

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5165
ANSWERED ON:26.04.2013
IRREGULARITIES IN CONTRACT OF ATMS QUESTION
Ramshankar Dr.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received any complaints regarding irregularities by companies granted contracts for installing/operating ATMs in the country during the last three years;
- (b) if so, the details thereof during each of the last three years and the current years State/ UT-wise including Uttar Pradesh;
- (c) whether the banks have followed the guidelines, criteria/procedure laid down by the Reserve Bank of India (RBI) during allotment of contract to such companies; and
- (d) if so, the details thereof and if not, the action taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (d) The Public Sector Banks, through 6 Lead Banks, by following tendering process, had finalized the award of contract to vendors in 16 geographical clusters for installation of ATMs on Transaction Price basis.

An Oversight and Implementation Committee of the 6 lead banks was also constituted to resolve all technical issues related to integration between all PSBs/RRBs and the selected vendors and also to oversee and monitor the ATM rollout as per Plan.

In its meeting held on 5.3.2013, the Oversight and Implementation Committee of the 6 Lead Banks, while reviewing the progress of ATM Roll-out have, inter alia, observed that the performance of three vendors, including the one responsible for Uttar Pradesh, was found unsatisfactory and has advised banks to take necessary remedial measures, including termination of contract of the vendors, if required.