



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA



RBI/2022-23/106
DOR.REG.No.63/19.51.052/2022-23

August 11, 2022

All District Central Co-operative Banks

Madam/Sir,

Section 23 of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) – Opening of new place of business by District Central Co-operative Banks (DCCBs)

Pursuant to the amendment to the Banking Regulation Act (No.39 of 2020) dated September 29, 2020, District Central Co-operative Banks (DCCBs) are permitted to open new place of business/install ATMs or shift the location of such offices only after obtaining prior approval of the Reserve Bank of India (RBI). Accordingly, it has been decided to issue guidelines with details of the criteria and procedure for submission of application by DCCBs for opening new place of business/installation of ATMs.

2. The criteria for opening of branches/extension counters/specialized branches/regional offices/zonal offices/administrative offices/shifting of branches/upgradation of extension counters into full-fledged branches by a DCCB are as follows:

- a. A licensed DCCB should have completed at least three years of operation
- b. CRAR not being less than 9 per cent
- c. No default in maintenance of CRR/SLR during the preceding financial year
- d. Net NPA being less than 5 per cent
- e. The bank should have made a net profit during the preceding two financial years

- f. The bank should have a good track record of regulatory compliance and no monetary penalty should have been imposed on the bank for violation of Reserve Bank of India directives/guidelines during last two financial years
- g. The bank should not have been placed under any specific direction issued by Reserve Bank of India during the preceding two financial years

The above parameters will be considered as they appear in the latest inspection report of NABARD.

3. In order to expedite the regulatory approvals under Section 23 of the Banking Regulation Act 1949 (AACs), it has been decided that DCCBs satisfying the criteria as mentioned at para 2 above, may submit their application in the format prescribed in the Banking Regulation (Co-operative Societies) Rules, 1966 to concerned Regional Office (RO) of the Reserve Bank of India for prior approval for opening of branches/extension counters/specialized branches/regional offices/zonal offices/administrative offices/shifting of branches/upgradation of extension counters into full-fledged branches. The banks shall also forward a copy of the application to NABARD which, in turn, shall forward their recommendation in the matter to concerned RO of the Reserve Bank of India.

4. DCCBs shall be allowed to install on-site ATMs without seeking prior approval of the Reserve Bank of India. They may also install off-site/mobile ATMs as per their need and potential in their area of operation without prior permission from the Reserve Bank of India subject to satisfying the criteria as mentioned at para 2 above. Further, DCCBs shall ensure that the proposal for installation of off-site/mobile ATMs is duly approved by their Board of Directors. The conditions subject to which off-site/mobile ATMs can be operationalized by DCCBs are furnished in [Annex I](#). The formats for reporting on-site/off-site/mobile ATMs by DCCBs are furnished in [Annex II](#) and [Annex III](#). The reporting requirements are listed in [Annex IV](#).

5. DCCBs shall report to concerned Regional Office of the Reserve Bank under whose jurisdiction the Head Office of the DCCB is functioning, immediately after operationalization of the off-site/mobile ATMs and in any case not later than 15 days, as per the format enclosed in [Annex II](#) and [Annex III](#) and obtain authorization under Section

23 of the Banking Regulation Act, 1949 (AACs) from the concerned Regional Office of the Reserve Bank.

6. DCCBs are advised to adhere to the guidelines relating to the security measures at ATMs issued by RBI vide [circulars DCM\(Plg.\)No.3641/10.25.007/2017-18 dated April 12, 2018](#) and [DCM\(Plg.\)No.2968/10.25.007/2018-19 dated June 14, 2019](#) and any subsequent instructions issued by RBI relating to security aspects at ATMs.

7. These guidelines will come into effect from the date of issue of the circular.

Yours faithfully,

(Prakash Baliarsingh)
Chief General Manager

Encl: as above

Conditions subject to which off-site/mobile ATMs can be operationalized by DCCB.

