GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1508
ANSWERED ON:02.12.2005
CORE BANKING SOLUTION
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Will the Minister of FINANCE be pleased to state:

(a) the amount spent by State Bank of India (SBI), its associates and the Public Sector Banks for Core Banking Solution (CBS) ;

(b) the number of banks used software of foreign companies and the amount paid bank-wise to the companies and the name of the companies ;

(c) whether State Bank of India and its associates Banks which implemented CBS became functionalon April 2, 2005 ;

(d) if not, the reasons for non-functioning /delay in implementation ;

(e) whether the system CBS is functioning properly in SBI and its associate Banks and other public sector banks ;

(f) if not, the remedial action taken and whether accountability has been fixed ; and

(g) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a)&(b) : As per the data made available the amount spent by State Bank of India and its Associates and public sector banks for Core Banking Solution (CBS) is around Rs.1461.30 crores. Most of the public sector banks including SBI and its associates have used the software of foreign companies provided to them through Indian Companies namely, M/s Tata Consultancy Services (TCS), M/s Infosys Technologies Ltd and M/s iflex Solutions Limited. The total amount so far paid to Indian Companies is Rs.108.87 crores; no money has been paid to any foreign company.

(c)&(d): State Bank of India and its associate banks which have implemented CBS became functional as of April 2,2005 and the implementation was well ahead of the scheduled plan of implementation.

(e),(f) & (g): Yes Sir. The Project responsibilities (including software customization and user training areas) are being monitored OK an ongoing basis. As and when any problem arises, immediate remedial action is taken to ensure that CBS branches function effectively and render good customer service.