

CASE STUDY



Technology Enabled Agile Banking

IDBI Bank



YOUR INNOVATION PARTNER



Technology Enabled Agile Banking

PROFILE

Industrial Development Bank of India (IDBI), a leading development and financial institution of India, promoted IDBI Bank to mark the formal foray of IDBI into commercial Banking. This initiative has blossomed into a success story with IDBI Bank achieving a front ranking position in the Indian Banking Industry. IDBI Bank was rated as the fastest growing company in the country by Business World, India. The bank which began with an equity capital base of Rs.1000 million (20 M USD) in November 1995, has reached over 96 branches and extension counters and over 250 ATMs spread across 68 cities. In January 2001, following a change in the top management of the bank, the strategy of the bank was redrawn. The bank felt a strong need to upgrade the technology platform, which would enable the bank to transform itself to meet the challenges of the future.

KEY BUSINESS DRIVERS



Renewed Thrust on Consumer Banking Initiatives

IDBI Bank started operations as a bank catering primarily to corporate clients. This strategy was redrawn in early 2001 to focus on the exciting arena of Consumer Banking. Seen in this light, 53 branches and 79 ATMs nationwide just didn't seem enough. The need of the hour was to have a technology platform that would seamlessly scale up and at the same time enable IDBI Bank to reach out to its customers through multiple delivery channels. Scalability was important because of the expected explosion in transaction volumes, customer accounts, etc. that accompany consumer banking business. A seamless offering of delivery channels was important because customers need and demand not just access but also, a unified view of their interactions with the bank through multiple delivery channels. In short the need was to have a completely integrated solution, which would cater to consumer banking requirements while providing comprehensive corporate banking functionalities to cater to the bank's corporate customers.

Legacy Systems

IDBI Bank was earlier using a centralized system from Kinle. However, to meet its new strategic initiatives and specific thrust on retail banking, this core banking system needed to be replaced.

Business Agility and Time-to-market

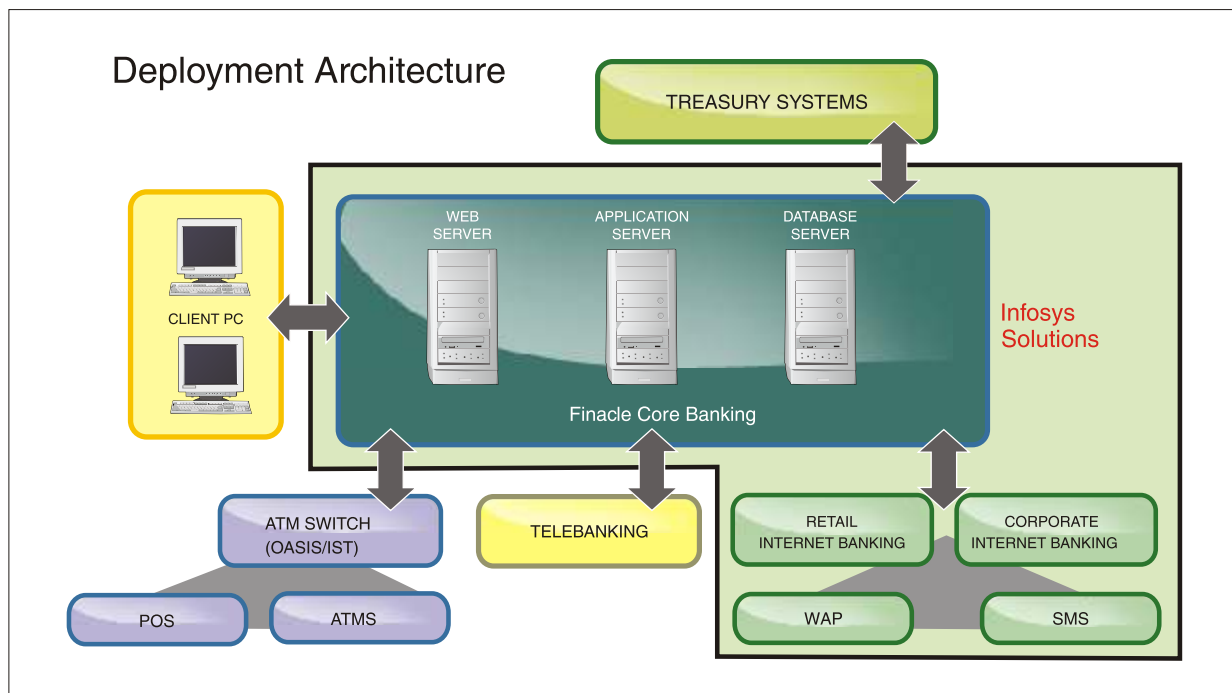
IDBI Bank wanted to have a solution that would not only be quick and easy to deploy but also provide the bank the flexibility to launch new products and services easily. Being fully aware that typical core banking implementations lasted 12-18 months, the bank was keen to choose a solution that gave it a time-to-market advantage. They needed to choose a technology partner who had a track record of deploying core banking solutions significantly faster. Furthermore, along with the speed of implementation, an extremely robust solution was required. Achieving technology driven business agility was one of the key drivers for the bank.

