

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5756
ANSWERED ON:11.05.2012
ATM SYSTEM
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government/Reserve Bank of India (RBI) has any proposal to introduce a new Automated Teller Machine (ATM) system in the country; and

(b) if so, the details thereof alongwith the benefits likely to be accrued to the rural/urban areas in the country including Madhya Pradesh?

Answer

The Minister of State in the Ministry of Finance (Shri Namu Narain Meena)

(a) and (b): Reserve Bank of India (RBI) has decided to permit non-bank entities to set up, own and operate ATMs. Such ATMs will be called White Label ATM. The draft guidelines on deployment of White Label ATMs were placed on RBI website for Public Comments. Various issues related to deployment of White Label ATMs were also discussed with the stakeholders. The following benefits are likely to accrue to the rural/urban areas of all over the country (including Madhya Pradesh):

- 1) ATM penetration on a per capita basis in the country is expected to improve considerably.
- 2) There is less presence of ATMs in Tier 111 to VI unbanked / underbanked areas of the country. ATM penetration in Tier III to VI unbanked/underbanked areas will increase.
- 3) This initiative is expected to boost the Financial Inclusion process.