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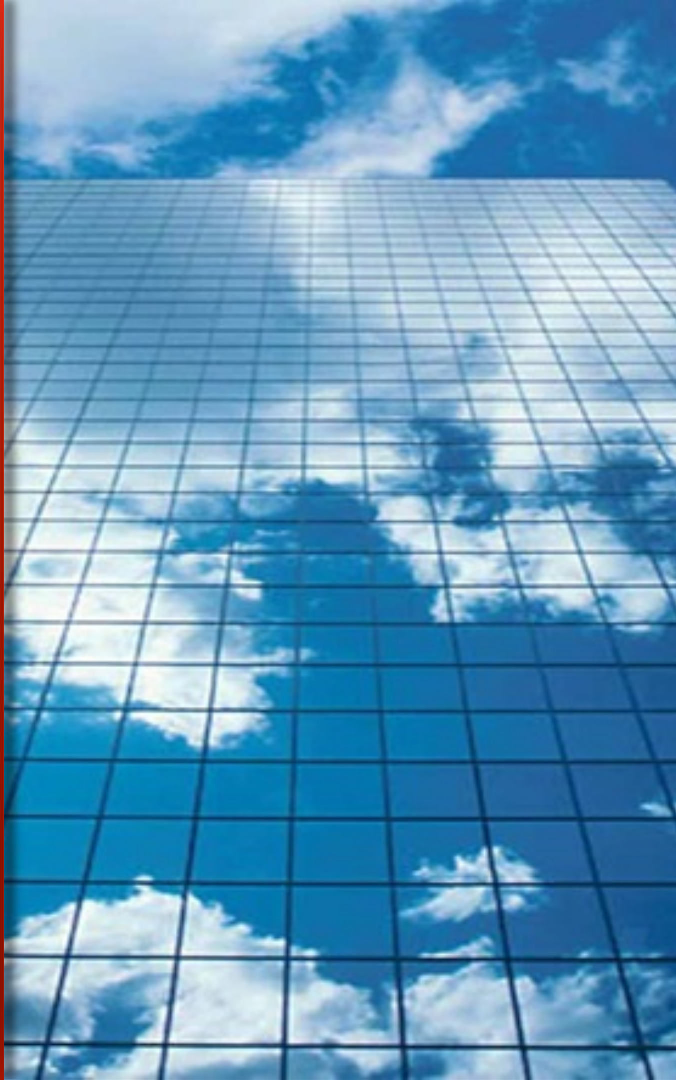
How Oracle FLEXCUBE can change the face of Rural Banking

Maha Srinivasan

Oracle
Financial Services Global Business Unit



Potential for Rural Banks' profitable growth

Young Population spurs demand	Mobile Penetration offers new access	Unbanked population new customers
High GDP Growth & Rising Incomes	Social Networking Capital of the World	Trust and Confidence in the banking System

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Next Generation Rural Banking Ideas

