

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

With effect from the midnight of 2nd December, 2016, old Rs. 500 bank notes will not be accepted at petrol, diesel and gas outlets of Public Sector Oil and Gas Marketing Companies as well as for purchase of Air Tickets at Airports; However, supply of LPG continues to be in the exempted category for the purpose of payment through old Rs. 500 bank notes.

New Delhi, December 1, 2016

Agrahayana 10, 1938

After the cancellation of legal tender character of old Rs. 500 and Rs. 1000 denomination bank notes, the Government had exempted certain categories of transactions wherein the old high denomination bank notes were accepted. The Government had extended the exemption period for these categories from time to time. At present, exemptions are allowed on certain types of transactions wherein payment of old Rs. 500 bank notes are permitted up to a specified date.

The processes of production, dispatch and distribution of currency notes have been continuing and more cash is flowing into the system steadily. The digital transactions have also made an impressive progress and are expected to significantly improve during the coming days. Now, therefore, as digital transaction options have been increasing across different sections of the economy, it has been observed that the outlets of the oil and gas marketing companies are better equipped to accept payments through digital means. Hence, it has been decided that with effect from the midnight of 2nd December, 2016, petrol, diesel

and gas outlets of Public Sector oil and gas marketing companies will be removed from the exempted category for receipt of old Rs. 500 bank notes. It may be noted that supply of LPG continues to be in the exempted category for payment through old Rs. 500 bank notes.

Similarly, purchase of air tickets at the airports was included initially in the exempted category. It is observed that air ticketing counters have facilities to accept non cash/digital payments. Further, enough time has been allowed for travelers to be prepared with legal tender and/or non cash modes of payment. It has, therefore, been decided that with effect from midnight of 2nd December, 2016, the exemption allowed for purchase of air tickets at airports through old Rs. 500 notes will be removed from the exempted category.

The other exempted categories that have earlier been notified will continue to accept old Rs. 500 notes as per the said notifications.
