

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:350
ANSWERED ON:01.08.2014
ATM FACILITY
Ahmed Shri Sultan

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government/Reserve Bank of India (RBI) has framed any policy/ guidelines for installation of Automated Teller Machine (ATMs) by the banks in the country and if so, the details thereof;
- (b) whether the Government proposes to expand the coverage and facilities of ATM in rural and backward areas;
- (c) if so, the details thereof and the number of ATMs installed along with the number of ATMs proposed during the current year, bank and State-wise including West Bengal;
- (d) whether biometric enabled ATMs have been installed in the rural and semi- urban areas of the country and if so, the details thereof along with the salient features of the biometric ATM facility; and
- (e) the steps taken/being taken to extend ATMs facility in the entire country?

Answer

The FINANCE MINISTER (SHRI ARUN JAITLEY)

a) to e) A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 350 for 1st August 2014 by Shri Sultan Ahmed regarding ATM Facility.

(a) and (e):- Public Sector Banks (PSBs) were advised in the year 2013 to have on-site ATMs in all their branches provided no ATM of the same bank/bank group is situated within 500 meters of the branch. In terms of extant guidelines of Reserve Bank of India (RBI), Scheduled Commercial Banks are permitted to install Off-site/Mobile ATMs at centres / places identified by them subject to reporting. The conditions subject to which Off-site/Mobile ATMs can be operationalised by banks are as follows:

I. The business transacted at the Off-site ATM shall be recorded in the books of the respective branch/ base branch / Centralised Data Centre.

II. No person other than the security guard should be posted at such Off Site ATM centre.

III. Bank should make adequate stand-by arrangements for meeting the cash requirements of the ATM.

IV. The bank should ensure that only properly sorted and examined notes are put into circulation through the ATM.

V. Third party advertisement on the ATM screens/Network, such as display of products of other manufacturers /dealers /vendors is not permitted. However, there is no objection to banks utilizing the ATM screens for displaying their own products.

RBI has issued guidelines on the operations of White Label ATMs (WLAs) on 20th June 2012 whereby Non-bank entities have been permitted to set up WLAs in India, after obtaining authorization from RBI under the Payment and Settlement Systems (PSS) Act, 2007. These guidelines are available on the website www.rbi.org.in.

Biometric device along with back-end software support authenticates the customer's identity on the basis of fingerprints or Iris capture which resides in the system of biometric authentication agency. Details of the number of ATMs, including biometric ATMs, installed upto 31.03.2014, bank and State-wise are given in Annex.