Today

The Do the right basics Bank

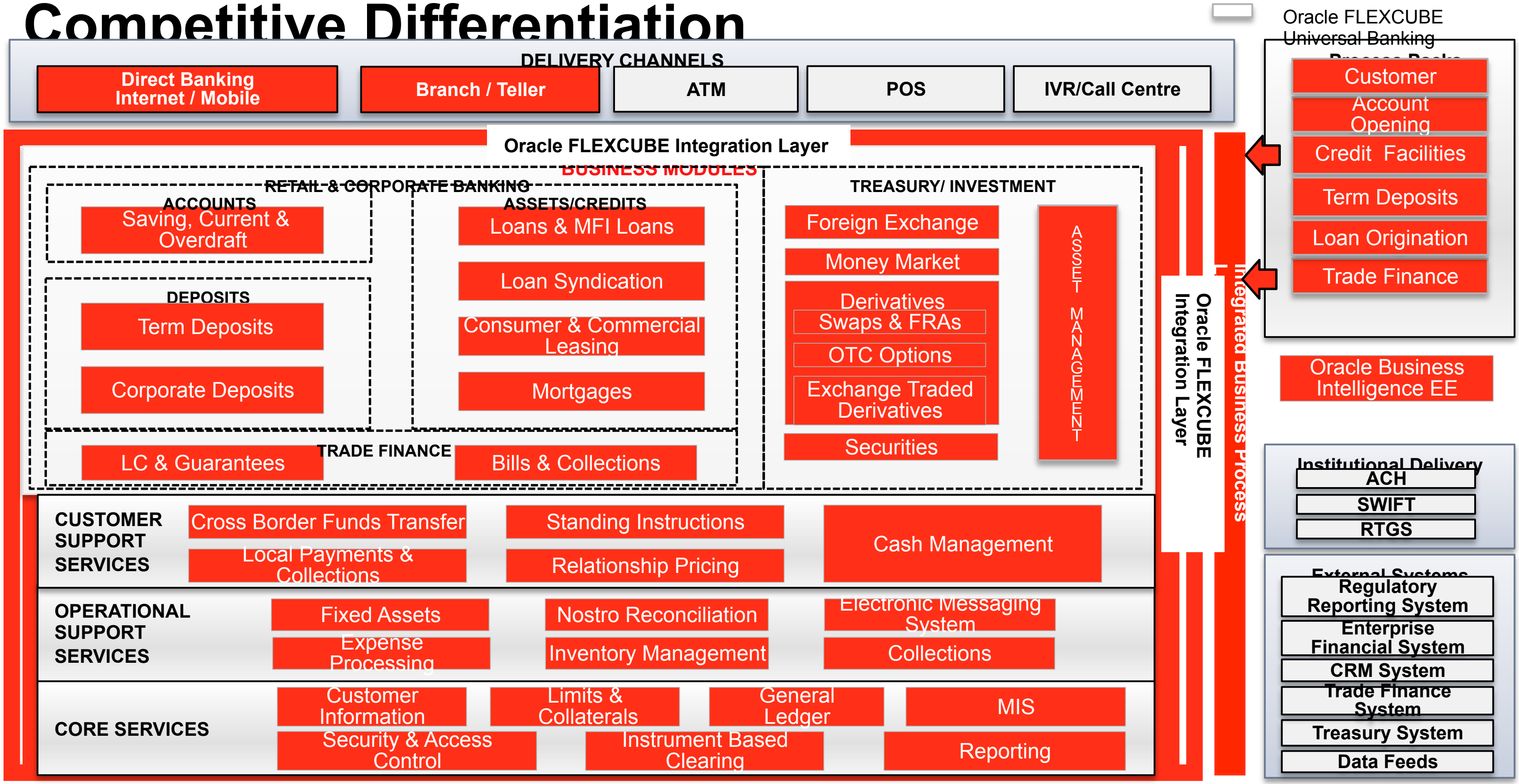
-optimized network and contact center
- digital channels
- Need based offering and consistent sales behaviors
-Basic Multichannel

Source: Accenture

Next Generation Banking Models

Microfinance innovations	Mobile Money
• Replicating grameen ideas in the provinces • Advisory • Need Based offering • Micro loans and deposits	--- M-payment services --- Customer engagement --- “The bank where you are” leveraging the power of mobile --- Bank as trust center with an extended proposition (financial and non-financial)
↓	↓
“My bank effectively engages with me on my real financial needs.”	“My bank gives answers to my needs, providing easy access.”

Oracle FLEXCUBE Banking landscape bringing in Competitive Differentiation



Addressing the needs of Rural Banking institutions

Processing
- Center Hierarchy
- Group
- Account Officer
- Accounting
- Interest & Charges
- Limits / Collaterals
- Advices

Lifecycle Support

Customer
- Customer Centric
- Microfinance Customers
- Poverty & Literacy Status
- Training
- Business Activity

Loans
- Microfinance Loans
- Group & Individual Loans
- Bulk Processing
- Disbursement & Payment Lifecycle
- Collection Sheet
- Penalty Processing
- Status Tracking and Provisioning

Accounts & Deposits
- Savings Account
- Micro Savings(Recurring Deposits)
- Term Deposits
- Bulk Processing
- Penalty Processing

Framework
- Multi Branch
- Multi Currency
- Multi- Lingual
- Integrated General Ledger
- MIS
- Reporting

