



RBL Bank: Creating a strong financial ecosystem

How a small, regional, traditional bank used digital technology to become lean, responsive and in tune with changing customer needs across the country

NEW VISION, NEW LEADERSHIP

Founded in 1943, RBL Bank (erstwhile Ratnakar Bank) was at first a regional bank, serving small and medium businesses in the Kolhapur-Sangli belt in Maharashtra, India.

In 2010 Vishwavir Ahuja took over as the Managing Director & CEO. Mr Ahuja, a seasoned banking veteran, with his previous assignment as Managing Director and CEO of Bank of America, India brought with him a new vision for a new-age private sector bank. A bank that would serve the whole country, bringing advanced banking services to Indian businesses and individuals with fast-changing needs and expectations. Mr. Ahuja started the Bank's turnaround by focusing on strengthening governance architecture and leadership team by including seasoned bankers with diverse skill sets.

THE DIGITAL BEDROCK

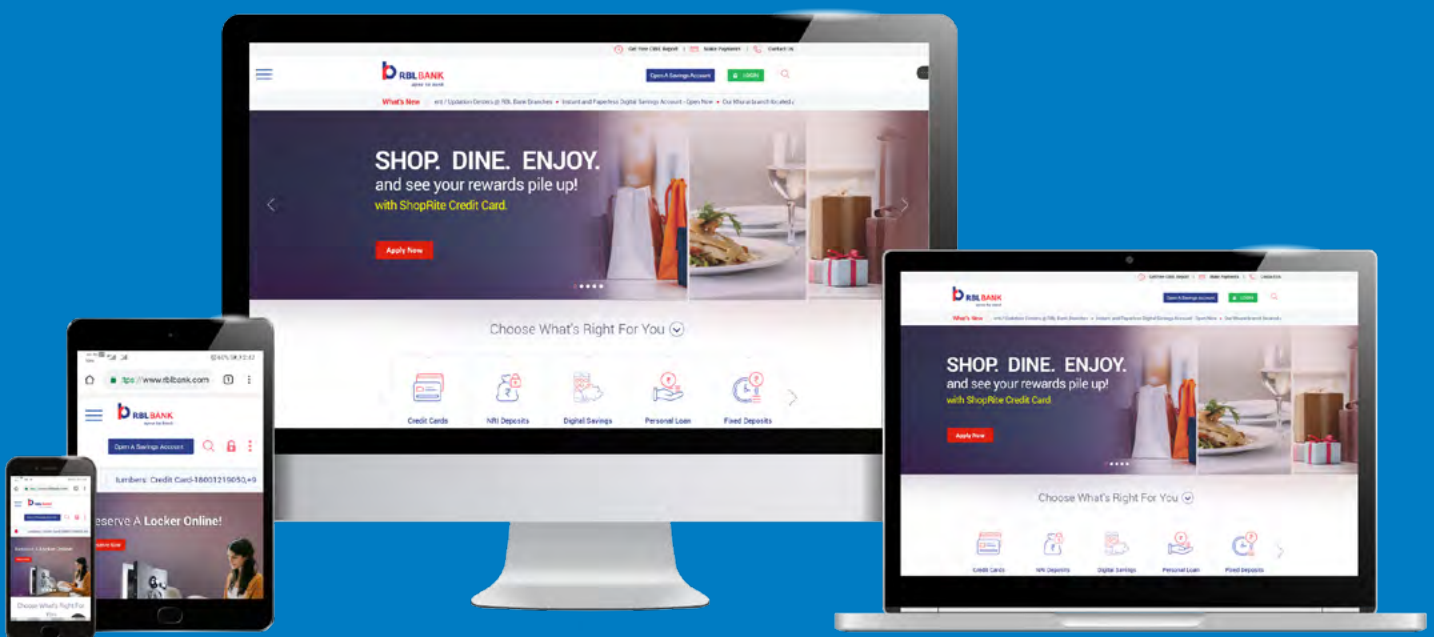
Multiple stakeholders (Product, Technology, Service and Operations) were gathered to shape the vision and to decide on what the new, digitally-transformed RBL Bank would look like for customers.