- i. The DCCB should be CBS compliant and satisfy eligibility criteria based on latest inspection Report.
- ii. The business transacted at the off-site ATMs shall be recorded in the books of the respective branch/base branch/Centralised Data Centre.
- iii. Mobile ATMs will have to be linked to a branch and shall be operated strictly within the area of operation of the bank.
- iv. No person other than the security guard shall be posted at such off-Site ATM centre.
- v. The DCCB shall make adequate stand-by arrangements for meeting the cash requirements of the ATM.
- vi. The DCCB shall ensure that only properly sorted and examined notes are put into circulation through the ATM.
- vii. ATMs may be provided with ramps so that wheel-chair users/persons with disabilities can easily access them and also make arrangements in such a way that the height of the ATM does not create an impediment in its use by a wheelchair user.
- viii. At least one third of new ATMs installed shall be talking ATMs with Braille keypads and placed strategically in consultation with other banks to ensure that at least one talking ATM with Braille keypad is generally available in each locality for catering to needs of visually impaired persons. Banks may also bring the locations of such talking ATMs to the, notice of their visually impaired customers.
- ix. Third party advertisement on the ATM screens/Network, such as display of products of other manufacturers/dealers/vendors is not permitted. However, there is no objection to banks utilizing the ATM screens for displaying their own products.
- x. The off-site/mobile ATMs may be installed at centres/places identified by them within its existing area of operation, with the approval of their Board of Directors. This would, however, be subject to any direction which the Reserve Bank may issue, including for closure/shifting of any such off-site/mobile ATMs, wherever so considered necessary by the Reserve Bank.

Facilities provided at on-site/off-site ATMs/mobile ATMs

DCCBs are free to offer all their products and services through the ATM channel provided the technology permits the same and adequate checks are put in place to prevent the channel from being misused.

Name of the DCCB:

1. Number of ATMs installed (Please furnish branch-wise details)
 - (a) On-site
 - (b) Off-site
 - (c) Mobile ATMs
2. Mode of acquisition of ATMs
3. Cost of ATMs.
4. Cost of infrastructure for installation of ATMs.
5. Average number of ATM transactions per day.
 - (a) Cash dispensing
 - (b) Cash acceptance
 - (c) Others
6. Average cost per ATM transaction.
7. Whether the bank is sharing the ATM facility with any other bank. If so,
 - (a) Name of the bank(s)
 - (b) Formal agreement, if any
 - (c) Average number of daily ATM transactions on behalf of the other banks
8. Whether the bank is making use of ATM facility installed at any other bank. If so,
 - (a) The name of the bank/s
 - (b) Formal agreement, if any.
 - (c) Average number of daily ATM transactions at each of the other bank's ATMs.
9. Indicate briefly benefits actually derived/expected to accrue by way of installation of ATMs.

A. Statement of operationalisation of off-site ATM by the bank to be submitted as and when effected.

Name of the DCCB:

| S.No | Complete Address of ATM installed | Population group wise classification of center | Details of base branch | Date of opening of ATM |
|------|-----------------------------------|--|------------------------|------------------------|
|------|-----------------------------------|--|------------------------|------------------------|

B. Statement of operationalisation of Mobile ATMs by the bank to be submitted as and when effected.

Name of the DCCB:

| S.No | Centre District | Details of Base Branch | Population group wise classification of center | Centers/paces to be visited by mobile ATM | Day of visit | Date of operationalisation of mobile ATM |
|------|-----------------|------------------------|--|---|--------------|--|
|------|-----------------|------------------------|--|---|--------------|--|

Reporting requirements

- i. DCCBs shall submit the details under the Central Information System for Banking Infrastructure as laid down in [circular DCBR.BPD\(PCB/RCB\).Cir.No. 04/07.01.000/2019-20 dated October 11, 2019](#).
- ii. Similarly, details of shifting/closure etc., of off-site/mobile ATMs shall be reported to the concerned Regional Office of the Reserve Bank immediately after such shifting/closure and in any case not later than 15 days.