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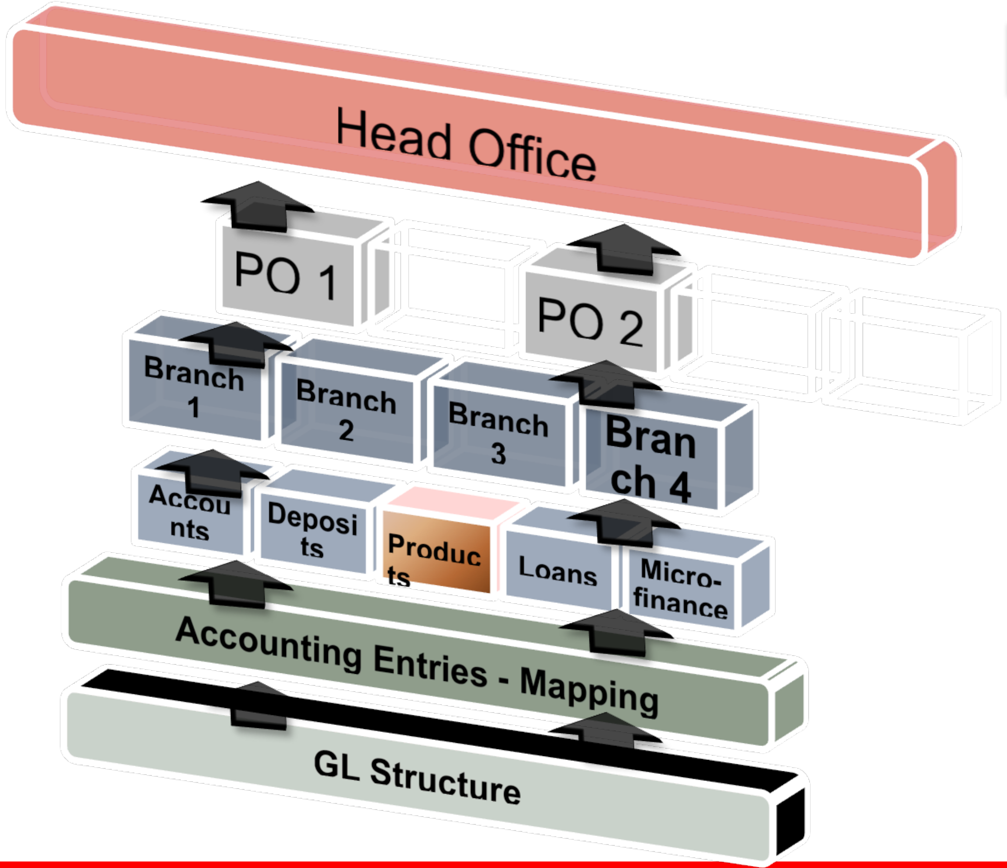
Hierarchical Branch Structure & GL Consolidation



Key Benefits

- Flexibility to define branch, regional and head office structure
- Flexibility to create business products and map to branch/ entities
- GL Accounts linked to Business Products
- Online Real time updation of GL accounts during transaction input
- Auto consolidation of information at branch, regional office and head office level

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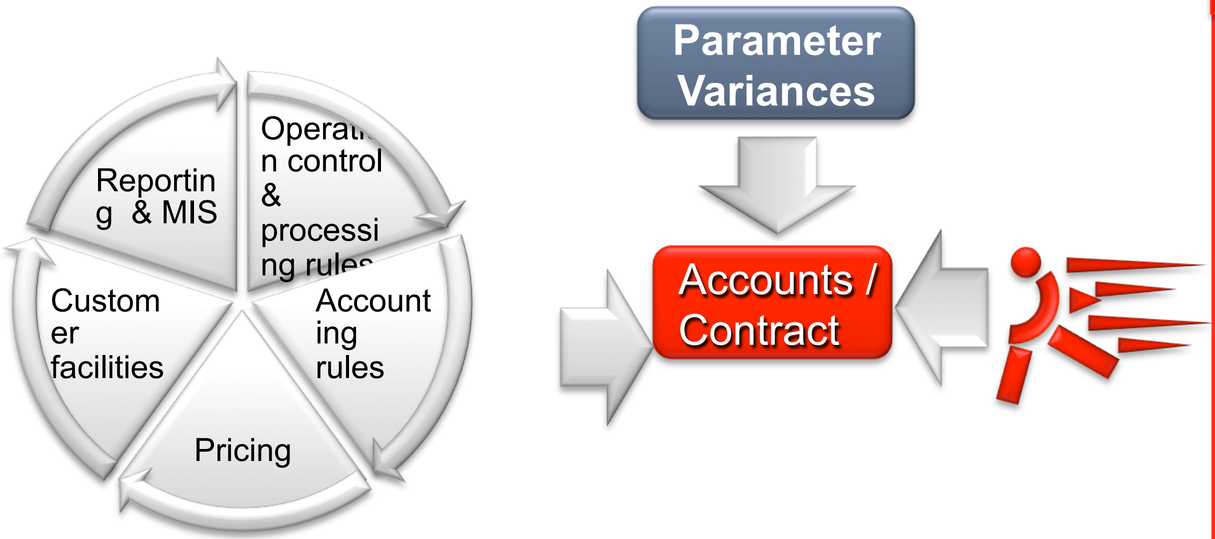
Quick Product Launch allowing you to stay ahead



