

Empowering Market Leadership in Lending

ICICI Bank Case Study



\$138B

TOTAL ASSETS

\$1.5B

CONSOLIDATED PROFIT AFTER TAX

18,000

BRANCHES AND ATMS

23%

GROWTH IN RETAIL LOANS (2015-16)

ABOUT ICICI BANK

ICICI Bank is the largest private-sector bank in India with US\$138 billion in assets and a network of 4,450 branches and more than 14,200 ATMs. The Bank offers a wide range of banking products and financial services for corporate and retail customers through a variety of delivery channels and specialised subsidiaries in the areas of investment banking, life, non-life insurance, venture capital and asset management. In recent years, ICICI Bank has substantially strengthened its retail and rural business with robust growth in its retail loan portfolio. ICICI Bank has a long track record of innovation using technology to enhance the services provided to its customers.

BUSINESS NEED

In 2001, ICICI Bank witnessed more than 350% growth in its retail loan portfolio and lending customer base. The Bank was moving ahead on a high growth path and wanted to launch a range of innovative lending products catering to the diverse needs of its customers. ICICI Bank needed a technologically advanced platform to support their growth plans and help them streamline their lending processes. The Bank was using multiple systems to support different loan products, which limited their ability to provide consistent customer services. In addition, the systems were incapable of handling high transaction volumes and required a lot of manual intervention leading to inefficiencies and delay. The Bank was facing data integrity and reconciliation issues frequently, along with unpredictable system downtime incidents. The Bank, in the past, had tried three times to replace their lending systems with different solutions,

15M



TRANSACTIONS PER MONTH

28M



NUMBER OF LOANS MANAGED

\$31B



LOAN PORTFOLIO MANAGED

10,500



USERS ACCESS FINNONE EVERY DAY

10M



LOAN PROCESSING TIME

35,000



PEAK LOAN DISBURSALS IN A DAY

but due to the overall complexity involved, all these implementations had to be abandoned. As a result of these experiences, the Bank was extremely cautious in implementing new lending platform.

SOLUTION

ICICI Bank carried out a detailed evaluation of various lending solutions in 2002 and selected Nucleus Software's FinnOne to manage its entire retail loan portfolio. The Bank chose FinnOne because of its unique combination of advanced technology, workflow-based process automation capabilities, exceptional flexibility in creating new products and sophisticated credit risk management features. ICICI Bank was convinced that FinnOne would not only be able to easily handle high transaction volumes and increasing business complexity, but also

provide flexibility to quickly adapt to the evolving market requirements.

RESULTS DELIVERED

FinnOne enabled ICICI Bank to manage the entire loan lifecycle on a single platform and streamline their business processes. With FinnOne's process automation capabilities, the Bank reduced the pre-approved loan processing time to 10 minutes in normal mode and 1 minute in quick disbursement mode. FinnOne allows the Bank's staff to quickly launch new products and address customer queries faster and more efficiently. The solution's faster time-to-market for new products has improved ICICI Bank's competitive edge by providing the ability to respond quickly to the dynamic market needs. By integrating FinnOne with the call centre system, ICICI Bank automated human intensive tasks such as statement

generation, rescheduling and foreclosures thereby improving the efficiency and responsiveness of customer service. FinnOne's in-built data integrity checks ensured consistency in comprehensive reporting for strategic decision making.

FinnOne supports ICICI Bank's wide loan portfolio including education loans, home loans, personal loans, auto loans, agri loans, SME loans, consumer finance, gold loans, loan against securities and credit cards for its operations across India, Sri Lanka, Canada, the United Kingdom and Singapore. At ICICI Bank, 10,500 users log into FinnOne every day to manage 28 million loans worth US\$31 billion. The system processes up to 35,000 loan applications on peak days and handles 15 million transactions in a month.