

**GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION**

**LOK SABHA**

**UNSTARRED QUESTION NO. 56.  
TO BE ANSWERED ON MONDAY, THE 30<sup>TH</sup> NOVEMBER, 2015.**

**FDI IN WHITE LABELLED ATM OPERATIONS**

**56. SHRI A. ARUNMOZHITHEVAN:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

**वाणिज्य एवं उद्योग मंत्री**

- (a) whether the Government is considering to allow 100% FDI in white labelled ATM operations under the automatic route;
- (b) if so, the details thereof;
- (c) whether it is likely to help increasing the number of ATMs in smaller cities and towns; and
- (d) if so, the details thereof?

**ANSWER**

**वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण)**

**THE MINISTER OF STATE (INDEPENDENT CHARGE)  
OF THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRIMATI NIRMALA SITHARAMAN)**

- (a) & (b):** The Government vide Press Note 11 (2015) dated 01.10.2015 (Annexure) has allowed 100% FDI in white labelled ATM operations under the automatic route, subject to the conditions stipulated therein.
- (c) & (d):** This decision is inter alia aimed at helping Government's objective of enhancing ATM networks in semi-urban and rural areas (mainly in Tier III to VI areas).

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**ANNEXURE**

**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE LOK SABHA UNSTARRED QUESTION NO. 56 FOR ANSWER ON 30.11.2015.**

**Government of India  
Ministry of Commerce & Industry  
Department of Industrial Policy & Promotion**

**Press Note No. 11 (2015 Series)**

**Subject: Foreign Direct Investment (FDI) upto 100% in White Label ATM Operations under automatic route.**

The Government of India has reviewed the extant FDI Policy and decided to allow Foreign Investment up to 100% in White Label ATM Operations, under the automatic route. Accordingly, a new sub-para 6.2.18.8.3 in the paragraph 6.2.18.8 of the of the Consolidated FDI Policy Circular is added in the following manner:-

**6.2.18.8 Non-Banking Finance Companies (NBFC)**

<b>Sector/Activity</b>	<b>% Equity/ Foreign Investment Cap</b>	<b>Entry Route</b>
<b>6.2.18.8.3</b> White Labelled ATM Operations	100%	Automatic
<b>Other Conditions:</b> <ul style="list-style-type: none"><li>i. Any non-bank entity intending to set up WLAs should have a minimum net worth of Rs. 100 crore as per the latest financial year's audited balance sheet, which is to be maintained at all times.</li><li>ii. In case the entity is also engaged in any other 18 NBFC activities, then the foreign investment in the company setting up WLA, shall also have to comply with the minimum capitalization norms for foreign investments in NBFC activities, as provided in Para 6.2.18.8.2.</li><li>iii. FDI in the WLAO will be subject to the specific criteria and guidelines issued by RBI vide Circular No. DPSS.CO.PD. No. 2298/02.10.002/2011-2012, as amended from time to time.</li></ul>		

2. The above decision will take immediate effect.

(Atul Chaturvedi)  
Joint Secretary to the Government of India

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D/o IPP File No.: No. 5/4/2013-FC-I dated: 1<sup>st</sup> October, 2015

**Copy forwarded to:**

1. Press Information Officer, Press Information Bureau, A Wing, Shastri Bhawan, New Delhi- for giving necessary publicity to the above Press Note.
2. Joint Secretary (I&C), Department of Economic Affairs,  
North Block, New Delhi
3. Reserve Bank of India, Foreign Exchange Department,  
Mumbai
4. NIC in the Department of Industrial Policy and Promotion- for uploading the Press Note on DIPP's website.
5. Hindi Section, DIPP- for providing Hindi version.

} For suitably incorporating the policy changes in Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000 and the relevant schedules thereof.

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