



NUCLEUS  
SOFTWARE

# Scaling Up Transaction Banking Using Technology

A Case Study



20%

INCREASE IN BANK'S INCOME FROM CASH  
MANAGEMENT SYSTEM (2014-15)

## ABOUT THE BANK

With more than 5,000 branches and 7,000 ATMs in the country, the bank is one of India's largest state owned banks. It offers a wide range of banking products and financial services to corporate and retail customers through its branches, specialised subsidiaries and affiliates, including more than 100 offices in 24 countries outside India. In FY2015, the Bank's asset size stood at USD 113 billion.

## BUSINESS NEED

The bank has been a customer of Nucleus Software since 2005. As a result of continued business expansion and ambitious growth plans, the bank needed to upgrade their technology for supporting growing transaction volumes. The major business needs behind this move were:

- With the average transactions per day increasing by 4 times from 2012 to 2014, the bank realized the business potential of the corporate banking division. The bank wanted to introduce various new business capabilities which the latest technology could offer
- The bank wanted to expand transaction banking services across India using a lighter application which consumes low network bandwidth
- The bank was looking for a solution which would integrate with core banking system and the bank's Payment Gateway for NEFT, RTGS transactions processing on a real time basis

40%



**INCREASE IN NEFT AND RTGS  
TRANSACTIONS (2014-15)**

153%



**INCREASE IN TURNOVER FROM  
INTERNET PAYMENT GATEWAY  
TRANSACTIONS (2014-15)**

13X



**INCREASE IN TRANSACTION COUNT  
PER DAY (2014-15)**

600%



**INCREASE IN NUMBER OF CORPORATE  
INTERNET BANKING USERS (2014-15)**

- The bank wanted to offer advanced Internet banking services to the corporate customers as a competitive edge
- The bank aimed at investing in new technology which would assist in retaining customers, maximizing returns & achieving operational excellence

#### **SOLUTION**

FinnAxia modules Global Payments, Global Receivables, Global Liquidity Management and Business Internet Banking were implemented across 75 branches in India. The solution was integrated with a number of bank's systems including Finacle for core banking, Arcot for 2FA authentication, QPH interfacing for RBI Gateway and ISO 20022 compliant RTGS. FinnAxia's automated migration toolkit was used to streamline the data migration process and transfer data from old systems to the new one. A number of batch interfaces were replaced with on-line interfaces, including both core banking and QPH Gateway.

#### **RESULTS DELIVERED**

The number of transaction banking customers has doubled in one year after implementation of the new platform as a result of the introduction of a wide range of new and improved transaction banking services including internet banking gateway, NEFT, RTGS etc.

There was a significant reduction in transaction processing time providing better customer service. The operational efficiency was enhanced with smarter user interface. The new system enabled faster customer on-boarding with innovative data exchange and reduced the work of bank officials by 4 to 5 hours per day with automated validation of the sanctity of messages between CMS, CBS and RBI Gateway.