Since technology was at the heart of RBL's transformation, the Bank needed to choose the right platform – and the right partner. With a proven track record in the global banking industry, and a mature yet flexible product offering, Infosys Finacle was selected following an RFP process.



In the transformation of the bank to a vibrant new-age entity, technology will play a critical role. We are one of the first few banks that will install the latest version of Finacle from Infosys. This aids our technology strategy and with this we future-proof our core banking system."

Mr. Vishwavir Ahuja, Managing Director and CEO, RBL Bank



RESPONDING TO CHANGING CUSTOMER NEEDS

As RBL Bank marched forward with an accelerated growth, the bank was keen on tapping the emerging opportunities being created by advancements in the digital technologies. The bank was also keen to attract digital savvy young population of India. Once again, the bank chose to leverage, Finacle's Omnichannel Hub solution – an enterprise-class system of engagement that powers insight-driven personalized customer experiences across channels, applications and devices.

The hub works seamlessly with all back-end applications such as core banking, trade finance, and payments as well as channel applications like online banking, mobile banking, and chat bots. It offered RBL Bank extensive capabilities to design customer-centric processes leading to enhanced customer experience. With the modern technology foundation, RBL Bank was empowered to respond to new audience requirements, which were changing fast.

Quantitative benefits:



With the new Finacle Online Banking Solution, the bank saw a significant increase in the monthly retail internet banking logins, from 1.5 lacs to 2.22 lacs in just a year



Time to market for launch of new retail banking products has reduced by up to 70% courtesy of improved STPs



Effort in rolling out retail banking products to market has reduced by 50%



With enhanced process optimizations across digital channels, the bank was able to launch over 20 new retail banking products



Time taken to onboard a customer on digital channels has reduced by over 80%



There has been a 90% reduction in costs across digital channels



Over 70% of the processes have been automated



Retail internet banking registered an increase of 116% on the total registered base



