

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

**UNSTARRED QUESTION No. 892**

TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2018 (FRIDAY)/AGRAHAYANA 23, 1940  
(SAKA)

**ATM Penetration**

892. SHRI NAGENDRA PRATAP SINGH PATEL:

DR. SUNIL BALIRAM GAIKWAD:

SHRIMATI VEENA DEVI:

PROF. CHINTAMANI MALVIYA:

SHRI KAUSHAL KISHORE:

SHRI M. MURALI MOHAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether India has among the countries having lowest Automated Teller Machine (ATM) penetration globally, if so, the details thereof and the reasons therefor along with the number of Automated Teller Machines that are in operation in the country;
- (b) whether Government is aware that barring the metros and urban centres, people in States like Uttar Pradesh, Maharashtra, Bihar, West Bengal, Madhya Pradesh and others have to travel 40 km or more to access an ATM, if so, the steps taken by the Government to instal more ATMs in all States/UTs;
- (c) whether nearly 50 per cent of ATMs are expected to be shut down by March 2019, if so, the details thereof and the reasons therefor along with the extent to which it is likely to affect people in urban and rural areas including those persons who are likely to lose their jobs as a result of closure of the ATMs;
- (d) whether the people have to face problems due to non-upgradation of ATMs and disbursal of fake currency, if so, the measures taken to rectify the same along with the steps being taken by the Government to resolve the problems of deposit and withdrawal of money on account of fifty per cent closure of ATMs; and
- (e) whether most of the ATMs in urban and rural areas are white label ATMs and if so, the alternative arrangements made for beneficiaries of Government schemes who use these ATMs for withdrawing subsidies?

Answer

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

- (a) and (b) As informed by Reserve Bank of India (RBI), no such comparable data is available with them. As reported by the Scheduled Commercial Banks (SCBs), Small Finance Banks (SFB), Payment Banks (PBs) and White Label ATM Operators (WLAOs), 2.21 lakh ATMs are deployed in the country as on 30.9.2018.

Apart from ATMs, banking services across the country are provided through bank branches, inter-operable Business Correspondents (BCs) with micro-ATMs etc. Further, mobile banking services and various digital modes of banking facilities are also available in India.

Under Pradhan Mantri Jan-Dhan Yojana (PMJDY), as informed by banks, all villages were mapped into 1.59 lakh Sub-service Areas (SSAs) of 1,000 to 1,500 households each. Out of these SSAs, 0.33 lakh are served by bank branches and 1.26 lakh are served by BCs.

- (c) As apprised by the Public Sector Banks (PSBs), they do not have any plan to shut down their ATMs.
- (d) RBI, vide its circular dated 21.6.2018 on 'Control measures for ATMs – Timeline for compliance', advised banks to initiate immediate action to implement the control measures for ATM, including up-gradation of software in a time bound manner and to closely monitor the compliance. Further, RBI, vide its circular dated 27.8.2015 on 'Security and Risk Mitigation Measures for Card Present and Electronic Payment Transactions – Issuance of EMV Chip and PIN Cards', advised banks to ensure that all active cards issued by them are EMV Chip and Pin based by December 31, 2018. As regards the problem due to disbursal of fake currency, RBI issued the 'Master Circular – Detection and Impounding of Counterfeit Notes' dated 20.7.2016 advising banks to ensure authenticity of notes, putting adequate safeguards/checks before loading ATM with notes etc.
- (e) As informed by RBI, out of total 2.21 lakh ATMs deployed in the country as on 30.9.2018, only 15,626 ATMs are deployed by WLAOs while rest are operated by banks. Further, in urban and rural regions, the total number of ATMs deployed by SCBs, SFBs and PBs, as on 30.9.2018 is 90,956, whereas 8,623 ATMs are deployed by WLAOs. For a customer, there is no difference between using a normal ATM and a WLA. These ATMs are interoperable and cards of all banks can be used at both types of ATMs.

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