

The Legal Tender (Inscribed Notes) Act, 1964

(ACT NO. 28 OF 1964)

[*As on the* 30*th August*, 2026]

LIST OF ABBREVIATIONS USED

G.S.R.	*for*	General Statutory Rules.
S.O.	„	Statutory Order.
Notifn.	„	Notification.

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THE LEGAL TENDER (INSCRIBED NOTES) ACT, 1964

ARRANGEMENT OF SECTIONS

SECTIONS

1. Short title and extent.
2. Notes bearing messages of a political character not to be legal tender.
3. Repeal and savings.

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THE LEGAL TENDER (INSCRIBED NOTES) ACT, 1964

ACT NO. 28 OF 1964

[30*th September,* 1964.]

An Act to restrict the negotiability of currency and other notes inscribed with messages of a political character.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. Short title and extent.—(*1*) This Act may be called the Legal Tender (Inscribed Notes) Act, 1964.

(*2*) It extends to the whole of India.

2. Notes bearing messages of a political character not to be legal tender.—Notwithstanding anything contained in the Reserve Bank of India Act, 1934 (2 of 1934), or in the Currency Ordinance, 1940 (Ord. 4 of 1940), or in any other law for the time being in force, a currency note of the Government of India, a bank note issued by the Reserve Bank of India, or a Government of India one-rupee note issued under the Currency Ordinance, 1940, which bears written upon it any extrinsic words or visible representations intended to convey or capable of conveying a message of a political character, shall not be legal tender; and the Reserve Bank of India shall not be under any legal obligation to receive any such note, or to issue rupee coin or other coin or currency notes or bank notes in exchange for any such note, or to refund the value of any such note:

Provided that the Reserve Bank of India may refund as of grace the whole or part of the value of any such note.

3. Repeal and savings.—(*1*) The Legal Tender (Inscribed Notes) Ordinance, 1942 (Ord. 59 of 1942), is hereby repealed.

(*2*) Notwithstanding such repeal, anything done or any action taken under the said Ordinance, shall be deemed to have been done or taken under this Act as if this Act were in force on the day on which such thing was done or such action was taken.

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STATEMENT OF OBJECTS AND REASONS

The Legal Tender (Inscribed Notes) Ordinance, 1942, which is still in force by virtue of section 1 (3) of the India and Burma (Emergency Provisions) Act, 1940, applies at present in the areas which prior to 1st November, 1956, were known as Part 'A' and Fart 'C' States. It is proposed to extend the operation of the Ordinance to the whole of India in order to have a uniform law on the subject throughout the territory of India. Opportunity has been taken to replace the Ordinance by an Act of Parliament.

NEW DELHI; T.T. KRISHNAMCHARI.

The 10*th December*, 1963.

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