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**DEMONETISATION BLUES**

Bankers admit that the new notes pumped into circulation fall short of need

# Functional ATMs and new Rs.500 notes remain elusive

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**A** month after the old Rs.500 and Rs.1,000 notes lost their legal tender status resulting in a crippling cash crunch as well as scramble for other denomination notes, there are no clear signs of when the situation will return to normalcy.

Though the crowds lining up outside banks have relatively thinned, uppermost in the customer minds are two questions – when will all the Automated Teller Machines (ATMs) spring back to life and how long will it be before they lay their hands on the new Rs.500 notes.

The answers are inter-linked. Senior bankers in Hyderabad, admitting that the number of the new notes pumped into circulation does indeed fall short of expectations, assure that it will be business as usual at the ATMs once adequate supplies of the new notes are available. Seeking to put the record straight, they clarify many ATMs continue to function but with the demand for cash unusually high, they run out of resources fast. This has led to no cash or out of order boards or people waiting in long queues becoming a permanent sight outside the facilities.

It is not just several customers who return disappointed. Various agencies associated with the operations of the ATM too are facing loss of revenue. Managing Director and CEO of white label ATM operator BTI Payments, K.Srinivas says the facilities are out of action since November 9. In Andhra Pradesh and Telangana, of the total around 13,500 ATMs, the number of White Label facilities number about 2,300. White label ATMs are facilities set up, owned and operated by non-banks.

"We have reached out to



**PATIENT WAIT:** People queue up to withdraw money at a bank in Moti Nagar, Hyderabad, on Thursday. — PHOTO: G. RAMARISHA

Reserve Bank of India to help us. RBI is considering (our request)," he says, adding White Label ATMs are important as most of them are in rural areas and in some locations only such facility.

Like such operators cash management and payment solutions firms like CMS

Info Systems are also incurring recurring expenses towards the rentals, upkeep of the machines and power charges. "Half of our staff is idle," a senior executive of CMS says, the company is utilising the time to undertake preventive maintenance besides recalibration of the ATMs.

It will be business as usual at the ATMs once adequate supplies of new notes are available.

**Senior bankers**