



S K Sehgal, General Manager-Core Bkg., State Bank of India captivating the audience

To deliberate on the key elements in managing network infrastructure, ensuring that it is optimally utilised, remains available 24 * 7 and secure for financial transactions, a half-day executive briefing session was organized by IBA jointly with Datacraft and Finsight Media on 19th January 2007 at Hotel Taj Mahal, Mumbai. In his keynote address, Shri Pradeep Kalra, Head, IT Infrastructure, YES Bank, outlined the traditional banking business model that involved multiple and dedicated customer touch points making customer service spread across. 'Technology-led innovation and changing customer needs will force many banks to rethink the way they do business,' quoting from EIU 'Business 2010: Financial Services, Embracing the Challenge of Change'. He shared with the audience the initiatives undertaken by YES Bank to re-orient the business model. 'Convergence supports the transformation from product-centric to customer-centric business model. Dr Mark Powell, CEO, Cochran Powell Singapore, observed that the world economy is booming, driven mainly by 'liquidity' - means buying, buying means mergers, and added that Asia is becoming the center of growth driven by vibrant economies of China and India. Banks are in transformation mode, driven by ever-increasing competition for market share and demands for excellence in service by customers. The challenge is to converge multiple product fiefdoms across multiple markets, which requires streamlining not only the front end where customers interact with the bank, but also the middle and back office where employees support those interactions.



Manish Sethi, Head-Security Solutions, Datacraft India Ltd. amusing the audience



Discussion by the Speakers in full swing (L-R) Pradeep Kalra, Head-IT Infrastructure, YES Bank Ltd., Nagi Kasinadhuni, GM-IP, Convergence Solutions, Datacraft Asia Ltd., Dr. Mark Powell, CEO of Cochran Powell Singapore, S R Balasubramanian, Advisor, Barclays Bank

Shri S K Sehgal, General Manager, Core Banking, State Bank of India captivated the audience by what could be termed as 'the courage to state the ground realities'. Recounting the experiences of his Bank that has deployed the largest banking network in the country, Shri Sehgal observed that 'availability of network is time dependent'. Outages during business hours are far more critical than at other times, he declared. 'The actual business loss during the business hours is 2000 times than the penalty stipulated in the service level agreements,' asserted Sehgal. Shri S R Balasubramanian, Advisor, Technology Infrastructure, Barclays Bank, explained the concept of network convergence. 'It is a standard platform that allows you to integrate data, voice, fax, video and other telephony applications'. Convergence of networks can be of various types at the transport level, switching level, or the application level. He cited regulatory hurdles, resistance to change, different perceptions of telecom and IT



Concluding Remarks & Vote of Thanks by Hari Misra, Moderator-Chief Editor-Finsight Media

professionals, lack of standard protocols, interoperability and compatibility issues and unproven reliability and availability, as the major bottlenecks that hinder the acceptance of this technology in a big way. Another major area of concern, said Balasubramanian, was the security on the converged networks. 'You need not be the market leader in deploying new technology. It is mostly a better practice to be the market follower in this area.' Shri Manish Sethi, Head, Security Solutions, Datacraft India briefed about the various automated security and compliance solutions that his company can offer. Shri Nagi Kasinadhuni, General Manager, IP Convergence Solutions, Datacraft Asia, shared with the audience the initiatives of major banks in Asia in using convergence solutions. 'Convergence is not just voice and data,' he emphasized. Shri Hari Misra, Editor-in-chief, Finsight Media, proposed a vote of thanks.



VISIT OF DELEGATION FROM LUXEMBOURG TO IBA



Delegates from Luxembourg

A high level Ministerial delegation from Luxembourg led by Mr. Fernand Grulms, Member of the Executive Committee, Luxembourg Bankers' Association [ABBL], visited IBA on January 23, 2007 to discuss and explore the possibilities of extending bilateral ties in the financial sector especially in the area of banking. The delegation included Mr. Fernand Reiners, Member du Comite de Direction, Banque de Luxembourg, Mr. Alfons Klein, Managing Director, SAL Oppenheim, Ms. Anouk Agnes, Attachee de Gouvernement, Ministry of Finance, Mr. Alok Bhardwaj, Executive Director, Board of Economic Development. Shri V P Shetty, Chairman, IBA, Ms. H A Daruwalla, Chairperson & Managing Director, Central Bank of India, Shri H N Sinor, Chief Executive, IBA along with other

senior officials of some of the member banks met the delegation. The delegation presented an overview of Luxembourg, its economy in general and banks in particular, and gave a brief on the activities of the ABBL. ABBL has the strength of 140 members. Luxembourg is a small country of 460,000 population with a GDP of 30 billion Euros which makes them the number one European country in investment terms and

number two in terms of private banking. They informed that a bank with a share capital of 9 million EURO could apply and obtain a general banking license for Universal Banking within 3-6 months. They invited Indian banks to open their offices in Luxembourg and use this to enter the EU region through the subsidiary route. Ms. H A Daruwalla proposed vote of thanks.



Mr. V P Shetty, Chairman, IBA welcoming Mr. Fernand Grulms, Member of the Executive Committee, Luxembourg Bankers' Association