

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
LOK SABHA  
STARRED QUESTION No. \*47  
TO BE ANSWERED ON 20<sup>th</sup> JULY, 2018(FRIDAY)/ASHADHA 29,1940 (SAKA)

**Upgradation of ATMs**

**\*47. SHRI A. ARUNMOZHITHEVAN:**

**ADV. M. UDHAYAKUMAR:**

Will the Minister of FINANCE be pleased to state:

- (a) whether most of the Automated Teller Machines (ATMs) in the country are running on unsupported/outdated software prone to fraud and lack basic security features;
- (b) if so, the details thereof along with the percentage of such ATMs to total operational ATMs, bank-wise;
- (c) whether the Government/Reserve Bank of India (RBI) has directed the banks to upgrade the software for ATMs by June, 2019 or face penalty and if so, the details thereof;
- (d) whether the slow progress on the part of banks in addressing this issue as well as the grievances relating to ATM transactions has been viewed seriously by the RBI and if so, the details thereof and the action taken/direction issued by RBI in this regard; and
- (e) whether the use of unsupported version of operating system could affect customer interests and if so, the details thereof and the steps being taken by the Government in this regard?

**Answer**

**THE FINANCE MINISTER  
(SHRI PIYUSH GOYAL)**

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

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**Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. \*47 (7<sup>th</sup> Position) for 20<sup>th</sup> July, 2018 by Shri A. Arunmozhithevan and Adv. M. Udhayakumar, M.P.s regarding "Upgradation of ATMs"**

(a) to (e) As per Reserve Bank of India (RBI)'s circular on 'Control Measures for ATMs – Timeline for Compliance' dated 21.6.2018, banks are advised to initiate immediate action to implement the control measures for ATMs, including upgradation of software in a time bound manner and to closely monitor the compliance.

The Government has also instructed the banks to comply with the timelines prescribed by the RBI for upgradation of software for ATMs and to closely monitor the progress.

In this regard, as informed by Public Sector Banks, 74.34% of their ATMs are functioning on the supported software. Further, the total number of functional ATMs as on 17<sup>th</sup> July, 2018 constitutes around 88.97% of the total ATM as on 31<sup>st</sup> December, 2017. Further, as regards frauds in ATMs are concerned, a total of 24,671 complaints relating to ATM / Debit Cards were received by Banking Ombudsman during the period between July 2017 to June 2018 vis-a-vis the total number of approx. 861 crore transactions during 2017-18 (Source: RBI). Moreover, with a view to protect the interest of customers, in case of unauthorized electronic banking transaction, their liability is limited to zero, provided they notify the bank within three working days of receiving the communication from the bank regarding the unauthorised transaction and the bank shall credit the amount involved in such transaction to the customer's account within ten working days from the date of such notification.

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