

Embassy of India
Bishkek

The Government of India vide its Notification of 8th November 2016 had declared the then existing series of bank notes of the denominational value of five hundred rupees and one thousand rupees to cease to be a legal tender with effect from the 9th November 2016. As per this notification, those persons who were unable to exchange or deposit the old series Indian bank notes of Rs. 500 and 1000 denominations (Specified bank notes – SBNs) in their bank accounts on or before 30 December 2016 shall be given an opportunity to do so.

Accordingly, the Ministry of Finance, Government of India, has now announced that the facility to tender these SBNs at the specified Issue Offices of Reserve Bank of India would be available till 30 June 2017 for those citizens of India, who are not resident in India in order to allow them adequate time to plan a visit as per their convenience. The facility to tender these SBNs at the specified RBI Issue Offices would also be available until 31 March 2017 to all India citizens who were outside India from 9 November 2016 to 30 December 2016.

The above facility would be subject to Foreign Exchange Management Regulations. As per these regulations, bringing back such currency into the country is restricted to Rs. 25,000/- per person. At the time of return to India the number and denominations of the SBN will need to be declared to the Customs authorities at the airport and other entry points. Any false declaration will invite a fine of Rs. 50,000 or five times the amount of the face value of the SBN tendered, whichever is higher.

After the period of exchange is over, the liability of the Reserve Bank and the guarantee of the Central Government towards the Specified Bank Notes will stand extinguished. After this period, holding, transferring and receiving SBNs will attract a fine of Rs. 10,000/- or five times the amount of the face value of the SBN involved in the contravention, whichever is higher.

Links for the relevant notifications are:

<http://dea.gov.in/sites/default/files/Ordinance%2010%20of%202016%2030.12.2016.pdf>

<http://dea.gov.in/sites/default/files/24Notification%2030.12.2016.pdf>

(Kanti Raman)
Second Secretary and
Head of Chancery
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