

ATMs must be exempted from excise duty, says NCR India MD

KR Srivats

Says expanding ATM base key to financial inclusion



Navroze Dastur, Managing Director, NCR India

New Delhi, December 2:

The Centre should extend excise duty exemption to ATM manufacture on the lines of the one extended to Point-of-Sale (PoS) machines recently, Navroze Dastur, Managing Director, NCR India, said.

“We are hoping that excise exemption will get extended to the ATM industry also as ATMs play an important role in the last mile of financial inclusion,” Dastur told *BusinessLine*.

As on date, India has about two lakh ATMs, of which, nearly one lakh have been sourced from NCR India. Currently, ATMs attract excise duty of 13 per cent.

India is still under-penetrated in terms of ATM coverage. In China, there are 400 ATMs for every million people, while in India there are barely 150 ATMs for the same number of people.

“We are certainly under-penetrated as far as ATMs are concerned and this has come out openly in the recent demonetisation move. We just have two lakh ATMs. If we had more, we could have reached out to far-flung rural areas in a far better manner than we have done today.”

To enhance the spread of the digital economy, the Centre had, a few days back, granted excise duty exemption to PoS devices.

Dastur also made it clear that NCR has no plans to enter the small hand-held PoS devices space. It would, however, continue to focus on retail PoS that catered to large-format retail stores.

ATM recalibration

Dastur also said that nearly 90 per cent of the ATMs in the country have been recalibrated to dispense new ₹ 2,000 and ₹ 500 notes.

As many as 1.8 lakh ATMs have been recalibrated as of Thursday. In the next two to three days, the entire ATM universe in India should get covered, Dastur said.

Recalibration of ATMs was required following the government’s move to demonetise high-value notes and purge the economy of illegal and fake currency.

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