Key Benefits

- Flexible rule-based, event-driven product definition facility for all business modules
- Configure and deploy new products rapidly
- Quickly reconfigure existing products for niche markets / customer segments
- Service oriented components reused flexibly across various Product Lines
- Minimize manual exception processing and operational workarounds

Customer Centricity is the key pillar in Oracle FLEXCUBE architecture

Oracle FLEXCUBE Customer Information File

KYC
- Basic/Demographic Details
- Individual/Corporate / Bank
- Signature & Photo

Additional Information
- MIS Details
- User Defined Fields

Customer Centricity
- Enterprise Wide CIF
- Customer to Account
- Customer to Contract
- Limits & Collaterals
- Single Customer View
- Related Entities View

Classification	Servicing	Relationship	Correspondence	Controls
Customer types	Multiple touch points	Customer / group specific pricing	Multi media	Unique ID, Short name & Identifier
Customer categories	Multi branch	Relationship pricing	Preferred language	SDN/ Blacklist check
Customer groups	360 Degree View	MIS & Profitability reporting	Multiple addresses	AML tracking
MIS codes		SSI	Multiple statement	Customer Exposure
				Group Exposure

Key Benefits

- Comprehensive Customer Information Capture enabling real time Single Customer View for Core Banking Operations
- Enhanced Customer Experience
- KYC, Black List & AML checks

Oracle FLEXCUBE offers MFI Specific Data Capture

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Support Life cycle processing for MFI Loans – Group as well as Individual

Loan Request at Center

Loan Booking

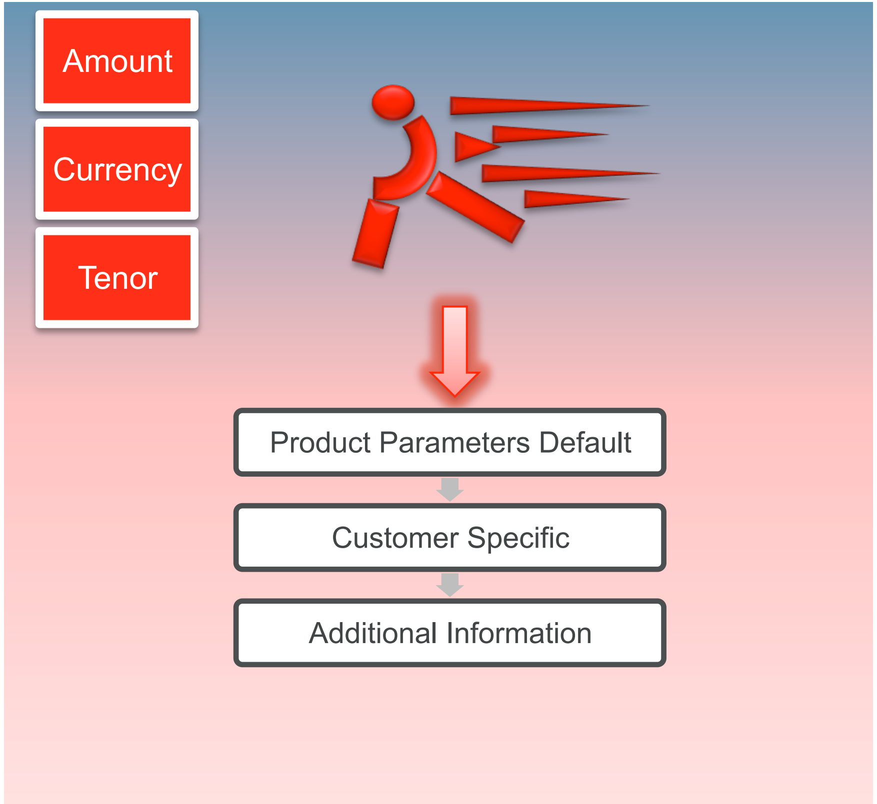
Loan Creation

- Bulk Loan Upload facility
- Loan setup based on Product – Contract Concept
- Enforcing schedules based on meeting schedules
- Bulk Authorization

