November, 2016.

2. SBN held by a person other than a bank or Government Treasury may be exchanged at the 19 Issue Offices of the Reserve Bank of India and all branches of public sector banks, private sector banks, foreign banks, Regional Rural Banks, Urban Cooperative Banks and State Cooperative banks only upto and including December 30, 2016, on tender of the SBN subject to the following conditions:
 - (a) SBN of aggregate value upto ₹ 4000 only held by a person can be exchanged by him/her at any bank branch or Issue Office of Reserve Bank of India for any other denomination of Banknotes, provided a Requisition Slip as per format prescribed in **Annex-5** is presented with proof of identity (as indicated in Annex-5), along with the High Denomination Banknotes.
 - (b) Where the aggregate value of the SBN tendered exceeds ₹ 4000, the equivalent value will be credited to the account of the tenderer maintained with the bank where the High Denomination Banknotes are tendered. The limit of ₹ 4000/- for exchanging SBN at bank branches or at Issue Offices of Reserve Bank of India will be reviewed after 15 days.
 - (c) There will be not be any limit on the quantity or value of SBN to be credited to the account of the tenderer, maintained with the bank where the SBN are tendered.



- (d) The equivalent value of the SBN tendered can be credited to an account maintained by the tenderer at any bank in accordance with standard banking procedure and on production of valid proof of Identity.
- (e) The equivalent value of the SBN tendered can be credited to a third party account provided specific authorization therefor accorded by the said account holder is presented to the bank, following standard banking procedure and on production of valid proof of Identity of the person actually tendering.
- (f) In accounts where compliance with extant Know Your Customer (KYC) norms is not complete, a maximum value of ₹ 50,000/- of SBN can be deposited.
- (g) Cash Withdrawal from a bank account over the counter will be restricted to ₹ 10,000/- subject to an overall limit of ₹ 20,000/- in a week for the first fortnight.
- (h) There will be no restriction on the use of any non-cash method of operating the account which will include cheques, demand drafts, credit/debit cards, mobile wallets and electronic fund transfer mechanisms.
- (i) Withdrawal from ATMs would be restricted to ₹ 2,000/- per day per card up to November 18, 2016. The limit will be raised to ₹ 4,000/- per day per card from November 19, 2016 onwards. All ATMs will dispense ₹ 100 and/or ₹ 50 denomination Banknotes only until further instructions from RBI.
- (j) For those who are unable to exchange their SBN on or before December 30, 2016, an opportunity will be given to them to do so at specified offices of the RBI until a later date, along with necessary documentation as may be specified by the Reserve Bank of India.



Annex-3

Features of Mahatma Gandhi (New) Series Bank Notes -

Salient features of ₹ 2000/- Bank Note

Now your bank notes in a new design
RBI issues ₹2000 note in a new series

The Reserve Bank of India is introducing new design banknotes in the denomination of ₹2000 as part of **Mahatma Gandhi (New) Series**. The new denomination has motif of the **Mangalyaan** on the reverse, depicting the country's first venture in interplanetary space. The base colour of the note is magenta. The note has other designs, geometric patterns aligning with the overall colour scheme, both on the obverse and the reverse. The size of the new note is 66mm x 166mm.

Features of the New ₹2000 Notes:

<p>Obverse:</p> <ol style="list-style-type: none"> 1 See through register with denomination numeral 2000 can be seen when the note is held against light 2 Latent image with denomination numeral 2000 which can be seen when the banknote is held at 45 degree angle at the eye level 3 Denomination numeral 2000 in Devnagari 4 Portrait of Mahatma Gandhi in the centre 5 Micro letters 'RBI' and '2000' 6 Windowed security thread with inscriptions 'भारत', RBI and 2000 with colour shift. Colour of the thread changes from green to blue when the note is tilted 	<ol style="list-style-type: none"> 7 Guarantee Clause, Governor's signature with Promise Clause and RBI emblem towards right 8 Mahatma Gandhi portrait and electrotpe (2000) watermarks 9 Number panel with numerals growing from small to big on the top left side and bottom right side 10 Denomination numeral with Rupee Symbol, ₹2000 in colour changing ink (green to blue) on bottom right 11 Ashoka Pillar emblem on the right 	<p>For visually impaired:</p> <p>Intaglio or raised printing of Mahatma Gandhi portrait, Ashoka Pillar emblem, bleed lines and identification mark</p> <ol style="list-style-type: none"> 12 Horizontal rectangle with ₹2000 in raised print on the right 13 Seven angular bleed lines on left and right side in raised print <p>Reverse:</p> <ol style="list-style-type: none"> 14 Year of printing of the note 15 Swachh Bharat logo with slogan 16 Language panel towards the centre 17 Motif of Mangalyaan - reflecting country's first venture in the interplanetary space
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For more details on banknotes in the denomination of ₹2000 please visit: www.paisaboltahai.rbi.org.in

