

SC seeks reply of Centre, RBI on exchanging demonetised notes

It was alleged that the Prime Minister and RBI had assured the people at large that demonetised currency notes can be exchanged at banks, post offices and RBI branches and if people are unable to deposit them by that day then they can do so till March 31, 2017 at RBI branches after complying with some formalities.

The Supreme Court took note of the alleged tweaking of rules by the Centre and the RBI on exchanging demonetised currency notes and sought their responses on why old ones were not accepted till March 31 as was promised.

The Prime Minister's address to the nation on the evening of November 8 last year on demonetisation and subsequent notification of the federal bank that the devalued currency notes can be exchanged at RBI offices even up to March 31, 2017 were valid assurances which stood breached by the ordinance, the counsel for petitioner Sudha Mishra said.

"Issue notice, returnable by Friday (March 10)," a bench of Chief Justice J S Khehar and Justices D Y Chandrachud and S K Kaul said.

It also asked the counsel to serve the copy of the petition to the Centre and the RBI during the day to ensure effective hearing on March 10.

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The lawyer then referred to the Specified Bank Notes Cessation of Liabilities Ordinance and said it had breached the assurance.

The Ordinance said that only those who were abroad, the armed forces personnel posted in remote areas or others who can give valid reasons for not being able to deposit the cancelled notes at banks, can deposit the demonetised currency notes of Rs 500 and Rs 1,000 currency notes till March 31.

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