

PM warns of more action to unearth black money

FM says it will take 2-3 weeks for all ATMs to be reset; RBI says cash stock enough, advises people to not rush to exchange notes

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Prime Minister Narendra Modi on Saturday asserted that those holding

Prime Minister Narendra Modi on the pilot seat of a bullet train with his Japanese counterpart Shinzo Abe (left) and Kawasaki Heavy Industries (KHI) President, Yoshinori Kanehana during his visit to KHI Hyogo Plant in Kobe on Saturday. Photo: PTI

unaccounted money would not be spared.

Addressing the Indian community in the Japanese city of Kobe, Modi said, “after the end of this scheme, there is no guarantee that something new will not be introduced to punish you (black money hoarders).”

He assured the people that money that has been looted will be brought back and that the rules will be the same for everyone. “I will check records since independence.

If I come across unaccounted cash, nobody will be spared,” said Modi.

The prime minister termed the demonetisation of Rs 500 and Rs 1,000 notes as the biggest cleanliness drive. “I salute my countrymen. People stood in line for four hours, six hours but accepted the decision in national

interest the way people of Japan tackled the aftermath of the 2011 disaster,” he said, adding this is only a short-term problem.

Meanwhile, Finance Minister Arun Jaitley said it would take two-three weeks for cash to be available in all 200,000 ATMs across the country. He said the Reserve Bank of India’s currency chest had more than enough cash and the situation would improve over the coming days.

Jaitley said software of around 200,000 ATMs across the country could not be recalibrated before Modi’s announcement as that would have breached secrecy of the drive. “Because of need for secrecy, recalibrating the software of 200,000 ATMs could not be done earlier. Had it been done earlier, confidentiality could not be maintained. It takes 2-3 weeks for ATMs to be recalibrated to dispense new currency,” Jaitley said. He added that first the central servers have to be updated then each ATM has to be visited to reset.

Earlier in the day, Jaitley and senior Finance Ministry officials, including Economic Affairs Secretary Shaktikanta Das, held meetings through video-conferencing with senior RBI officials. Jaitley said the government and the central bank were closely monitoring the situation.

“Since the start of the drive till Saturday 12.15, State Bank of India carried out Rs 2.28 crore currency replacement transactions. In monetary terms, SBI’s transactions total Rs 54,370 crore, with cash deposit of Rs 47,868 crore. If you take all the banks, tens of millions of people have conducted transactions,” Jaitley said.

“Such a big currency replacement exercise is not mechanical and cannot be done overnight. It will take time. We appeal to the people to show patience. Currency can be replaced till December 30,” he said.

“The biggest challenge is the sheer number of people who have come in and will keep on coming,” Jaitley said, while appreciating the work put in by employees of the banks and the people involved with cash logistics.

Meanwhile, in a press statement, the RBI said its currency printing presses were running at “full capacity” to sustain demand for new notes. “To sustain the demand, presses are printing the currency notes at full capacity so that adequate quantum of notes is available,” the central bank said. . “As there is ample time, people need not rush to exchange putting avoidable strain on the banking branch network”, RBI said.

“While efforts are afoot, public are encouraged to switch to alternative modes of payment, such as pre-paid cards, Rupay/Credit/Debit cards, mobile banking, internet banking. All those for whom banking accounts under Jan Dhan Yojana are opened and cards are issued are urged to put them to use,” RBI said.

On November 10, about 100 million currency exchange transactions were reported. RBI said a detailed reporting system for banks has been put in place. It further said that with a view to preventing misuse of the exchange facility, the authorities are “closely monitoring the information received through the reports about exchange and deposits”.