New design notes in other denominations will follow

Issued in public interest by

भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in



Salient Features of New ₹ 500 notes

To be inserted



Annex-4

FAQs on Withdrawal of Legal Tender Character of the existing Bank Notes in the denominations of ₹ 500/- and ₹ 1000/-

1. Why is this scheme introduced?

The incidence of fake Indian currency notes in higher denomination has increased. For ordinary persons, the fake notes look similar to genuine notes, even though no security feature has been copied. The fake notes are used for antinational and illegal activities. High denomination notes have been misused by terrorists and for hoarding black money. India remains a cash based economy hence the circulation of Fake Indian Currency Notes continues to be a menace. In order to contain the rising incidence of fake notes and black money, the scheme to withdraw has been introduced.

2. What is this scheme?

The legal tender character of the existing bank notes in denominations of ₹ 500 and ₹ 1000 issued by the Reserve bank of India till November 8, 2016 (hereinafter referred to as Specified Bank Notes) stands withdrawn. In consequence thereof these Bank Notes cannot be used for transacting business and/or store of value for future usage. These Bank Notes can be exchanged for value at any of the 19 offices of the Reserve Bank of India or at any of the bank branches or at any Head Post Office or Sub-Post Office.

3. How much value will I get?

You will get value for the entire volume of notes tendered at the bank branches / RBI offices.

4. Can I get all in cash?

No. You will get upto ₹ 4000 per person in cash irrespective of the size of tender and anything over and above that will be receivable by way of credit to bank account.

5. Why I cannot get the entire amount in cash when I have surrendered everything in cash?

The Scheme does not provide for it, given its objectives.

6. ₹ 4000 cash is insufficient for my need. What to do?

You can use balances in bank accounts to pay for other requirements by cheque or through electronic means of payments such as Internet banking, mobile wallets, IMPS, credit/debit cards etc.



7. What if I don't have any bank account?

You can always open a bank account by approaching a bank branch with necessary documents required for fulfilling the KYC requirements.

8. What if, if I have only JDY account?

A JDY account holder can avail the exchange facility subject to the caps and other laid down limits in accord with norms and procedures.

9. Where can I go to exchange the notes?

The exchange facility is available at all Issue Offices of RBI and branches of commercial banks/RRBS/UCBs/State Co-op banks or at any Head Post Office or Sub-Post Office.

10. Need I go to my bank branch only?

For exchange upto 4000 in cash you may go to any bank branch with valid identity proof.

For exchange over 4000, which will be accorded through credit to Bank account only, you may go to the branch where you have an account or to any other branch of the same bank.

In case you want to go to a branch of any other bank where you are not maintaining an account, you will have to furnish valid identity proof and bank account details required for electronic fund transfer to your account.

11. Can I go to any branch of my bank?

Yes you can go to any branch of your bank.

12. Can I go to any branch of any other bank?

Yes, you can go to any branch of any other bank. In that case you have to furnish valid identity proof for exchange in cash; both valid identity proof and bank account details will be required for electronic fund transfer in case the amount to be exchanged exceeds ₹ 4000.

13. I have no account but my relative / friend has an account, can I get my notes exchanged into that account?

Yes, you can do that if the account holder relative/friend etc. gives you permission in writing. While exchanging, you should provide to the bank, evidence of permission given by the account holder and your valid identity proof.



14. Should I go to bank personally or can I send the notes through my representative?

Personal visit to the branch is preferable. In case it is not possible for you to visit the branch you may send your representative with an express mandate i.e. a written authorisation. The representative should produce authority letter and his / her valid identity proof while tendering the notes.

15. Can I withdraw from ATM?

It may take a while for the banks to recalibrate their ATMs. Once the ATMs are functional, you can withdraw from ATMs upto a maximum of ₹ 2,000/- per card per day upto 18th November, 2016. The limit will be raised to ₹ 4000/- per day per card from 19th November 2016 onwards.

16. Can I withdraw cash against cheque?

Yes, you can withdraw cash against withdrawal slip or cheque subject to ceiling of ₹ 10,000/- in a day within an overall limit of ₹ 20,000/- in a week (including withdrawals from ATMs) upto 24th November 2016, after which these limits shall be reviewed.

