

More services on anvil at non-home ATMs

Union Bank, Andhra Bank, YES Bank launch cash transfer

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Soon, you may be able to deposit cash or order a cheque book through an automated teller machine (ATM) of a bank, of which you are not a customer. At present, one can withdraw money, check account balance and get a mini statement from non-home-bank ATMs, but no other transaction is allowed.

The National Payments Corporation of India, along with some private and public-sector banks, has embarked on a pilot project to test the feasibility if several services could be offered by non-home bank ATMs. Bankers have also sought the Reserve Bank of India's (RBI) approval to roll out the same if the results of the pilot projects are positive.

Banks now offer services such as paying telephone bill, electricity bill, DTH recharge at the ATMs. In particular, banks have approached RBI to allow cash deposits at ATM to be made inter-operable. "Several banks have cash deposit facility at ATMs that are not inter-operable as yet. So, only the banks' consumers can use the same. We have sought RBI's permission to make it independent now. A request has also been sent to

IN A NEW AVATAR

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- Non-home ATMs may soon provide cheque books and deposit facility
- At present, one can withdraw money, request a balance enquiry and a mini statement from a non-home ATM
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make bill payment also inter-operable," said an industry official who is familiar with the development.

The official added banks are also working at making features such as cheque book request, statement requests and card-to-card transfer inter-operable.

Some banks have already started cash transfer between two accounts of different banks via debit card. Currently, banks have started this feature across Union bank, Andhra Bank and YES Bank.

Aspy Engineer, president and country head (ATM management and currency chest) at YES Bank, believes making all

the transactions at ATMs independent of the bank will be a game-changer. "Since the operational profitability of the ATMs has been under pressure, the idea is to increase the transactions that happen across ATM branches to boost volumes and make it profitable."

YES Bank has also been looking at introducing several value-added services at the ATM and this includes features such as mobile number updation that can currently be done only by visiting a bank branch.

The cost of running ATMs has also shot up. After an attack on a woman customer at a Corporation Bank ATM in

Bangalore last year, it was decided to strengthen security of ATMs. According to reports, banks incur ₹4,000 crore every month on additional security requirements alone.

Monish Shah, senior director at Deloitte in India believes that introducing more such features will come a long way in improving the profitability of these channels. "ATM and such alternate channels are turning out to be the preferred channels to reach the masses and this is the channel that we are likely to see players focusing on in the near future. Therefore, such inter-operable features will be an advantage for the banks."



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