

## PANEL ASKS RBI TO FIX PROBLEM OF DRY ATMS

Relevant for: Indian Economy | Topic: Issues relating to Growth & Development - Banking, NPAs and RBI

A Parliamentary panel has asked the Reserve Bank to address the problem of perpetually dysfunctional ATMs so as to avoid any situation of forced cash crunch. The Standing Committee on Finance has also asked banks to install adequate number of ATMs. The panel tabled its report in Parliament last week.

As per RBI data, there were 2,21,492 Automated Teller Machines (ATMs) in the country at the end of September 2018.

These include 1,43,844 ATMs of public sector banks, 59,645 ATMs of private banks and 18,003 of foreign banks, payments banks, small finance banks and White Label ATMs, which are owned and operated by non-bank entities.

“As digital transactions have not become anywhere near universal, the committee would urge RBI to pursue the lingering problem of dysfunctionality as well as shortage of ATMs vigorously with banks, while ensuring the economic viability of ATMs for all stakeholders, so that a forced cash crunch is not imposed on the public,” the report said.

The panel headed by senior Congress leader M. Veerappa Moily also noted that RBI's remonetisation drive has not augmented/resolved the cash supply to ATMs in rural/semi-urban areas, forcing the shutdown of many ATMs.

**END**

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