Facility to book loans to a Group as well as Individuals

Only one active loan per group

Loan Servicing - Customer Need Based Loan Booking



Schedules/Product Parameters

- Default from Product Parameters / User Defined Schedules

Interest/Charge/Fee Preferences

- Customer Specific Pricing
- Capitalize or Waive Specific Schedules
- Waive/Fund Charges

Component Wise Settlement Mode Preferences

- Multi-Currency Framework

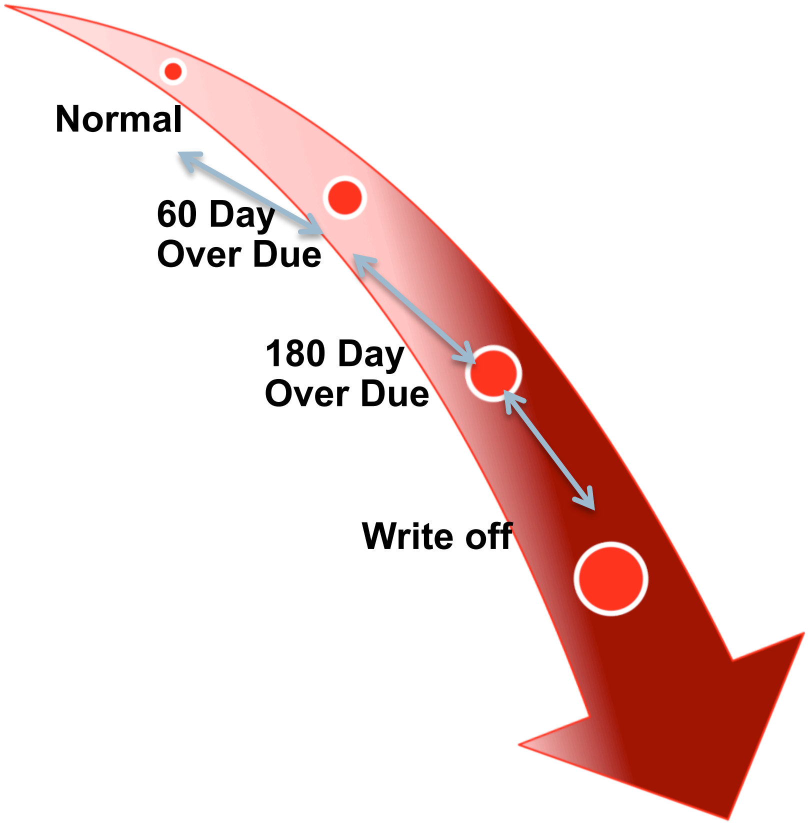
Payment Preferences

- Auto or Manual
- Partial Liquidation

Customer Linkage

- Credit Line/Commitment
- Collaterals/Collateral Pools
- Deposits/Amount Blocks
- Guarantees

Status Tracking and NPA Management



Status Tracking

- User defined overdue time buckets
- Automatic/Manual Status Change from good to adverse status and vice-versa
- Rule Based Status Change and Tracking
- Configurable Accrual Treatment
- Configurable Accounting Treatment on Status Change

Customer Status Change

- Status based on worst loan status

Customer Notifications

Flexibility to Levy Charges Based on Status

Oracle FLEXCUBE – Catering to MFI Clients

Micro Saver

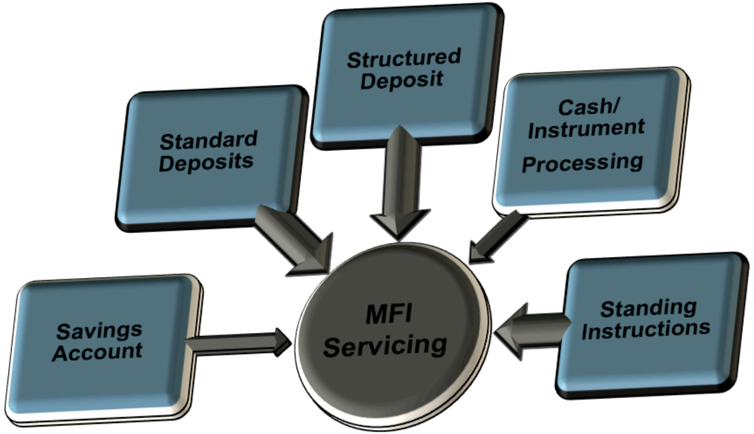
- Recurring Deposit
- Installment/Tenor definition
- Penalty on default