17. Can I deposit Specified Bank Notes through ATMs, Cash Deposit Machine or cash Recycler?

Yes, Specified Bank Notes can be deposited in Cash Deposits machines / Cash Recyclers.

18. Can I make use of electronic (NEFT/RTGS /IMPS/ Internet Banking / Mobile banking etc.) mode?

You can use NEFT/RTGS/IMPS/Internet Banking/Mobile Banking or any other electronic/ non-cash mode of payment.

19. How much time do I have to exchange the notes?

The scheme closes on 30th December 2016. The Specified banknotes can be exchanged at branches of commercial banks, Regional Rural Banks, Urban Cooperative banks, State Cooperative Banks and RBI till 30th December 2016.

For those who are unable to exchange their Specified Bank Notes on or before December 30, 2016, an opportunity will be given to them to do so at specified offices of the RBI, along with necessary documentation as may be specified by the Reserve Bank of India.

**20. I am right now not in India, what should I do?**

If you have Specified banknotes in India, you may authorise in writing enabling another person in India to deposit the notes into your bank account. The person so authorised has to come to the bank branch with the Specified banknotes, the authority letter given by you and a valid identity proof (Valid Identity proof is any of the following: Aadhaar Card, Driving License, Voter ID Card, Pass Port, NREGA Card, PAN Card, Identity Card Issued by Government Department, Public Sector Unit to its Staff)

21. I am an NRI and hold NRO account, can the exchange value be deposited in my account?

Yes, you can deposit the Specified banknotes to your NRO account.

22. I am a foreign tourist, I have these notes. What should I do?

You can purchase foreign exchange equivalent to ₹ 5000 using these Specified Bank Notes at airport exchange counters within 72 hours after the notification, provided you present proof of purchasing the Specified Bank Notes.

23. I have emergency needs of cash (hospitalisation, travel, life saving medicines) then what I should do?

You can use the Specified Bank Notes for paying for your hospitalisation charges at government hospitals, for purchasing bus tickets at government bus stands for travel by state government or state PSU buses, train tickets at railway stations, and air tickets at airports, within 72 hours after the notification.

24. What is proof of identity?

Valid Identity proof is any of the following: Aadhaar Card, Driving License, Voter ID Card, Pass Port, NREGA Card, PAN Card, Identity Card Issued by Government Department, Public Sector Unit to its Staff.

25. Where can I get more information on this scheme?

Further information is available at our website (www.rbi.org.in) and Gol website

26. If I have a problem, whom should I approach?

You may approach the control room of RBI by [email](mailto:controlroom@rbi.org.in) or on Telephone Nos 022 22602201/022 22602944



Annex-5

Request Slip for exchange of Old High Denomination Bank Notes
in denominations of ₹ 500/- and ₹ 1000/-

Name of the Bank

Branch: _____

Name of the Tenderer (In capital Letters)			
Identity Proof Original to be shown at the counter (Tick the one applicable)	Aadhaar Card, Driving License, Voter ID Card, Pass Port, NREGA Card, PAN Card, Identity Card Issued by Government Department, Public Sector Unit to its Staff,		
Identification Number (Number mentioned in the Identity Proof submitted)			
Details of Old High Denomination Bank Notes submitted for exchange	Denomination	No of Pieces	Value
	₹ 500		
	₹ 1000		
	TOTAL		
	Total value in words:		
Signature of Tenderer			
Place:			
Date:			



Annex-6

Format for reporting daily exchange of withdrawn bank notes in the denominations of ₹ 500/- and ₹ 1000/- to the Controlling Office

Name of the Bank: _____

Name of the Branch: _____ IFSC Code: _____

The Bank Notes exchanged at the branch on _____ are as under:

Denomination	Number of Pieces	Total value
₹ 500		
₹ 1000		
TOTAL		

Name and Designation of the Branch In-charge

Signature of the Branch In-charge _____

Date: _____

Place: _____



Annex-6A

Format for reporting to RBI Central Office ([Email](#)) on a daily basis the exchange of withdrawn banknotes in the denominations of ₹ 500/- and ₹ 1000/- at the branches of the bank

Name of the Bank: _____

The withdrawn banknotes exchanged on (Date) _____ are as under:

Denomination	Number of Pieces	Total value
₹ 500		
₹ 1000		
TOTAL		

Name and Designation of the Reporting Officer

Signature of the Reporting Officer _____

Date: _____

Place: _____