

RBI/2005-06/379

UBD (PCB) BPD Cir No. 50/09.69.000/2005-06

April 28, 2006

The Chief Executive Officers of
All Primary (urban) Co-operative Banks

Dear Sir/Madam,

Installation of Automated Teller Machines (ATMs)-UCBs

Please refer to the announcement made in the Annual Policy Statement for the year 2006-07 to permit well-managed scheduled and non-scheduled UCBs to set up select off-site/ on-site ATMs, based on the recommendation of the concerned TAFcUB.

2. In supercession of the extant instructions, the eligibility norms for setting up of ATMs by UCBs will be as under:

On-site/Off-site ATMs

- i) Minimum deposits of Rs. 100 crore,
- ii) Compliance with the prescribed CRAR,
- iii) Net NPA less than 10%,
- iv) Consistent record of profitability and compliance with CRR/SLR

3. Accordingly, UCBs satisfying the above eligibility norms may apply to the Regional Office concerned in the format annexed for prior approval for installing on-site and/or off-site ATMs. UCBs registered under the Multi-State Cooperative Societies Act may apply to the Regional Office of the Reserve Bank, under the jurisdiction of which the Registered/Head Office of the bank is situated, for consideration.

4. Scheduled UCBs, other than those classified as Grade II to IV, do not require prior approval of the Reserve Bank for setting up on-site ATMs.

5. The off-site ATMs, where approved by the Reserve Bank, would be installed only within the area of operation of the UCBs and shifting and relocation, if any, would require prior approval.
6. Scheduled and non-scheduled UCBs permitted to have ATMs, both under automatic and approval route, may also issue ATM-cum-Debit Cards.
7. At present, the ATMs/BTMs installed at the branch/ extension counters are not to be shared/ interlinked with other banks, without prior approval from the Reserve Bank. It has now been decided to dispense with the requirement of prior RBI approval for network connectivity and/or sharing of the ATMs installed by UCBs and to permit the banks to decide on their own.
8. Please acknowledge receipt of the circular to the Regional Office concerned.

Yours faithfully,

(S.S Barik)
General Manager

Encl: 1

Annexure

Format of the application for ATM

1. Name of the bank-
2. Address of the registered office/Head Office-
3. Area of operation-
4. No. of branches(List of branches to be annexed)-
5. Total deposits for last three years (As on 31st March)-
6. CRAR for the year ended as on 31st March-
7. Net NPA for the year ended as on 31st March-
8. Net profits for last three years (Please furnish year-wise net profits)-
9. Whether there were/are any default in CRS/SLR (If yes give details and the reasons for the same)-
- 10.No. of on-site ATM/BTM installed(Please give a list of branches/extension counters and quote the reference of approval from RBI)-
- 11.No. of off-site ATM/BTM installed(Please give a list and quote the reference of approval from RBI)-
- 12.Average number of ATM/BTM transaction per day per machine-
 - a) Cash dispensing
 - b) Cash acceptance
 - c) Others
- 13.Average cost per ATM/BTM transactions-
- 14.Whether the bank is sharing the existing ATM/BTM with any other bank(If yes, give details of the names of the banks, agreement for sharing and average number of daily transactions on behalf of other banks)-
- 15.Whether the bank is making use of ATM/BTM installed by any other bank(If yes, give the details of the names of the banks, agreement for sharing and average number of daily transactions on behalf of other banks)-
- 16.Proposed on-site/off-site address for installing ATMs-
- 17.Cost of the proposed ATM-
- 18.Cost of other infrastructure for installation of ATM-
- 19.Expected average number of ATM transaction per day-
 - a) Cash dispensing
 - b) Cash acceptance
 - c) Others
- 20.Briefly indicate the benefits actually derived/expected to accrue by way of installation of ATM.