

F.No. 7/21/2011-RRB
Government of India
Ministry of Finance
Department of Financial Services

Jeevan Deep Building,
Parliament Street, New Delhi

The 22nd May, 2012

To

Chairmen of all RRBs
(through Sponsor Banks)

Subject : Installation of ATMs in RRBs and issuance of Debit cum ATM card.

Sir/Madam,

I am directed to refer to the Circular No. 7/6/2011-RRB dated 8th September, 2011, issued by the Department on operational integration, human resource development and related issues of RRBs. It was inter-alia provided therein that the banking operations of the RRBs need to be functionally integrated with their Sponsor Banks. This will enable seamless banking transactions between these banks while maintaining their distinct separate organizational structure.

2. Para 1(b) of the aforesaid circular dealt with ATM services and it was provided therein that ATM services provided by the Sponsor Banks and/or RRBs should be treated as of the same bank and charges for using the services at such ATMs should be at par with charges of sponsor banks for its customers.

3. With a view to have cost effective ATM services, Public Sector Banks have now worked out a model of area based deployment of ATMs, taking the benefit of power of aggregation, with all PSBs and RRBs clubbing their requirements and one PSB (Lead Bank) issuing tender on behalf of all banks for a geographical cluster. The lead banks are finalizing the vendor for installation and maintenance of ATMs. RRBs must also join the contract finalized by the banks for geographical cluster and undertake installation of ATMs at all their branches in the first instance.

4. To economise on the capital cost of Switch for ATM and in continuation of earlier instructions related to operational integration, it is hereby advised that the RRBs shall operationalise the ATMs through their Sponsor Bank's 'Switch'

5. RRBs in consultation with their Sponsor Banks must also plan out issuance of Debit-cum-ATM Card to their account holders. These cards could be co branded with the Sponsor

Bank and the services of the vendor providing facility for issuance of the cards to the Sponsor Bank could be utilized for the purpose to have expeditious roll out.

These issues with the approval of Secretary, Financial Services.

Yours faithfully,

(Sandeep Kumar)
Director