

SBI to augment ATM platform via new tech

Other banks to follow soon

Khyati Dharamsi. Mumbai

Did the automated teller machine (ATM) deny you money when you were in dire need of it? Does this always happen due to network of the ATM not responding? If yes, then you have a reason to cheer as a technological shift will now permit ATMs to use two servers simultaneously, instead of the current norm of a single server.

State Bank of India (SBI) has given a \$10 million order to Opus Software Solutions, a technology service provider, to replace the old platform on its 22,000-strong ATM network, which it plans to increase to 25,000 by March 31, 2010. The key requirement for this order is that the ATM platform should be run on two servers from different places, both of which are active at the same time.

An ATM platform is the

key enabler of the number of transactions that take place in any bank through ATMs. They need to capture data on transactions across bank accounts through ATMs and store them on the internal bank systems.

Explaining the "active-active" (two-simultaneously-operating server) ATM concept, Ramesh Mengawade, CEO, Opus Software and ElectraCard Services, said, "The (SBI ATM platform) project would have servers in two locations - Mumbai and Chennai. Both would run simultaneously, sharing the load. If one site (server) goes down then the second one takes over. SBI would be first bank to make this unique initiative."

DNA Money's efforts to get comments from SBI were unsuccessful. But it is learnt the bank has already doubled the number of ATMs to 22,000 as on February-end from 12,250 ATMs in May 2009, in line with its aim of 25,000 ATMs by March 31, 2010.

The bank, sources say, is

now targeting to have over 50,000 ATMs by 2014. "The bank intends to locate a large number of ATMs to serve Army formations just as many of its branches are already located in difficult and arduous terrains," a SBI statement issued in May 2009 said.

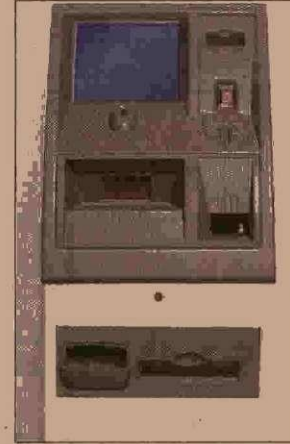
Asked for a timeframe for the implementation of the project, Mengawade said,

"Migration of ATMs has already commenced and would be complete in 6-8 months. Approximately 50 people will be managing this product and 50 other would be placed at SBI offices to facilitate the application."

The new platform will also power the card swiping devices called point of sale (POS) terminals at various shops and retail outlets.

Even as SBI is implementing the new ATM platform, other banks too are mulling to go for the same.

"We have a fair amount of requests for proposal from both PSU and private banks.



We have close to 8-9 active discussions," said Mengawade, not willing to disclose the name of the banks.

But State Bank of India usually gets a good deal at throwaway prices.

"Always good for SBI because it has huge volumes and they have installations within one year, which are usually as per the target," said Sunil Udapa, president and chief executive officer of AGS Infotech, which is providing, installing and maintaining 1,200 ATMs for the bank.

The relationship with SBI is essential and so we give them a very good rate, said another technology company who has been awarded another tender.