

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION No. 2049

TO BE ANSWERED ON 21ST DECEMBER, 2018 (FRIDAY)/AGRAHAYANA 30, 1940
(SAKA)

Impact of ATM Closure

2049. SHRI K.C. VENUGOPAL:
SHRI KESINENI NANI:
SHRIMATI SANTOSH AHLAWAT:
SHRI RAJU SHETTY:
SHRI PANKAJ CHAUDHARY:
SHRI K. PARASURAMAN:
SHRI BHAGWANTH KHUBA:
SHRI P.C. MOHAN:

Will the Minister of FINANC be pleased to state:

- (a) whether in the wake of likely closure of ATMs as per reports by Confederation of ATM Industry (CATMI) large number of non-urban ATMs may be shut down badly impacting financial inclusion efforts particularly in respect of millions of beneficiaries under Pradhan Mantri Jan Dhan Yojana (PMJDY) who withdraw subsidies in form of cash through ATMs and create long queues and chaos in ATMs, if so, the steps taken by the Government to avoid such a situation and solve the crisis;
- (b) whether this forced closure is on account of unviability of operations brought about by recent regulatory guidelines for ATM hardware and software upgrades;
- (c) if so, the details thereof and the failure on the part of the Government to foresee this before bringing in new regulation; and
- (d) the steps taken/action plan prepared/alternate mechanism devised by the Government to stop lakhs of ATMs from shutting down and ensure that the customers do not face any difficulty and the time by which it is likely to be resolved?

Answer

The Minister of State in the Ministry of Finance
(SHRI SHIV PRATAP SHUKLA)

- (a) to (d) As apprised by the Public Sector Banks (PSBs), while they do not have any plan to shut down their ATMs, they have also initiated necessary steps to comply with the guidelines issued by Reserve Bank of India (RBI) on various control and risk mitigation measures.

In addition to the ATM, the beneficiaries of Pradhan Mantri Jan-Dhan Yojana (PMJDY) can avail banking services provided by the Business Correspondents (BCs) through their micro ATMs.