SOLUTION OVERVIEW

IDBI Bank went through a detailed and rigorous evaluation process of various core banking solution providers. The first round of shortlist was arrived at based on products' ability to meet the exhaustive requirements of the RFP. The short listed solution providers were then asked to meet the exacting requirements of the test case scenarios laid down by the bank. Finacle, the universal banking solution from Infosys not only came out with flying colors in this rigorous testing process but also its superior

operations. The core banking solution runs on high availability Unix based servers from Sun Microsystems and interfaces seamlessly with the bank's other applications such as ATMs, telebanking solution, Internet banking, etc.

Infosys believes that a functionally rich, new generation technology solution needs to be coupled with rapid deployment capabilities for the bank to derive maximum benefits of its investment in



functional and performance capabilities helped it in differentiating itself vis-a-vis the competition.

Finacle was deployed at IDBI Bank to power its consumer and corporate banking, trade finance, as well as consumer and corporate e-banking

technology. Infosys added another feather in its cap by deploying Finacle in a record time frame of 5½ months across the entire bank. In fact the core banking roll out at the branches started on 2 May, 2001 and was completed on 18 June, 2001, without a single extension to the agreed project time lines.

The key factors which helped in rapid implementation was the constitution of a core team, comprising members from Infosys and the bank. The team was fundamentally very strong on business and technology issues, possessed exceptional project management skills and considered achieving milestones as sacrosanct.

Expressing his happiness over the successful core banking implementation, Mr. Kumar Subramanian, Country Head, Retail and Corporate Banking

Operations said "We have not only been able to go live with Finacle in record time thus gaining the crucial time-to market advantage, but also have been able to roll-out products much faster than ever before. For example, IDBI Bank introduced "Welcome Kit" in Indian Banking, which consists of all the deliverables customer expects on day one like cheque book, Internet and Phone banking access details etc. This has enabled us to open accounts unlike other banks where the customer needs to wait for a week or more to get these."



View from the Top

"One of the key differentiators that IDBI Bank found in Finacle universal banking solution was its new generation technology and its use of the Web paradigm. With features like Straight-Through-Processing, 24x7 banking, e-Xtensibility tool kit, Finacle has indeed proved to be the right choice. With Finacle powering our core banking operations, we have been able to bring down our End of Day processing time by more than 80%."



Mr. Sanjay Sharma,
Vice President & Head
Product Development Group, IDBI Bank.

Finacle - Universal Banking Solution

Finacle from Infosys partners with banks to power-up their innovation agenda, enabling them to differentiate their products and service, enhance customer experience and achieve greater operational efficiency. Finacle solutions address the core banking, wealth management, CRM, Islamic banking and treasury requirements of retail, corporate and universal banks worldwide and provide online marketing tools like Finacle finanz tools. Finacle solutions also empower banks with multiple sales, service and marketing channels including e-banking, mobile banking and call centers. These offerings make Finacle a strong innovation-facilitator enabling banks to accelerate growth, while maximizing value from their large scale business transformation.

Infosys. The Organization behind Finacle.

Infosys Technologies Ltd. (NASDAQ: INFY) defines, designs and delivers IT enabled business solutions. Infosys' offerings span business and technology consulting, application services, systems integration, product engineering, custom software development, maintenance, re-engineering, independent testing and validation services, IT infrastructure services and business process outsourcing. Infosys today has more than a third of its business coming from the banking and financial services industry and has a strategic focus on this segment.

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