

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO. 1800
TO BE ANSWERED ON 27th JULY, 2018/ 5th SHRAVANA, 1940 (SAKA)

SHORTAGE OF CASH FLOW
QUESTION

1800. SHRI ARKA KESHARI DEO; SHRI DIBYENDU ADHIKARI; KUMARI SHOBHA KARANDLAJE;
ADV. NARENDRA KESHAV SAWAIKAR :

Will the Minister of **FINANCE** be pleased to state :

- a) Whether the Government is aware of shortage of cash flow in the country including decrease in currency flow over 4000 crores in May, some ATMs running dry of cash/ becoming non-functional in some parts of the country, if so, the details thereof, Bank and State/ UT-wise ;
- b) The effect on the national economy due to shortage of cash thereto;
- c) Whether the Government with the RBI have taken all steps to meet this shortage and if so, the details thereof ;
- d) Whether the Government has adequate reserves of currency notes of all denominations to meet rising demand, if so, the details thereof; and
- e) The concrete steps taken to ensure that ATMs are supplied with cash and to get Non-Functional ATMs functional ?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI Pon. RADHAKRISHNAN)

- (a): There was high demand of currency during March, April & May, 2018 on account of surge in withdrawal of currency. The increase in demand of cash may be attributed mainly to demand of cash in agriculture sector. Additional supply of cash was arranged during this period based on the availability at the printing presses.
- (b): Question does not arise.
- (c) & (d): The supply of currency notes has since been substantially enhanced. As on July 19, 2018, stock of nearly Rs.2.98 lakh crores was available in the currency chests and RBI vaults of all denominations. Position of fresh/ re-issuable notes in currency chests of banks are being monitored on regular basis and adequate supply of cash is being ensured.
- (e) Regular monitoring of cash availability and ATM functionality are being done by the Government to ensure that sufficient currency notes are made available so that ATMs do not run dry in any eventuality and people do not face any problems. The Government has requested all banks to efficiently manage the cash to ensure that adequate cash is available for ATMs and people do not face any problems.
