

Salary rush drowns banks across the country; situation better in Mumbai

G Naga Sridhar/K Ram Kumar



Salaried class waiting in queue outside a Delhi bank to withdraw money on December 1, the first payday post-demonetisation V Sudershan V_Sudershan Hyderabad/Mumbai, December 1:

Banks across the country struggled to cope with the rush on the first payday after demonetisation as employees attempted to withdraw their salaries.

While Bengaluru saw serpentine queues outside ATMs and banks, in Hyderabad cash dried up at many branches within hours. In Mumbai, the situation was a tad better as banks tried to make it less painful by opening multiple counters and regularly restocking cash.

The Reserve Bank of India pumped in more cash to public sector bank branches and ATMs in the country's financial capital. Given that government salary and pensions are released through PSBs, the central bank appears to have done these employees a good turn.

However, the private sector and urban co-operative banks in the city continued to reel under the cash crunch.

Also, some onsite ATMs of PSBs were loaded with cash to relieve the pressure on branches. But the bad news was that the ATMs were mainly loaded with ₹ 2,000 notes that customers are finding difficult to exchange.

Manisha D Varunkar, Manager of Canara Bank's all-woman branch at Vartak Nagar, Thane, said thanks to the improved supply of bank notes, customers can withdraw their weekly limit of ₹ 24,000 (for retail customers) or ₹ 50,000 (for current account customers) at one go.

"We have requested our current account customers to deposit their earnings with us regularly so that the money gets circulated. We are also asking these customers to take our point-of-sale (POS) terminals for their business transactions," said Varunkar.

A Kotak Mahindra Bank spokesperson said the bank was ensuring that cash received from the RBI was distributed equitably across its branches and ATMs to reduce inconvenience faced by the customers.

In Hyderabad, the month began on a difficult note for employees, pensioners and industrial workers as cash dried up in many branches within hours.

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