

ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳ ಸಚಿವಾಲಯ
ಅಧಿಸೂಚನೆ

ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ ದಿನಾಂಕ: 29ನೇ ಜೂನ್ 2017, ಭಾಗ- IV, ಪುಟ ಸಂಖ್ಯೆ: 277-279

ಸಂಖ್ಯೆ: ಸಂವ್ಯಾಜಿ 02 ಕೇಶಾಪ 2017, ಬೆಂಗಳೂರು, ದಿನಾಂಕ: 23ನೇ ಜನವರಿ 2017

ದಿನಾಂಕ : 30-12-2016 ರಂದು ಭಾರತ ಸರ್ಕಾರದ ಗೆಜೆಟ್‌ನ ವಿಶೇಷ ಸಂಚಿಕೆಯ ಭಾಗ-II ಸೆಕ್ಷನ್ (1) ರಲ್ಲಿ ಪ್ರಕಟವಾದ ಈ ಕೆಳಕಂಡ The Specified Bank Notes (Cessation of Liabilities) Ordinance, 2016 (No. 10 of 2016) ದಿನಾಂಕ: 30-12-2016 ಅನ್ನು ಸಾರ್ವಜನಿಕರ ಮಾಹಿತಿಗಾಗಿ ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರದಲ್ಲಿ ಮ ದ ಪ್ರಕಟಿಸಲಾಗಿದೆ.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 30th December, 2016/Pausha 9, 1938 (Saka)

THE SPECIFIED BANK NOTES (CESSATION OF LIABILITIES) ORDINANCE, 2016

No.10 OF 2016

Promulgated by the President in the Sixty-seventh Year of the Republic of India.

An Ordinance to provide for cessation of liabilities on the specified bank notes and for matters connected therewith or incidental

thereto.

Whereas, the Central Government, on the recommendations of the Central Board of the Reserve Bank, vide notification No. S.O. 3407(E), dated the 8th November, 2016, declared the then existing series of the bank notes of the denominational value of five hundred rupees and one thousand rupees to cease to be legal tender with effect from the 9th November, 2016 to the extent specified therein;

And Whereas, a part of the series of bank notes in circulation which have ceased to be legal tender on account of the said notification has come back to the Reserve Bank of India;

And Whereas, such bank notes which have ceased to be legal tender are a liability in the books of accounts of the Reserve Bank of India under section 34 of the Reserve Bank of India Act, 1934;

And Whereas, it is necessary to have clarity and finality to the liabilities of the Reserve Bank of India and the Central Government arising from such bank notes which have ceased to be legal tender on the basis of the said notification;

And Whereas, Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

Now, Therefore, in exercise of the powers conferred by article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:-

1. Short title and commencement. (1) This Ordinance may be called the Specified Bank Notes (Cessation of Liabilities) Ordinance, 2016.

(2) It shall come into force on the 31st day of December, 2016.

2. Definitions. (1) In this Ordinance, unless the context otherwise requires,-

(a) "appointed day" means the 31 st day of December, 2016;

(b) "grace period" means the period to be specified by the Central Government, by notification, during which the specified bank notes can be deposited in accordance with this Ordinance;

- (c) "notification" means a notification published in the Official Gazette;
- (d) "Reserve Bank" means the Reserve Bank of India constituted by the Central Government under section 3 of the Reserve Bank of India Act, 1934; (2 of 1934)
- (e) "specified bank note" means a bank note of the denominational value of five hundred rupees or one thousand rupees of the series existing on or before the 8th day of November, 2016.

(2)The words and expressions used and not defined in this Ordinance but defined in the Reserve Bank of India Act, 1934 (2 of 1934) or the Banking Regulation Act, 1949 (10 of 1949) shall have the meanings respectively assigned to them in those Acts.

3. Specified bank notes to cease to be liability of Reserve Bank or Central Government. On and from the appointed day, notwithstanding anything contained in the Reserve Bank of India Act, 1934 (2 of 1934) or any other law for the time being in force, the specified bank notes which have ceased to be legal tender, in view of the notification of the Government of India in the Ministry of Finance, number S.O.3407(E), dated the 8th November, 2016, issued under sub-section (2) of section 26 of the Reserve Bank of India Act, 1934, shall cease to be liabilities of the Reserve Bank under section 34 and shall cease to have the guarantee of the Central Government under sub-section (1) of section 26 of the said Act.