Deposits

- Term / Auto
- Flexible Interest calculation
- Multi Currency

Cash/ Instrument Processing

- Cash Transactions
- Cheque
- Demand Draft
- Banker's Cheque
- Travelers Cheque



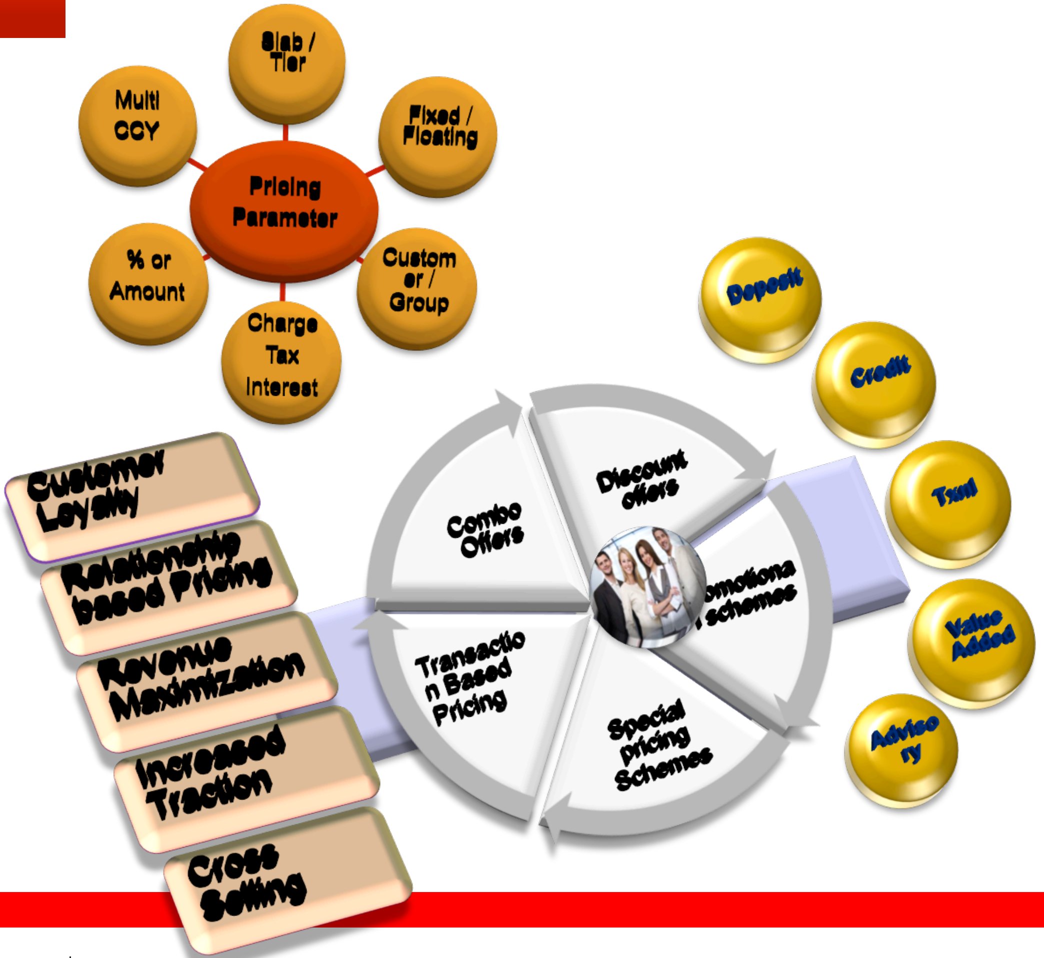
Savings / Current Account

- Multiple Account types
- Transaction Types
- Flexible Interest calculation
- Multi Currency
- Bulk Processing

Standing Instructions

- Sweep in/Sweep Out
- Payments
- Account Instructions

Flexible Pricing Mechanism



FLEXIBLE Pricing Engine

- Ability to group customers
- Product, Currency based pricing
- Pricing schemes definition for group
- Flexibility to Change
- Charge and Tax group structure definition

Relationship Based Pricing

- Supports flexible pricing scheme definition
- Framework to define customer eligibility
- Product bundling
- Across multiple business lines

