

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA

UNSTARRED QUESTION No. 2129

TO BE ANSWERED ON TUESDAY, AUGUST 08, 2023/ SRAVANA 17, 1945 (SAKA)

Maintenance of ATMs

2129. SHRI HARBHAJAN SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether Government is aware that several ATM machines in the country are poorly maintained in terms of cash availability and security;
- (b) if so, whether any guidelines have been issued to the banks in this regard;
- (c) if so, the details thereof; and
- (d) the details regarding number of ATM machines in rural India to make our banking system more inclusive?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR BHAGWAT KARAD)

(a) to (c): Reserve Bank of India (RBI) has issued following guidelines in respect of security measures for ATMs *vide* circular dated June 14, 2019:

- i. All ATMs shall be operated for cash replenishment only with digital One Time Combination (OTC) locks.
- ii. All ATMs shall be grouted to a structure (wall, pillar, floor, etc.), except for ATMs installed in highly secured premises such as airports, etc. which have adequate CCTV coverage and are guarded by state / central security personnel.
- iii. Banks to consider rolling out a comprehensive e-surveillance mechanism at the ATMs to ensure timely alerts and quick response.

Further, RBI has also issued guidelines for monitoring of availability of cash in ATMs *vide* circular dated August 10, 2021–

- i. Banks / White Label Operators to strengthen their systems / mechanisms to monitor availability of cash in ATMs and ensure timely replenishment to avoid cash-outs.
- ii. The Scheme of Penalty for non-replenishment of ATMs has been formulated to ensure that sufficient cash is available to public through ATMs.

(d) As informed by RBI, the number of ATMs in rural India as on June 30, 2023 are 55,891. Further in order to drive ATM penetration in the country with a greater focus on Tier III to Tier VI centres, RBI has permitted non-bank companies to set up, own and operate White Label ATMs (WLAs) in the country. Also, banks with their strong network of 7.70 lakh Business Correspondents (BCs) are providing hassle free services including cash withdrawal facility to the customers in remote / rural areas.
