

Delay in releasing new ₹ 500 notes adds to cash crunch

G Naga Sridhar

Recalibrated ATMs begin dispensing ₹2,000 notes



Transporting cash Container trucks lined up in front of RBI's regional office in Hyderabad on Wednesday for ferrying cash G Naga Sridhar
Hyderabad, November 23:

Delay in bringing new ₹ 500 notes into circulation is aggravating cash crunch, according to bankers.

According to sources in the Reserve Bank of India (RBI) ₹ 500 notes have already been despatched from the Security printing press in Madhya Pradesh to different regional offices, including the one here.

With ATM recalibration going on at a brisk pace with over 35 per cent of the 2.30 lakh ATMs being recalibrated as on today as per Government data, ₹ 2000 notes are now being dispensed through some ATMs in addition to exchange/withdrawal facility being provided in bank branches.

“But absence of notes of intermediate value between ₹ 2000 and ₹ 100 has been a major problem,” a senior official of Andhra Bank told *Business Line*. “We have been told that ₹ 500 notes will be issued around November 24,” he added.

Own limits

Irrespective of RBI's limits on withdrawals, banks continue to impose their own limits. At a State Bank of Hyderabad (SBH) branch in Osmania University campus, the limits are dynamic. “We can't provide cash when we don't have it. The limit is to help all of you get some money at least,” explained the cashier to the agitated crowd waiting in a long queue.

Many banks have unofficially stopped replenishing ATMs to ensure inviolability of cash branches and have also been refusing to exchange old notes for non-customers.

“My request for exchange of old notes has been declined by Syndicate Bank on the grounds that I am not a customer,” said M Siva Krishna, a private sector employee while waiting as the 61st person in a queue of 75 people at Andhra Bank's branch in Himayatnagar here on Wednesday.

The RBI regional office here came under public pressure with many children lining up for exchange of old notes with their Aadhar cards. The police, however, were seen forcing them out of queues.

Meanwhile, a dozen container trucks were lined up at the RBI office here for collecting old notes from currency chests while a few others were transporting new notes under heavy security.

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