



NABARD (National Bank for Agricultural and Rural Development) has been instrumental in grounding rural, social innovations and social enterprises in the rural hinterlands. It has in the process partnered with about 4000 partner organizations in grounding many of the interventions be it, SHG-Bank Linkage programme, tree-based tribal communities' livelihoods initiative, watershed approach in soil and water conservation, increasing crop productivity initiatives through lead crop initiative or dissemination of information flow to agrarian communities through Farmer clubs. NABARD virtually ploughs back all the profits for development spending, in their unending search for solutions and answers. Thus the organization had developed a huge amount of trust capital in three decades of work with rural communities. Its vision is to be the development bank of the nation and foster rural prosperity. Its mission is to promote sustainable and equitable agriculture and rural development through participative financial and non-financial interventions, innovations, technology and institutional development for securing prosperity.



KEY CHALLENGES



The Bank's regional offices shared liquidity data which was not consolidated and made the reporting process cumbersome

Computation of VaR was done outside the ALM system

Data pertaining to static transfer pricing rate table across regional offices and products was handled manually. Computation of transfer pricing profitability was a manual process

Liquidity and Risk Management was done as per traditional disciplines

SOLUTION



Capital Cube (erstwhile Intellect OneTREASURY), an integrated treasury & ALM (Asset Liability management) solution was implemented to support business growth and regulatory compliance. Integrated front-mid-back office treasury, a high STP cross asset solution, supported the entire trade lifecycle. Capital Cube-ALM, provides complete view of assets and liabilities, identifying liquidity gaps and impact of interest rates. Resource Mobilization module was provided for efficient mobilization of funds through borrowings.

VALUE DELIVERED

- An integrated front-mid-back office platform supporting the total trade lifecycle led to higher operational efficiency
- Single platform, real-time solution mitigating operational, settlement and financial risk
- Holistic view of balance sheet, to monitor and optimize liquidity and interest rates exposures, helping, maximize the use of funds while strategically managing liquidity positions.
- Cash visibility and management enabling just-in-time funding, thereby reducing the cost on avoidable borrowings
- Resource Mobilization increased operational efficiency by supporting complete pre-issue and post-issue activities
- Plotting Maturity profiles better helped optimize investment decisions
- Enabled quick fund allocation and investment mobilization through borrowings with complete STP without any manual intervention
- Auto sourcing of data from three source systems into the ALM module with complete view and analytics leading to informed decision making
- Comprehensive coverage of reports, including compliance and regulatory, on daily and periodic basis.
- On demand Region and Product-wise profitability analysis helped in complying to the regulatory norms better.

