

ATTENTION NEEDED:

RBI withdraws Rs 2,000 bank notes from circulation

RBI on 2000 Rupee note: RBI to withdraw Rs 2,000 notes from circulation; notes will continue to be legal tender



“Second surgical strike on black money”

- The Reserve Bank of India (RBI) on Friday announced that Rs. 2,000 currency notes are being withdrawn from circulation. In a release, the central bank said that this is being done under its "Clean Note Policy".
- The RBI has said banknotes in RS. 2,000 denomination will continue to be legal tender, which implies a consumer can purchase goods using the currency.
- **Here are 5 points from the RBI release:**

The RBI said that Rs 2,000 note will continue to remain a legal tender, which means they will be accepted if offered in payment of a debt. The bank also announced time limit to take the note off circulation. It asked people to exchange them at banks by September 30.

- The window to exchange Rs. 2,000 notes will open on May 23, since the RBI wants to give banks time to make preparatory arrangements. The facility to exchange Rs. 2,000 notes will also be **available at 19 regional offices of RBI.**
- There is a cap on the amount of Rs. 2,000 bank notes that can be exchanged. As per the RBI release, people can exchange up to a limit of **Rs. 20,000 at a time.** They can also approach a Business Correspondent (BC), an extended arm of a bank branch who provides financial and banking services in unbanked and under banked areas. The limit in this case is **Rs. 4,000 per day.**

- It is also not necessary for a person to be a customer of the bank to exchange soon-to-be-discontinued currency. A non-account holder can exchange Rs. 2,000 banknotes up to a limit of Rs. 20,000 at a time at any bank branch.
- The RBI clarified that people don't have to pay any fee to avail the exchange facility. Further, banks have been instructed to make arrangements to reduce inconvenience for the senior citizens and persons with disabilities who wish to exchange or deposit Rs. 2,000 banknotes.

How to Exchange Your 2,000 Notes after RBI Announcement

The RBI has asked banks to stop the issuance of Rs. 2,000 denomination banknotes “with immediate effect”. As a citizen, you need to follow these steps to exchange your Rs. 2,000 notes:

Don't panic. These are main points of circular.

It may be noted that RBI had undertaken a similar withdrawal of notes from circulation in 2013-2014.

- You can deposit your Rs. 2,000 bank note into your bank account and/or exchange them into banknotes of other denominations at any bank branch.
- Deposit into bank accounts can be made in the usual manner, that is, without restrictions and subject to applicable provisions.
- The exchange of Rs. 2,000 banknotes into banknotes of other denominations can be made up to a limit of Rs. 20,000/- at a time at any bank starting from May 23, 2023. All banks will provide deposit and/or exchange facility for Rs. 2,000 banknotes until September 30, 2023.
- Citizens can utilize time up to September 30, 2023 to deposit and/or exchange the Rs. 2,000 banknotes.

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