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Harried bankers want to shut shop till there's enough cash

By [Saloni Shukla](#), ET Bureau | Updated: Dec 05, 2016, 12.11 PM IST

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MUMBAI: Bank employees want branches to be closed until the [Reserve Bank of India](#) (RBI) supplies sufficient quantities of currency notes as irate customers increasingly harass staffers and indulge in arson and physical assault amid a cash shortage following [demonetisation](#) of high denomination notes last month.

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"RBI should take a view to stop banking operations for 15 days till adequate money is available. Let RBI close the banks till money comes," said CH Venkatachalam, chief of the All India Bank Employees' Association (AIBEA). "This is an unplanned move — everyone supports removal of black money — but this won't remove black money and is harassing ordinary people and bank employees."

Bank employees have a difficult time explaining to customers why they run out of cash and the RBI must divulge its strategy on handling the current crisis, Venkatachalam said, ruling out any form of a strike because it would only add to the woes of the people. The Chennai-based AIBEA is the oldest and largest national trade union centre of bank employees in India.

The government invalidated Rs 1,000 and Rs 500 currency notes on November 9, pulling out about 85% of the money in circulation by value. Accompanying curbs on cash withdrawals from bank counters and ATMs have resulted in people waiting for hours to take money out of their accounts.

Demand for currency notes has exceeded the supply of new notes, which have to be sent to over 2 lakh ATMs and 1.35 lakh bank branches across the country, especially during the first week of the month, when salaries are paid.

Instances of bank staffers having been beaten up or locked up inside their branches for apparently no fault of theirs have surfaced from various parts of the country. Two days ago, a [Punjab National Bank](#) branch in [Jamshedpur](#) was ransacked as angry customers smashed glasses and injured a lady staffer. In Dhanbad, a bank branch was ransacked after the manager declared it had run out of cash.

The AIBEA has written to finance minister [Arun Jaitley](#) and the [Indian Bank Association](#) seeking protection for staffers.

"There has been no action to our appeals to the finance minister, RBI and IBA. How can we manage when there is such scarcity of money in branches?" asked Venkatachalam. "We can't blame the people — how will they manage without cash? Hardly any ATMs are operating — it's complete chaos."

AIBEA has also appealed to the RBI to be transparent about its handling of demonetisation issue. It wants the central bank to disclose the quantum of currency printed and distributed to all banks on a daily basis. "RBI can't simply claim that they have supplied cash - half the branches don't have cash and the remaining are running out of cash very quickly," Venkatachalam said.

The AIBEA wrote to the finance minister on December 2, raising the issue of the acute cash shortage. "While RBI is repeatedly making public statements that adequate cash is being supplied to banks, the reality is otherwise," it said in the letter, a copy of which is with ET. "These statements are making the public to feel that RBI is supplying cash to banks and bank staff are deliberately not extending payments."

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