4. Exchange of specified bank notes. (1) Notwithstanding anything contained in section 3, the following persons holding specified bank notes on or before the 8th day November, 2016 shall be entitled to tender within the grace period with such declarations or statements, at such offices of the Reserve Bank or in such other manner as may be specified by it namely:-

- (i) a citizen of India who makes a declaration that he was outside India between the 9th November, 2016 to 30th December, 2016 subject to such conditions as may be specified, by notification, by the Central Government; or
- (ii) such class of persons and for such reasons as may be specified, by notification, by the Central Government.

(2)The Reserve Bank may, if satisfied, after making such verifications as it may consider necessary that the reasons for failure to deposit the notes within the period specified in the notification referred to in section 3, are genuine, credit the value of the notes in his Know Your Customer compliant bank account in such manner as may be specified by it.

(3) Any person, aggrieved by the refusal of the Reserve Bank to credit the value of the notes under sub- section (2), may make a representation to the Central Board of the Reserve Bank within fourteen days of the communication of such refusal to him.

Explanation.- For the purposes of this section, the expression "Know Your Customer compliant bank account" means the account which complies with the conditions specified in the regulations made by the Reserve Bank under the Banking Regulations Act, 1949. (10 of 1949)

5. Prohibition on holding, transferring or receiving specified bank notes. On and from the appointed day, no person shall, knowingly or voluntarily, hold, transfer or receive any specified bank note:

Provided that nothing contained in this section shall prohibit the holding of specified bank notes-

(a) by any person-

- (i) up to the expiry of the grace period; or

(ii) after the expiry of the grace period,

(A) not more than ten notes in total, irrespective of the denomination; or

(B) not more than twenty-five notes for the purposes of study, research or numismatics;

(b) by the Reserve Bank or its agencies, or any other person authorised by the Reserve Bank;

(c) by any person on the direction of a court in relation to any case pending in that court.

(6) Penalty for contravention of section 4. whoever knowingly and wilfully makes any declaration or statement specified under sub-section (1) of section 4, which is false in material particulars, or omits to make a material statement, or makes a statement which he does not believe to be true, shall be punishable with fine which may extend to fifty thousand rupees or five times the amount of the face value of the specified bank notes tendered. whichever is higher.

7. Penalty for contravention of section 5. Whoever contravenes the provisions of section 5, shall be punishable with fine which may extend to ten thousand rupees or five times the amount of the face value of the specified bank notes involved in the contravention, whichever is higher.

8. Offences by companies. (1) Where a person committing a contravention or default referred to in section 6 or section 7 is a company, every person who, at the time the contravention or default was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the contravention or default and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to punishment if he proves that the contravention or default was committed without his knowledge or that he had exercised all due diligence to prevent the contravention or default.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Ordinance has been committed by a company and it is proved that the same was committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary, or other officer or employee of the company, such director, manager, secretary, other officer or employee shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Explanation.-For the purpose of this section.-

a "a company" means any body corporate and includes a firm, trust, a co-operative society and other association of individuals;

b "director", in relation to a firm or trust, means a partner in the firm or a beneficiary in the trust.

(2) Special provisions relating to offences. Notwithstanding anything contained in section 29 of the Code of Criminal Procedure, 1973, (2 of 1974) the court of a Magistrate of the First Class or the court of a Metropolitan Magistrate may impose a fine for contravention of the provisions of this Ordinance.

(3) Protection of action taken in good faith. No. suit prosecution or other legal proceeding shall lie against the Government, the Reserve Bank or any of their officers for anything done or intended to be done in good faith under this Ordinance,

(4) Power to make rules. (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act:

(2) Every rule made under this Ordinance shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification Or annulment shall be without prejudice to the validity of anything previously done under that rule.

12. Power to remove difficulties. (1) If any difficulty arises in giving effect to the provisions of this Ordinance, the Central Government may, by order published In the Official Gazette, make such provisions not inconsistent with the provisions of this Ordinance, as may appear to it to be necessary or expedient for removing the difficulty.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

PRANAB MUKHERJEE,

President.

DR. G. NARAYANA RAJU.

Secretary to the Govt. of India.

MANOJ KUMAR

Digitally signed by MANOJ KUMAR

Date: 2016.12.30

21:12:40 +05'30'

ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಲರ ಆದೇಶಾನುಸಾರ ಮತ್ತು ಅವರ ಹೆಸರಿನಲ್ಲಿ,

P.R. 22
SC - 20

ಹೆಚ್. ರಾಜ್‌ಕುಮಾರ್

ಸಹಾಯಕ ಪ್ರಾರೂಪಕಾರ ಮತ್ತು ಪದನಿಮಿತ್ತ
ಸರ್ಕಾರದ ಉಪ ಕಾರ್ಯದರ್ಶಿ (ಪ್ರ),
ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳ ಇಲಾಖೆ.

