

₹2000 Denomination Banknotes – Withdrawal from Circulation – Will continue as Legal Tender

(Updated as on September 30, 2023)

1. Why are ₹2000 denomination banknotes being withdrawn?

The ₹2000 denomination banknote was introduced in November 2016 under Section 24(1) of Reserve Bank of India Act, 1934 (RBI Act) primarily with the objective of meeting the currency requirement of the economy in an expeditious manner after withdrawal of the legal tender status of all ₹500 and ₹1000 banknotes in circulation at that time. With fulfilment of that objective and availability of banknotes in other denominations in adequate quantities, printing of ₹2000 banknote was stopped in 2018-19. A majority of the ₹2000 banknotes was issued prior to March 2017 and are at the end of their estimated life-span of 4-5 years. It has also been observed that this denomination is not commonly used for transactions. Further, the stock of banknotes in other denominations continues to be adequate to meet the currency requirement of the public.

In view of the above, and in pursuance of the ‘Clean Note Policy’ of the Reserve Bank of India (RBI), it has been decided to withdraw ₹2000 denomination banknote from circulation.

2. What is Clean Note Policy?

It is a policy adopted by RBI to ensure availability of good quality banknotes to members of the public.

3. Does the legal tender status of ₹2000 banknote remain?

Yes. The ₹2000 banknote will continue to maintain its legal tender status.

4. Can ₹2000 banknote be used for normal transactions?

Yes. Members of the public can continue to use ₹2000 banknotes for their transactions and also receive them in payment. However, they are encouraged to deposit and/or exchange these banknotes on or before September 30, 2023.

5. What should the public do with ₹2000 denomination banknotes held by them?

Members of the public may approach bank branches for deposit and/or exchange ₹2000 banknotes held by them.

The facility for deposit into accounts and exchange for ₹2000 banknotes will be available at all banks until September 30, 2023. The facility for exchange will also be available at the 19 Regional Offices of RBI having Issue Departments (RBI Issue Offices)¹ until September 30, 2023.

6. Is there a limit on deposit of ₹2000 banknotes into a bank account?

Deposit into bank accounts can be made without restrictions subject to compliance with extant Know Your Customer (KYC) norms and other applicable statutory / regulatory requirements.

7. Is there an operational limit on the amount of ₹2000 banknotes that can be exchanged?

Members of the public can exchange ₹2000 banknotes up to a limit of ₹20,000/- at a time.

8. Can ₹2000 banknotes be exchanged through Business Correspondents (BCs)?

Yes, exchange of ₹2000 banknotes can be made through BCs up to a limit of ₹4,000/- per day for an account holder.

9. From which date will the exchange facility be available?

To give time to the banks to make preparatory arrangements, members of the public are requested to approach the bank branches or ROs of RBI from May 23, 2023 for availing the exchange facility.

10. Is it necessary to be a customer of the bank to exchange ₹2000 banknotes from its branches?

No. A non-account holder also can exchange ₹2000 banknotes up to a limit of ₹20,000/- at a time at any bank branch.

11. What if someone needs more than ₹20,000/- cash for business or other purposes?

Deposit into accounts can be made without restrictions. The ₹2000 banknotes can be deposited into bank accounts and cash requirements can be drawn thereafter, against these deposits.

12. Is there any fee to be paid for the exchange facility?

No, the exchange facility shall be provided free of cost.

13. Will there be special arrangements for senior citizens, persons with disabilities, etc., for deposit and / or exchange?

Banks have been instructed to make arrangements to reduce inconvenience to the senior citizens, persons with disabilities, etc., seeking to deposit / exchange ₹2000 banknotes.

14. What will happen if one cannot deposit / exchange ₹2000 banknotes immediately?

To make the entire process smooth and convenient to members of the public, a period of over four months has been given for deposit and / or exchange ₹2000 banknotes. Members of the public, are therefore, encouraged to avail this facility at their convenience within the allotted time.

15. What will happen if a bank refuses to accept deposit / exchange of ₹2000 banknotes?

For redress of grievance in case of deficiency in service, the complainant / aggrieved customer may first approach the concerned bank. If the bank does not respond within a period of 30 days after lodging the complaint or if the complainant is not satisfied with the response / resolution given by the bank, the complainant can lodge the complaint under the Reserve Bank - Integrated Ombudsman Scheme (RB-IOS), 2021 at the Complaint Management System portal of RBI (cms.rbi.org.in).

16. What is the provision for deposit / exchange of ₹2000 banknotes after September 30, 2023?

The current facility for deposit / exchange of ₹2000 banknotes at bank branches has been extended by RBI till October 07, 2023.

17. What will happen if one cannot deposit / exchange ₹2000 banknotes by October 07, 2023?

The ₹2000 banknotes can continue to be exchanged by individuals / entities at the 19 RBI Issue Offices up to a limit of ₹20,000 at a time. Individuals / Entities can also tender ₹2000 banknotes at the 19 RBI Issue Offices for credit to their bank accounts in India for any amount.

Such exchange or credit shall be subject to relevant RBI / Government regulations, submission of valid identity documents and due diligence as deemed fit by RBI.

18. Is it necessary to visit RBI in person for deposit / exchange of ₹2000 banknotes?

Individuals / Entities from within the country can send ₹2000 banknotes through India Post addressed to any of the 19 RBI Issue Offices, as per procedure laid down by the Department of Posts, for credit to their bank accounts in India.

Such credit shall be subject to relevant RBI / Government regulations, submission of valid identity documents and due diligence as deemed fit by RBI.

19. What will be the last date for exchange of ₹2000 banknotes in RBI?

The facility for deposit / exchange of ₹2000 banknotes at the 19 RBI Issue Offices shall be available until further advice.

¹ Ahmedabad, Bangalore, Belapur, Bhopal, Bhubaneswar, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Jammu, Kanpur, Kolkata, Lucknow, Mumbai, Nagpur, New Delhi, Patna and Thiruvananthapuram