



ING VYSYA BANK SUCCESS STORY

ING VYSYA BANK – LEADING THE WAY IN INDIA – A LEGACY REPLACEMENT SUCCESS STORY

BUSINESS PROFILE – ING VYSYA BANK LTD.

ING Vysya Bank Ltd. provides its 1.5 million customers with a variety of full-service retail banking products including deposits and loans, mutual funds, investments, debit cards and credit cards. ING Vysya also provides credit services, cash management services, foreign exchange and foreign trade services along with treasury, investment and wealth management services.

TYPE OF INSTITUTION

ING Vysya is one of India's leading and largest private sector banks.

When ING Vysya went live with Fidelity's integrated banking solution last year, the bank scored another first as the first institution in India to replace its legacy banking environment with a fully integrated, realtime branch, ATM and Internet solution.

HISTORY

ING Vysya Bank, incorporated in 1930 as Vysya Bank Ltd and renamed ING Vysya Bank in December 2002, is headquartered in Bangalore, India and is an associate of ING Group of the Netherlands, a global customer of Fidelity.

"AFTER EVALUATING VARIOUS OTHER BANKING SYSTEMS, WE ARE PLEASED TO HAVE SELECTED SANCHEZ [FIDELITY]. SANCHEZ PROFILE'S RICH SET OF FUNCTIONS AND ITS DYNAMIC ARCHITECTURE WILL MAXIMIZE OUR ABILITY TO PROVIDE QUALITY SERVICES AND PROVIDE A SET OF INNOVATIVE PRODUCTS TO OUR CUSTOMERS."

*BART HELLEMANS, MANAGING DIRECTOR,
ING VYSYA BANK*

GEOGRAPHY

Although more concentrated in affluent, southern India, ING Vysya has more than 480 branches located throughout the country including metro, urban, semi-urban and rural centers spread over 15 states of India.

ING Vysya has occupied the premier position among Indian private sector banks since 1985. Since that time, ING Vysya has enjoyed a series of "firsts" – the first private sector bank to launch credit cards in 1989 and the first to launch a housing finance subsidiary in 1990. In 1992, ING Vysya was also the first private sector bank to join SWIFT and in 1997, the bank achieved the highest net worth among all Indian private sector banks.

FIDELITY SOLUTIONS INSTALLED

- Sanchez Profile® – The world's fastest core processing system
- Sanchez FMS™ – General ledger application
- Sanchez Profile™ for Windows – A Windows based branch platform



BENEFITS

- Allows the bank to offer customers “AAA Banking” (Anywhere, Anytime, Anyhow)
- Automates back-office operations, reducing required staffing
- Reduces time to market for new products
- New customer-centric architecture dramatically improves customer service
- Less bandwidth requirements and little system overhead
- Global expertise

PROJECT AMULA

At the beginning of 2000, ING Vysya was still using legacy branch automation systems when the decision was made to migrate to a centralized banking solution. The bank had two overwhelming requirements: timely information for decision making and new product development, and the ability to offer new retail delivery channels. In addition, the bank needed a solution that would be compatible with existing IT systems.

Because the Indian banking industry is highly competitive, banks are trying to improve levels of service to attract new customers and improve retention. This led ING Vysya to create an aggressive business plan to modernize the bank’s retail and corporate banking operations in south India where the bank has prominent brand equity. Bank executives felt that if they could accomplish this goal, they would be well on their way to becoming the leading customer-centric bank in India.

ING Vysya decided that their first step was to migrate from legacy architecture to a new, customer-centric, core-processing solution. The project was nicknamed “VysAmulya” meaning “invaluable,” showing the bank’s level of commitment to the migration efforts.

THE FIDELITY SOLUTION

ING Vysya evaluated several domestic solutions from other vendors, as well as several international solutions. Sanchez Profile was selected based on its ease of interface with third-party solutions. ING Vysya was also pleased with Profile’s flexibility, scalability, bandwidth requirements and performance in terms of processing benchmarks. ING Vysya also based the decision on the comfort level of past successful Profile implementations throughout ING Group. The entire selection process began in October 1999 and was completed in May 2000.

