



## White Label ATMs (WLAs) to drive ATM penetration in India with a greater focus on Tier III to VI centres

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The Reserve Bank of India (RBI) has apprised that in order to drive ATM penetration in the country with a greater focus on Tier III to VI centres, non-bank companies have been permitted to set up, own and operate White Label ATMs (WLAs) in the country. This was stated by Union Minister of State for Finance Dr Bhagwat Kisanrao Karad in a written reply to a question in Rajya Sabha today.

The Minister stated that WLAs provide banking services to the customers of banks in India, based on the cards (debit/credit/prepaid) issued by banks. In addition to dispensing cash, WLAs may offer many other services / facilities which *inter-alia* include:

- i. Account Information
- ii. Cash Deposit
- iii. Regular Bill Payment
- iv. Mini / Short Statement Generation
- v. PIN Change
- vi. Request for Cheque Book

The Minister stated the steps taken for increasing presence of WLAs and for improving their viability and functioning, *inter-alia*, are as under:

- a. RBI, *vide* its circular dated December 30, 2016, has allowed White Label ATM Operators (WLAOs) to source cash from retail outlets to address the cash sourcing constraints.
- b. To further give impetus to WLA deployment and to encourage more non-bank players to enter ATMs industry, RBI, *vide* its circular dated March 7, 2019, have permitted WLAOs to (i) buy wholesale cash, above a threshold directly from the Reserve Bank (Issue Offices) and Currency Chests, (ii) source cash from any scheduled bank, including Cooperative Banks and Regional Rural Banks, (iii) offer bill payment and Interoperable Cash Deposit services, (iv) display advertisements pertaining to non-financial products / services, and in addition, (v) banks are permitted to issue co-branded ATM cards in partnership with the authorised WLAOs and extend the benefit of 'on-us' transactions to WLAs as well.
- c. RBI, *vide* press release dated October 15, 2019 has enabled on-tap authorisation for WLAs.

The Minister further stated that four authorised non-bank entities are operating White Label ATMs in the country.

Giving more information, the Minister state that Consumer Education and Protection Department of RBI has informed that 98 complaints have been received against WLAs from April 01, 2022 to June 30, 2023. Such complaints fall under the purview of Consumer Education and Protection Cells (CEPCs) of RBI. CEPCs examine

each complaint based on the merits of the case, documentary evidence available and the comments received from the Regulated Entity (RE) and its adherence to the extant regulatory guidelines.

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