

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

**UN-STARRED QUESTION No. 1339**

Answered on Monday, November 25, 2019/Agrahayana 4, 1941(Saka)  
**“Unserviceable ATMs”**

†1339. SHRI KAPIL MORESHWAR PATIL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the consumers are unable to withdraw their deposited money from ATMs due to faulty ATM machines of several public sector banks and are facing a lot of problems across the country and if so, the details thereof;
- (b) whether there is shortage of technical staff for repairing ATM machines and if so, the details thereof; and
- (c) the effective measures taken by the Government for the smooth functioning of ATM machines and to safeguard the interest of the depositors?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI ANURAG SINGH THAKUR)

(a) to (c) As apprised by the Public Sector Banks (PSBs), some ATMs become non-functional/faulty from time to time due to hardware, network, vandalism, communication and power related issues. The maintenance and updation of ATMs is a 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 cases of unauthorized electronic banking transactions, the Reserve Bank of India (RBI) vide its circular dated 06.07.2017 on “Customer Protection – Limiting Liability of Customers in Unauthorised Electronic Banking Transactions” has stipulated as follows:

- i). 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;
- ii). 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.

Also, RBI circular on ‘ATM transactions –Enhancement of customer service’ dated 01.08.2013, advises Banks to make available the forms for lodging ATM complaints within the ATM premises and also display the name and phone number of the officials with whom the complaint can be lodged.

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