

10:06 AM 22 NOV LIVE	சென்செக்ஸ் 35,302 ▲ 102.24	நிஃப்டி 50 10,633 ▲ 33.35	கோல்டு (எம்சிஎக்... 30,825.00 0.00	யுஎஸ்டி/ஐஎ... 71.18 ▼ -0.28	CREATE PORTFOLIO	 ETMONEY THE DIRECT MUTUAL FUNDS APP	CHOOSE LANGUAGE TAM
---	--------------------------------------	-------------------------------------	--	---------------------------------------	-------------------------	---	------------------------

Half of India's ATMs may close down by March 2019, warns CATMi

BY PTI | UPDATED: NOV 21, 2018, 04.49 PM IST

Post a Comment

MUMBAI: Changes in regulatory landscape are making it unviable to operate [ATMs](#), and may lead to the closure of half of the 2.38 lakh machines in the country by March 2019, the Confederation of ATM Industry ([CATMi](#)) warned Wednesday.

Big Change:
[The end of Five-Year Plans: All you need to know](#)

Closure of the ATMs will impact thousands of [jobs](#) and also the the [financial inclusion](#) efforts of the government, the industry body said in a statement.

"Service providers may be forced to close down almost 1.13 lakh ATMs across the country by March 2019. These numbers include approximately one lakh off-site ATMs and a little over 15,000 white label ATMs," it said.

The industry has reached a "tipping point", the body added.

A majority of the ATMs which can be shut down will be in the non-urban areas, it said, underlining that this can impact the financial inclusion efforts as beneficiaries use the machines to withdraw government subsidies.

The industry body said that recent regulatory changes, including those on hardware and software upgrades, coupled with mandates on cash management standards and the cassette swap method of loading cash, will make ATM operations unviable, resulting in the closure.

The new cash logistics and cassette swap method will alone result in costs of Rs 3,000 crore for the industry, it estimated.

It added that the ATM industry, including managed service providers, brown-label ATM deployers and white label ATM operators (WLAO), is still reeling under the shock of demonetisation.

"The situation has further deteriorated now due to the additional compliance requirements that call for a huge cost outlay. The service providers do not have the financial means to meet such massive costs and may be forced to shut down these ATMs," it said.

The only way to salvage the situation for the industry, according to the body, is if [banks](#) "step in to bear the load of the additional cost of compliances".

"Unless ATM deployers are compensated by banks for making these investments, there is likely to be a scenario where contracts are surrendered, leading to large scale closure of ATMs," it said.

Revenues for providing ATMs as a service are not growing at all due to very low ATM interchange charges and ever-increasing costs, it said, adding that such changes in the landscape were not anticipated while signing contracts with the banks.

The WLAOs have accumulated losses and the compliance costs can result in over 15,000 machines run by them shutting down, the industry body added.

Stay on top of business news with The Economic Times App. [Download it Now!](#)

Powered by

[Live Market](#)
[News](#)
[Portfolio](#)
[Mobile](#)
[Live TV](#)
[Biz Listings](#)

[Industry](#)
[Newsletters](#)
[Commodities](#)
[Speed](#)
[Blogs](#)
[RSS](#)

[About Us](#)
[Subscribe to ET Prime](#)
[Book your Newspaper Subscription](#)
[Create Your Own Ad](#)
[Advertise with Us](#)
[Terms of Use & Grievance Redressal](#)
[Privacy policy](#)

FOLLOW US

Download it from
APP STORE

Download it from
GOOGLE PLAY

Download it from
Windows Store

Other Times Group news sites

[इकनॉमिक टाइम्स](#) | [ઇકોનોમિક ટાઇમ્સ](#) | [Pune Mirror](#) | [Bangalore Mirror](#) | [Ahmedabad Mirror](#) | [ItsMyAscent](#) | [Education Times](#) | [Brand Capital](#) | [Mumbai Mirror](#) | [Times Now](#) | [Indiatimes](#) | [नवभारत टाइम्स](#) | [महाराष्ट्र टाइम्स](#) | [ವಿಜಯ ಕರ್ನಾಟಕ](#) | [Go Green](#) | [AdAge India](#) | [Eisamay](#) | [IGN India](#) | [NavGujarat Samay](#) | [Times of India](#) | [Samayam Tamil](#) | [Samayam Telugu](#) | [Miss Kyra](#) | [Bombay Times](#) | [Filmipop](#) | [Games App](#) | [MX Player](#)

Living and Entertainment

[Timescity](#) | [iDiva](#) | [Entertainment](#) | [Zoom](#) | [Healthmeup](#) | [Luxpresso](#) | [Gadget Reviews](#) | [Titanium & Platinum Credit Card](#) | [Online Songs](#) | [MensXP](#) | [Hotels](#) | [Travel Destinations](#) | [Cricbuzz](#) | [Recipes](#) | [Gaana](#) | [Happytrips](#) | [Getsmartapp](#)

Interest Network

[itimes](#)

Hot on the Web

[Share Market](#) | [GST](#) | [Rupee](#) | [Aadhaar Card](#) | [IFSC Code](#) | [Mutual Funds](#) | [Top ELSS Funds to Invest](#) | [How to save Income Tax](#) | [Sensex Today](#) | [Nifty Bank](#) | [Telangana Elections](#) | [Income Tax Calculator](#)

Services

[Book print ads](#) | [Online shopping](#) | [Matrimonial](#) | [Astrology](#) | [Jobs](#) | [Tech Community](#) | [Property](#) | [Buy car](#) | [Bikes in India](#) | [Free Classifieds](#) | [Send money to India](#) | [Used Cars](#) | [Restaurants in Delhi](#) | [Remit to India](#) | [Buy Mobiles](#) | [Listen Songs](#) | [News](#) | [TimesMobile](#) | [Real Estate Developers](#) | [Restaurant Deals in Delhi](#) | [Car Insurance](#) | [Gadgets Now](#) | [Free Business Listings](#) | [CouponDunia](#) | [Remit2India](#) | [Techradar](#) | [AliveAR](#) | [Getsmartapp App](#) | [ETMoney Finance App](#) | [Feedback](#) | [Auto](#)

In Case You Missed It

[All about PNB Fraud](#)

[Home Loan Calculator](#)

[Tata Steel](#)

[Income Tax](#)

[Oil Import](#)

[Yes Bank Video](#)

[Income Tax Calculator](#)

[RCom](#)

[Education Loan Calculator](#)

[IL&FS crisis](#)

[IFSC Code](#)

[Datsun Go, GO+ booking](#)