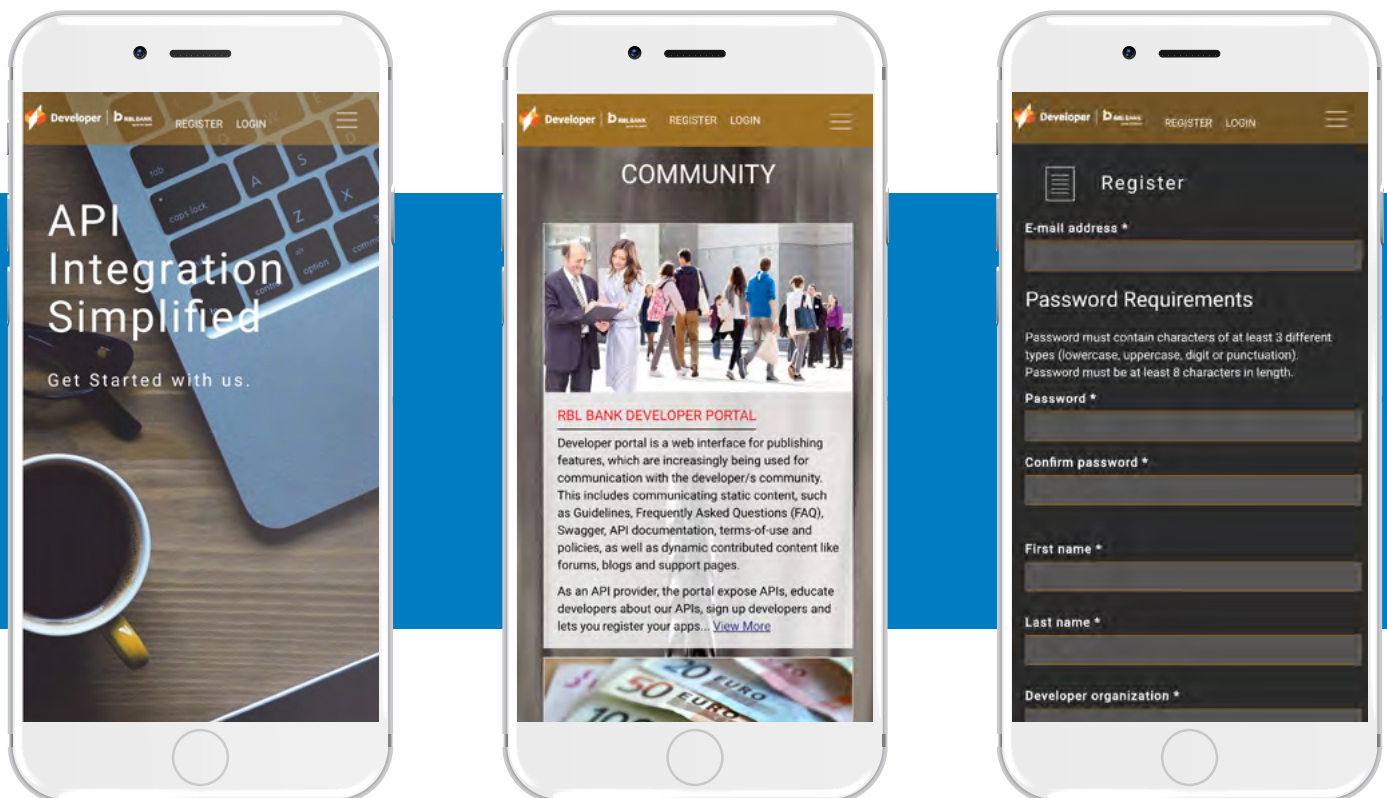
BUILDING A COMMUNITY

A key strength of the Finacle Core Banking Solution was its comprehensive set of APIs. Infosys Finacle was widely known for its solution openness, and this was central to everything RBL Bank was aiming to do. It realized that, in order to create the services and the banking experience that customers really wanted, it had to open itself up and work closely with partners – from payment providers and other banks via open banking standards to third-party developers.

A key initiative was to build a strong developer community around an API portal. Developers can register and access documentation and information about the APIs, and then also submit, share and collaborate on their own content.

The Bank has also collaborated with around 2,000 start-ups in partnerships of all kinds. For example, its association with Moneytap enabled it to co-create a unique line of credit for individuals, allowing them to get instant online loan approval. The app comes with the option to spend on POS with contextual offers being delivered right on the app. Customers effectively have a card plus loan rolled into one. Meanwhile, working with Indifi, the Bank is able to extend loans to small merchants based on card receivables.

In short, they knew that they needed to be more than just a bank. Through their pioneering approach to open banking, and their close attention to customer needs, they have created an entire banking ecosystem.



THE VOICE OF THE CUSTOMER

The Bank aimed to put the customer at the heart of everything – and this led to a number of new initiatives. They created dedicated central and regional services teams supporting all businesses, each with its own service management framework in place to ensure that it continues to be the preferred banker of choice for its customers.

They included customers in the testing phase of its online banking channel during FY 2017-18. Several suggestions were taken into consideration, which duly improved the service when it went live. Branches successfully conducted monthly customer meetings to gather valuable feedback and suggestions, and the Bank

organized customer education programmes across the country.

But while the bank aimed to make the everyday banking experience as good as possible for existing customers, it also knew that digital transformation would bring benefits in onboarding new customers. The time to onboard a new customer via digital channels has reduced by over 80%. This means reduction in cost and effort for the bank itself, since self-service digital channels are so much more efficient than physical, manual applications, apart from offering a fast, easy, digital welcoming that new customers are starting to expect.

