

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

**UNSTARRED QUESTION No. 4091**

TO BE ANSWERED ON FRIDAY, JANUARY 04, 2019/ PAUSHA 14, 1940 (SAKA)

**Upgradation of ATMs**

4091. **SHRI SUSHIL KUMAR SINGH:**  
**SHRI PRAHLAD SINGH PATEL:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the new guidelines issued by the RBI on Automated Teller Machines (ATMs) hardware and software upgradation has any impact on the ATM industry, if so, the details thereof and if not, the reasons therefor;
- (b) whether such changes will result in increase in the service charges collected from the users, if so, the details thereof;
- (c) whether the Government is aware that due to defective ATM many consumers are often unable to withdraw their deposited money from ATMs and they are facing difficulties, if so, the details thereof;
- (d) whether there is any shortage of technical employees to repair ATMs and if so, the details thereof; and
- (e) the measures taken by the Government to ensure smooth functioning of ATMs and to protect the interests of consumers/depositors?

**Answer**

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

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

PSBs have also informed that there is no proposal to increase the service charges from users for ATMs.

It has also been apprised that maintenance and updation of ATMs is continuous process with maintenance being looked after by the service provider/vendor. Whenever required, ATMs are repaired by them as per the Service Level Agreement (SLA).

With a view to protect the interest of the customers in case of unauthorized electronic banking transactions, Reserve Bank of India (RBI) vide its circular dated 06.07.2017 on "Customer

Protection – Limiting Liability of Customers in Unauthorised Banking Transactions” has stipulated as follows:

1. Customers’ liability is limited to zero in case of deficiency on the part of the bank or third party breach where deficiency lies neither with the bank nor with the customer but elsewhere in the system, provided they notify the bank within three working days of receiving the communication from the bank regarding the unauthorised transaction.
2. In such cases, the banks are to credit the amount involved in such transaction to the customer’s account within ten working days from the date of such notification.

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.

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