

# **UNIT 23 – BANKING - ANY TIME MONEY provide karta hai- ATM's & WLA's**

**Dear Readers,**

**Today we are posting some questions out of which you can expect at least one or two questions in upcoming bank exams. It is Important for you to understand what to read out of thousand topics from book. But we will provide you handpicked topics and will present to you in such a manner that it will stay forever in your mind.**

## **Q.1. What is an Automated Teller Machine (ATM)?**

Ans 1. Automated Teller Machine is a computerized machine that provides the customers of banks the facility of accessing their account for dispensing cash and to carry out other financial & non-financial transactions without the need to actually visit their bank branch.

## **Q.2. What are White Label ATMs (WLAs)?**

Ans 2. ATMs set up, owned and operated by non-banks are called White Label ATMs. Non-bank ATM operators are authorized under Payment & Settlement Systems Act, 2007 by the Reserve Bank of India.

## **Q.3. What has been the rationale of allowing non-bank entities for setting up of WLAs ?**

Ans 3. The rationale of allowing non-bank entity to set up White Label ATMs has been to increase the geographical spread of ATM for increased / enhanced customer service.

**Q.4. What type of cards can be used at an ATM/WLA?**

Ans 4. The ATM/ATM cum debit cards, credit cards and open prepaid cards (that permit cash withdrawal) issued by banks can be used at ATMs/WLAs for various transactions.

**Q.5. What are the services/facilities available at ATMs/WLAs?**

Ans 5. In addition to cash dispensing, ATMs/WLAs may offer many other services/facilities to bank customers. Some of these services include:

- Account Information
- Cash Deposit (**Acceptance of deposits are not permitted at WLAs**)
- Regular Bills Payment (**not permitted at WLAs**)
- Purchase of Re-load Vouchers for Mobiles (**not permitted at WLAs**)
- Mini/Short Statement
- PIN change
- Request for Cheque Book

**Q.6. What is Personal Identification Number (PIN)?**

Ans 6. PIN is the numeric password which is separately mailed / handed over to the customer by the bank while issuing the card. Most banks require the customers to change the PIN on the first use. Customer should not disclose PIN to anybody, including to bank officials. Customers should change the PIN at regular intervals.

**Q.7. Can these cards be used at any bank/non-bank ATM (WLA) in the country?**

Ans 7. Yes. The cards issued by banks in India may be used at any bank / white label ATM in the country.

**Q.8. Is the customer charged for ATM transactions?**

Ans.8. With effect from November 01, 2014, Savings bank account holders can do a **minimum of three transactions** (including both financial and non-financial transactions) free of charge in a month at other bank ATMs in case of ATMs located **in six metro locations**, viz. Mumbai, New Delhi, Chennai, Kolkata, Bengaluru and Hyderabad. At other locations, the savings bank account holders can transact a **minimum of five transactions** (including both financial and non-financial transactions) free of charge in a month at other bank ATMs. Similarly, **Basic Savings Bank Deposit Account** holders will continue to get five free transactions. Banks on their own can decide to offer more number of transactions free of cost to their customers. In case of charges to be levied on customers, the customer can be charged a maximum of Rs. 20/- per transaction (plus service tax, if any) by his/her bank.

**Q.9. What steps should a customer take in case of failed ATM transaction at other bank/white label ATMs, when his / her account is debited?**

Ans 9. The customer should lodge a complaint with the **card issuing bank at the earliest**. This process is applicable even if the transaction was carried out at another bank's/non-bank's ATM. In case of WLAs, the contact number/toll free numbers are also available for lodging complaints regarding failed transactions at their ATMs.

**Q.10. Is there any time limit for the card issuing banks for recrediting the customers account for a failed ATM/WLA transaction indicated under Q. No. 9?**

Ans 10. As per the RBI instructions, banks have been mandated to resolve customer complaints by re-crediting the customer's account within 7 working days from the date of complaint.

**Q.11. Are the customers eligible for compensation for delays beyond 7 working days?**

Ans 11. Yes. Effective from July 1, 2011, banks have to pay compensation of Rs. 100/- per day for delays in re-crediting the amount beyond 7 working days from the date of receipt of complaint for failed ATM transactions. The compensation has to be credited to the account of the customer without any claim being made by the customer. If the complaint is not lodged within 30 days of transaction, the customer is not entitled for any compensation for delay in resolving his / her complaint.

**Q.12. What is the course of action for the customer if the complaint is not addressed by his/her bank within the stipulated time / not addressed to his satisfaction?**

Ans 12. The customer can take recourse to the Banking Ombudsman, if the grievance is not redressed by the his/her card issuing bank.