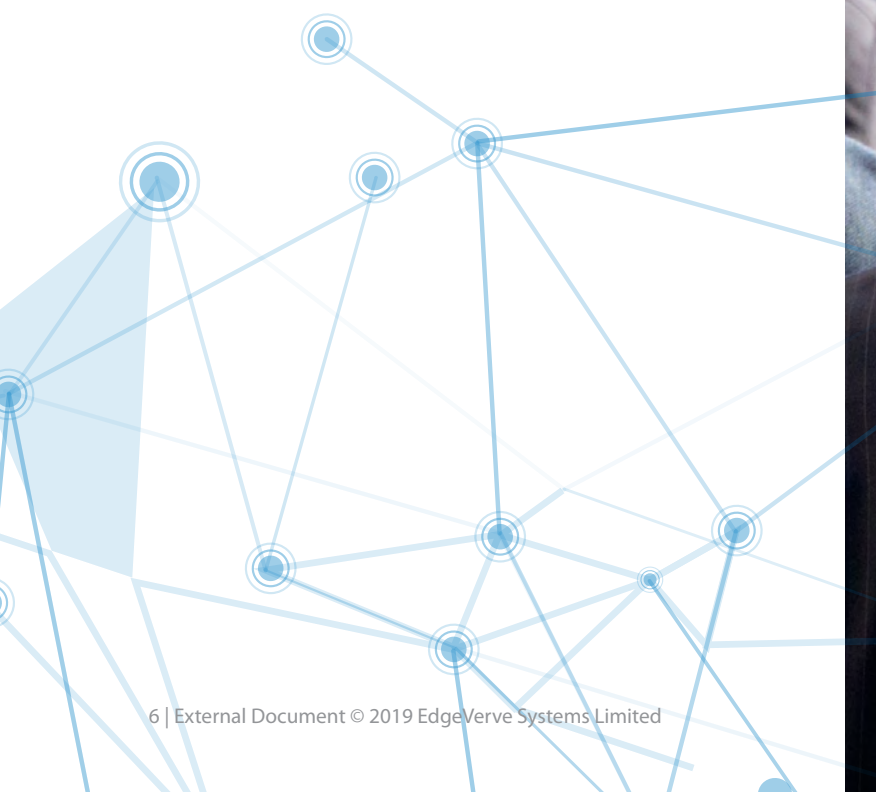


TANGIBLE SUCCESS – AND A BRIGHT FUTURE

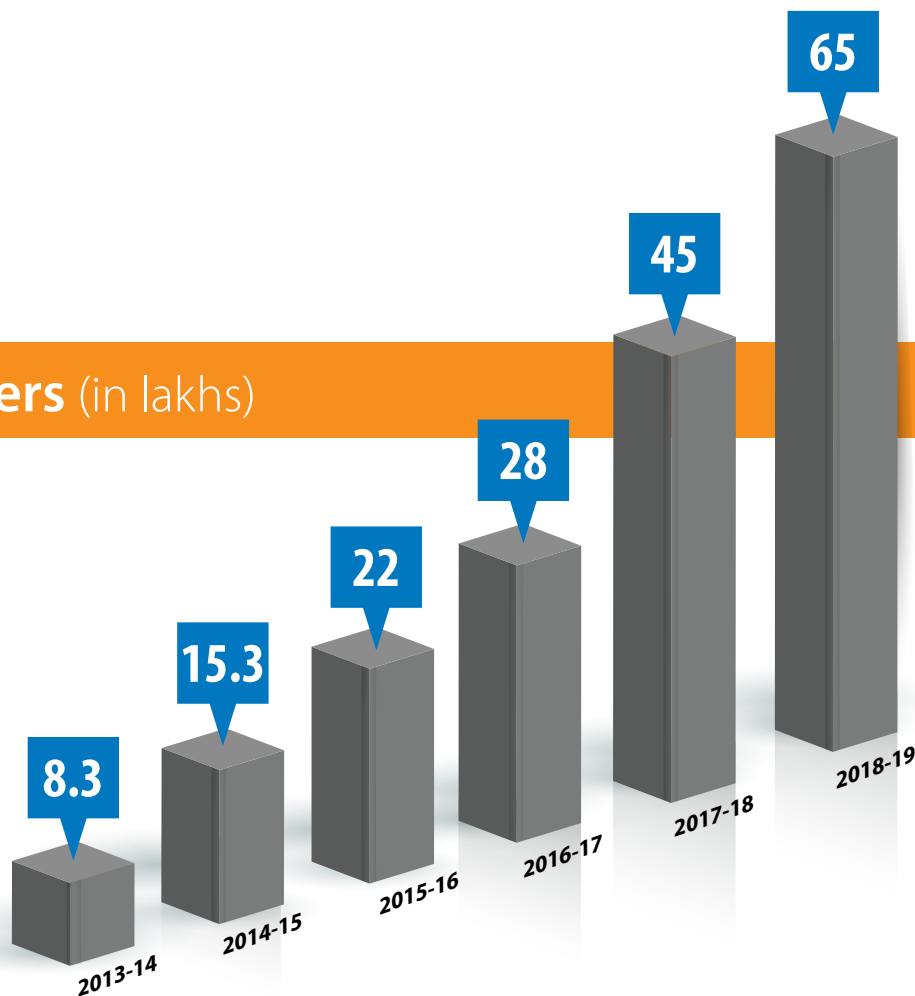
The Bank's success since its transformation has been astounding. Between 2014 and 2019 the customer base has grown from 830,000 to 6.5 million customers. The scale of the organization has also changed to support this growth. In 2014 the Bank had 173 branches and 2,798 employees and by the end of the financial year in 2019 it had 324 branches and over 5,300 employees.

