

RBI wants 10% of bank ATMs to dispense only ₹ 100 notes

Our Bureau

Pilot to be done over 2 months; sees demand for the banknote among the public



Mumbai, November 2:

In order to ensure that genuine requirement of members of the public for ₹ 100 denomination banknotes are met, the Reserve Bank of India on Wednesday said it will conduct a pilot project wherein 10 per cent of ATMs in the country will be exclusively calibrated to dispense ₹ 100 banknotes.

The RBI, in a circular, advised banks to configure/calibrate 10 per cent of their ATMs to facilitate this arrangement.

As the process involved in configuring the requisite number of machines is not complex, the banks are required to complete the exercise within 15 days from the date of the circular and report compliance. For this purpose, the RBI said banks are free to select the branches with the sample covering relatively large number of centres/States.

The RBI has asked banks to share their feedback on the pilot after a lapse of two months.

This pilot project follows a review conducted by the RBI on the steps taken by banks for installing ATMs dispensing lower denomination banknotes. In this review, the RBI found that very few banks had taken any initiative in setting up ATMs dispensing lower denomination notes, including ₹ 100 denomination banknotes.

“In keeping with the objectives of clean note policy and to ensure that genuine requirement of members of public for ₹ 100 denomination banknotes are met, the banks should increase dispensation of ₹ 100 banknotes through ATMs which are widely used for distribution of banknotes for retail use,” the RBI said.

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