Support for Comprehensive Operations and Multiple Deposit Types

Monthly Cash Deposit

Microsaving Product

Late Payment Penalty

TIME \ FIXED DEPOSIT

- Multi Currency
- Deposit Amount
- Tenor Restrictions
- Multi Mode Pay-In/Pay-Out Option
- Auto Rollover
- Foreclosure penalty

MICROSAVING/ RECURRING DEPOSIT

- Recurring Amount
- Installment Frequency
- Tenor Restrictions
- Debit Account
- Late Payment Penalty

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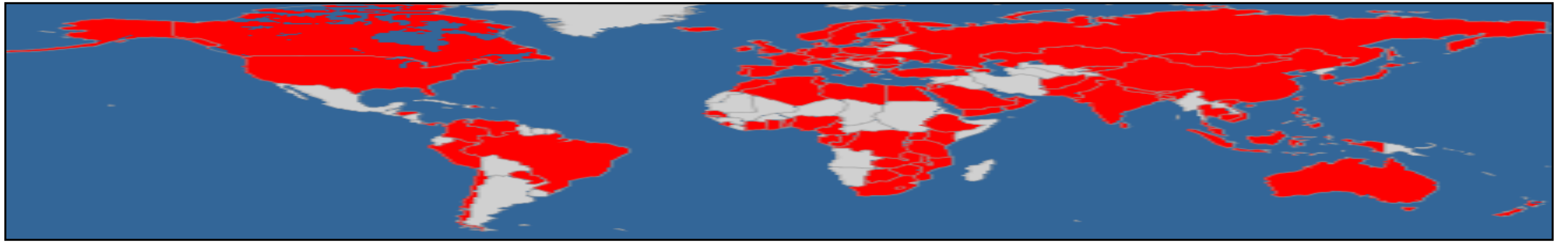
Talk does not cook rice
- Chinese Proverb

Oracle has proven core banking delivery credentials

18 years, 500+ projects, 135 countries



Core Banking	Islamic Banking	Direct Banking	Mutual Funds	Wealth Management	Risk & Compliance
Bank Danamon	Dubai Islamic Bank	UBank backed by nab	HSBC	kotak	Maybank
Philippine National Bank	Asian Finance Bank	Shinsei Bank	PNB Permodalan Nasional Berhad	Deutsche Bank	OCBC Bank
nab	ADCB	Jibun Bank	Allan Gray	BLME Bank of London and the Middle East	Standard Chartered
citi	Tamweel	ADCB	J.P.Morgan Asset Management	ING	mandiri
Eurobank EFG	Shamil Bank		Old Mutual		
Barclays	TAIB Progressive and The Most Preferred				
HDFC Bank	The Islamic Bank of Asia				
大衆銀行					

- ✓ Assets managed: over 30 trillion USD
- ✓ Transactions processed: over 2 billion transactions
- ✓ Accounts managed: over 300 million accounts

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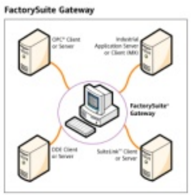
Case Study - Cambodia MFI market

Oracle is the technology transformation enabler

Technology is the enabler and open architecture extensibility is key

Design segment and channel sensitive User Experience by designing or extending User Interfaces

Design new business services or configure existing services for e-commerce & m-commerce integration



Extend integration points and business services to Integrate with Payment Gateways to enable payments

Extend integration points to Integrate with Wireless Carriers for message delivery

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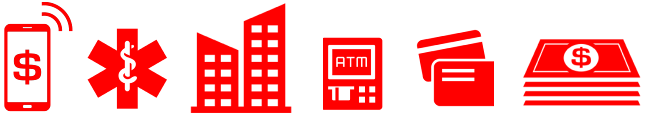
Oracle in Financial Services

Ecosystem 2,000+ partners
Sell, Support and Provide Services

11,000+ Strong
R&D, Product Strategy, Sales and Services



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Strategy

Build on Oracle stack

Best in the Category

Customer Experience	Compliance, Risk& Finance	Business Transaction Processing	Enterprise IT	Enterprise BI
SIEBEL	MANTAS	i-flex	PeopleSoft	Hyperion
vitrue	Bharosa	skywire	GoldenGate	ENDECA
atg	Treasu Servic	AdminServer	PRIMAVERA	
INQUIRA			nimbula	
RightNow			Sun microsystems	
eloqua				

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Hardware and Software

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Engineered to Work Together