The Bank's future potential is rich as evidenced by the market's reaction to the IPO in August 2016. It was one of the country's most successful IPOs in recent history, commanding an over-subscription of over 70 times and a 22% listing premium over the issue price of Rs 225 per share. This should come as no surprise: for three years between 2012 and 2015, RBL Bank was named as the country's fastest growing mid-sized bank in the Business Today-KPMG India's Best Banks Study.

Its combination of customer focus and relentless innovation to meet customer needs has brought it a long way from its modest, regional roots in Kolhapur. RBL Bank is now strongly placed to be a key player in the Indian banking market, both for retail and corporate customers.

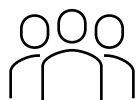


Customers (in lakhs)



"Our transformation story is more than becoming one of the fastest growing national banks from a regional one. It is a story of continuous innovation to bring the advanced banking services to individuals and businesses. The journey is differentiated by leveraging a large pool of partner ecosystem to build and deliver compelling digital propositions. Infosys Finacle's core banking and digital engagement suite has been a critical backbone to create these contemporary customer-centric propositions. With the deployment of the latest version, we have been able to reduce customer onboarding time by 80%, while improving our time-to-market with new offerings by 70%. We are looking forward to leverage the new platform to stay ahead of emerging customer's expectations."

Mr. Sankarson Banerjee, Chief Information Officer, RBL Bank



Grown from
830,000 to
6.5 million
customers
in 4 years



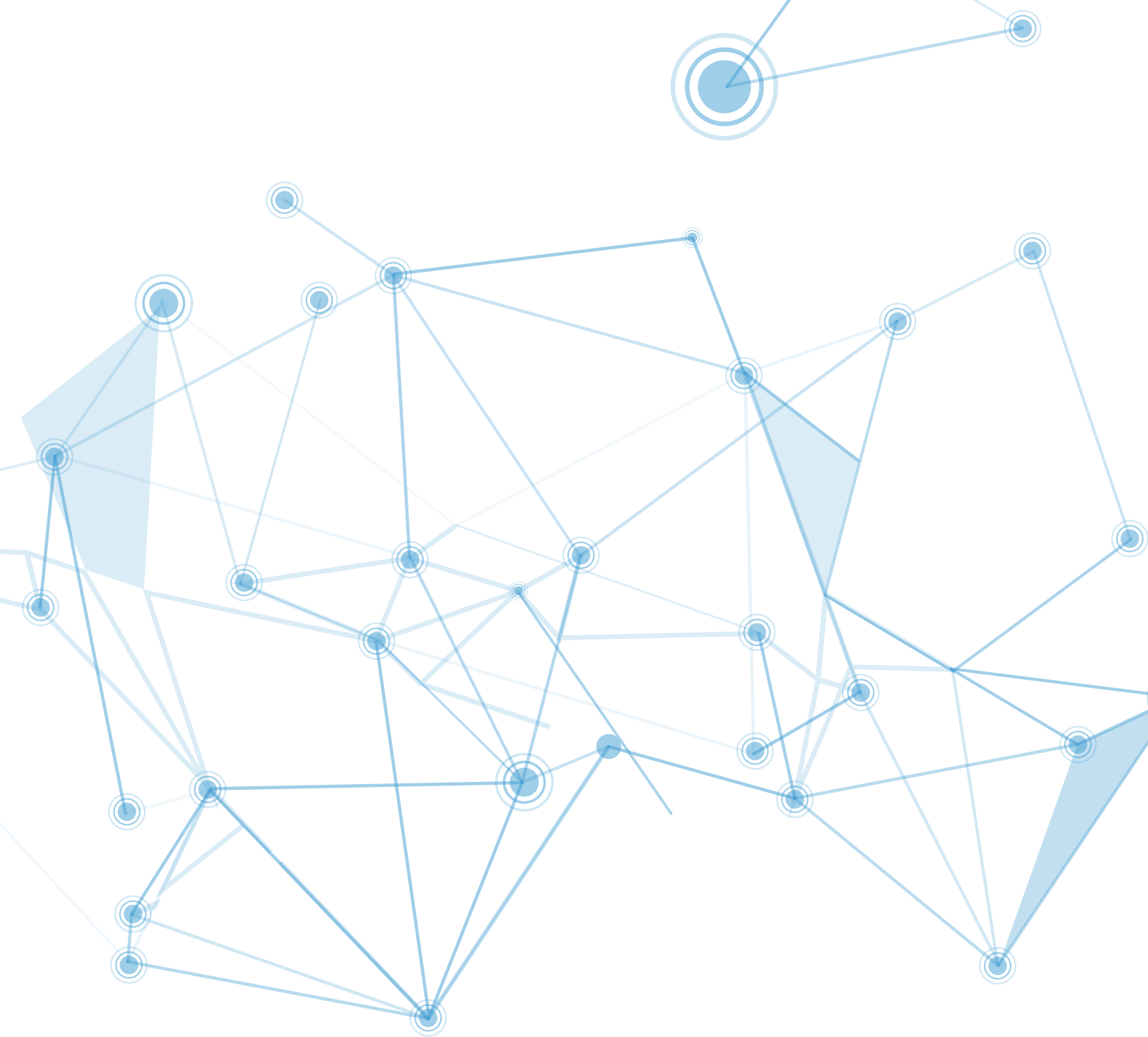
116%
increase in
internet banking
customer base



IPO oversubscribed
by **70**x



Over
2,000
collaborations and
partnerships



About Infosys Finacle

Finacle is the industry-leading digital banking solution suite from EdgeVerve Systems, a wholly owned product subsidiary of Infosys. Finacle helps traditional and emerging financial institutions drive truly digital transformation to achieve frictionless customer experiences, larger ecosystem play, insights-driven interactions and ubiquitous automation. Today, banks in over 100 countries rely on Finacle to service more than a billion consumers and 1.3 billion accounts.

Finacle solutions address the core banking, omnichannel banking, payments, treasury, origination, liquidity management, Islamic banking, wealth management, analytics, artificial intelligence, and blockchain requirements of financial institutions to drive business excellence. An assessment of the top 1250 banks in the world reveals that institutions powered by the Finacle Core Banking solution, on average, enjoy 7.2% points lower costs-to-income ratio than others.



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