“AAA” BANKING

With its integration of Profile, ING Vysya was able to offer Internet banking services to its customers in June 2002. Named “mi-b@nk,” the service allows bank customers to conduct transactions from their location of choice – at home, in the office or wherever they are able to access a PC with Internet connectivity. With a simple mouse-click, ING Vysya’s customers can now use mi-b@nk to view account status and details, authorize fund transfers, retrieve a statement of accounts, order demand drafts, run “what-if scenarios” for monthly installments, and compute interest and maturity amounts for deposits and loans.

GROWING REVENUES

ING Vysya deployed Profile as part of an aggressive business plan to modernize the bank’s retail and corporate banking operations in south India. The bank expects to achieve a 300 percent rise in revenues from treasury operations as a result of timely information from the new, centralized architecture.



INCREASED AUTOMATION

At the beginning of 2000, ING Vysya was still performing partial or fully manual processing in over half its branches.

With the installation of Profile, the bank reduced the amount of staffing required to process transactions by 15 percent.

REDUCED TIME TO MARKET

The need for innovative new products and compatibility with modern delivery channels was a compelling force behind ING Vysya's decision to install Profile. The ING Vysya team decided to start with a core banking solution as a platform on which products and services could be deployed quickly. Profile's electronic product manufacturing capability was attractive to the bank because it reduced time-to market for new products.

In the future, ING Vysya plans to expand its product offerings into northern India through ATMs and the Internet. Using Profile, the new banking platform supports current accounts, monthly minimum low-balance savings accounts, fixed deposit accounts and two new products – overdraft cash credit accounts and cumulative deposit accounts.

INCREASED EFFICIENCY

At the heart of the Profile system is a database engine that provides efficient message formatting. For ING Vysya, this translates to reduced bandwidth requirements and little system overhead. This saves the bank on hardware configuration costs and decreases end of day processing time.

Before Profile was installed, the bank's processing time depended on the size of the branch and the systems in the branch. In addition, the system was decentralized and therefore relied on trial balances that were forwarded every

two weeks. With Profile in place, ING Vysya branches now have financials by the next morning. In addition, end of day processing is now accomplished in only 90 minutes.

GLOBAL EXPERTISE

Although Profile has multicurrency and multilingual capabilities, some country specific customization was required including recurring deposits, cash credits and overdrafts, clearing, remittances, time deposit savings and statutory reporting. Upon full completion of the rollout, ING Vysya will have centralized information and the ability to offer integrated banking services across several delivery channels on a 24x7 basis throughout India. The experience Fidelity has gained from Project Amula will undoubtedly help additional Indian banks that seek to migrate legacy systems to an updated, modern architecture.

CENTERED ON CUSTOMERS

Before the Profile implementation, ING Vysya was equipped with partial branch computerization and total branch computerization (with LAN). After implementation, ING Vysya established a wide area network to connect branches nationwide. As a result, customer data that is entered at the branch level is instantly updated via real-time processing throughout the bank network. This provides ING Vysya staff with a wealth of data, enabling customer service and banking representatives to access complete customer information from every branch to improve marketing opportunities and deliver better service to customers.

TECHNICAL STRATEGY

Profile replaces ING Vysya's in-house legacy transaction processing system. The new software configuration consists of Profile and FMS, operating centrally on IBM pSeries servers, running AIX v4.3 with Diebold ATMs.

Retail branches have Profile for Windows front end on Windows NT and SQL Server.

The data center in Bangalore is connected to 12 distribution points through two Mbps leased lines with ISDN back-up and Cisco 7500 routers. Each distribution point is, in turn,

connected to its group of branches through 64Kbps leased lines with ISDN/PSTN back-up. The data recovery center is located in Hyderabad and is connected to a data center in

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***BART HELLEMANS, MANAGING DIRECTOR,
ING VYSYA BANK***

Bangalore on 2X4Mbps leased lines as well as to all distribution points. Data replication between the main data center and the disaster recovery center occurs twice daily.



For more information about Fidelity Information Services, call: 800.722.0651 e-mail: fnfis.marketing@fnf.com or visit Fidelity's Web site at www.fidelityinfoservices.com

