

**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 08, 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 November 09, 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.