

## **Association of Aryans (AOA) v/s Government of Arya land**

The incidence of fake Aryan currency notes in higher denomination has increased. For ordinary persons, the fake notes look similar to genuine notes, even though no security feature has been copied. The fake notes are used for anti-national and illegal activities. High denomination notes have been misused by terrorists and for hoarding black money. Arya land remains a cash based economy hence the circulation of fake Aryan currency notes continues to be a menace. In order to contain the rising incidence of fake notes and black money, the scheme to withdraw has been introduced on November 8, 2016. Prime Minister of Arya land announced in a broadcast to the nation that “The legal tender character of the existing bank notes in denominations of Rs 500 and Rs 1000 issued by the Aryan Reserve bank till November 8, 2016 stands withdrawn and that Rs 500 and Rs 1,000 currency notes would no longer be recognized legally as currency”. He noted that the move complements the country’s *Swachh Arya Abhiyan* (Clean Aryan campaign). The aim behind the government’s action was to combat tax cheating, counterfeiting and corruption. The government claimed that the action would curtail the shadow economy and crack down on the use of illicit and counterfeit cash to fund illegal activity and terrorism. In the address to nation, the PM said that eliminating large denominations makes it harder to hide large amounts of cash. In consequence thereof these Bank Notes cannot be used for transacting business and/or store of value for future usage. The Specified Bank Notes could be exchanged for value at any of the 19 offices of the Aryan Reserve bank or at any of the bank branches of commercial banks/ Regional Rural Banks/ Co-operative banks or at any Head Post Office or Sub-Post Office.

Initially, the move received support from people, several bankers as well as from some international commentators but gradually as the cash shortages grew in the weeks following the move, large serpentine queues outside banks started appearing. To counter that, the government, announced that customers who exchange their old notes for new ones at banks, will be inked, to ensure persons don't exchange money more than once a day. But the menace did not end here and so the government again came up with a more surprising but rather a shocking move to issue the bank notes of Rs Twenty thousand denomination which was a complete U turn to the PM’s address to the nation

where he said that eliminating large denominations makes it harder to hide large amounts of cash.

The sudden nature of the announcement and the prolonged cash shortages in the weeks that followed created significant disruption throughout the economy, threatening economic output. The move was heavily criticized as poorly planned and unfair, and was met with protests, litigation, and strikes. The move was heavily criticised by prominent economists and by world media leading to debates in both houses of Parliament and triggering organised protests against the government in several places across India. The move is considered to have reduced the country's GDP and industrial production. The ASE Sensex and Arya Fifty stock indices crashed after the announcement. In the days following the demonetisation, the country faced severe cash shortages with severe detrimental effects across the economy. People seeking to exchange their bank notes had to stand in lengthy queues, and several deaths were linked to the inconveniences caused due to the rush to exchange cash.

Aggrieved by the decision of the government and calling it a '*Tughlaki Farman*', an Association of Aryans (AOA) filed the PIL before the Apex court of Arya land to quash the November 8 notification of the Department of Economic Affairs (DEA) of Finance Ministry of Arya land on the following grounds:

1) That the said decision is violation of Section 26(2) of the Aryan Reserve bank Act 1934 which, according to him, mandates that, "reasonable time be given to people to make alternate financial arrangements to avoid large scale mayhem and chaos."

2) That the introduction of Rs 20,000 denomination notes is an "illegal act" as per the provisions of section 24 of Aryan Reserve bank Act, 1934 which does not give power to the government to do so.

3) That the Aryan Reserve bank guidelines to all the banks, notifying them about the 'Standard Operating Procedure' for the use of indelible ink on customers who successfully exchange their own, decommissioned Rs 500 and Rs 1,000 notes is violation of Rule 49 K(4) of the Conduct of Elections Rules, 1961 and moreover would create confusion during the elections and will

render unscrupulous elements to cash in on this to indulge in malpractices during the elections.

4) That the denial of currency exchange rights to the Account holders of Cooperative banks as permitted to other banks, which are functioning under the purview of the same Banking regulations, is illegal, arbitrary and unconstitutional and is thus violative of the very spirit of Banking Regulation (Regulation) Act 1949 and Reserve Bank Act 1934.

5) That the common public had to stand in lengthy queues to exchange their bank notes, and several deaths were linked to the inconveniences caused due to the rush to exchange cash which is an infringement on citizens' right to life and personal liberty and is thus violative of Article 21 of the Constitution of Arya land.

6) That the denial of transaction right to the petitioner in exchanging currency, results in violation of the right to trade and thus is violative of Article 19 of the Constitution of Arya land.

The Supreme Court of Arya land is now hearing the case on a Special Leave petition. Argue on both sides.

Note: Assume that for the purposes of this case, Arya land Constitution and legal system are identical with those of the Republic of India.