

Case Study

Citigroup India Solution – Mutual Funds Sweep System



Case Study



Customer Background

Citigroup India is a part of the US \$ 17.9 billion Citigroup. Citigroup is the largest financial services company in the world. It spans across 100 countries, has over 200 million customer accounts and employs over 275,000 people worldwide.

Citigroup India is one of country's most diverse and recognized financial service providers with revenues in excess of US \$ 680 million. It has 5,000 employees nationwide, operating from 25 offices and branches across 18 cities. Its operations encompass a premier global corporate and investment bank and a well-established consumer business under the Citibank and CitiFinancial brands.

The global corporate and investment banking group provides a comprehensive range of financial services including treasury management, transaction services, securities custodianship, foreign exchange, fixed income & equities sales and trading, and corporate finance to corporate clients, governments and financial institutions.

Need for a Solution

In today's competitive business environment, banks provide many value added services to meet the needs of the customers, to retain existing customers and to attract new customers. One of the strategies adopted is to provide services that would maximize the returns for their clients, at the same time ensuring liquidity.

Some banks provide its customers higher returns in the short term, through investing the liquid fund in current accounts. These funds are invested either in term deposits or in mutual funds, as per the customer's unique requirements.

Some of the challenges faced by the bank included capturing the clients' unique requirements and managing their funds accordingly. Such systems are mostly manual as it involved integration with external agencies (Asset Management companies), each of whom were using different systems with differing file formats.

Offered Solution – Revenue Receipting

The Mutual Fund Sweep System for the bank is designed to track and manage the investments of the bank's corporate clients in various mutual funds. Customers Bank Balances are swept into the Mutual Fund Sweep system based on customer specific business rules (minimum balance etc.). The system generates a unique purchase advice for each customer. It allows the customers to automatically subscribe to a scheme from any mutual fund. The credit line changes everyday depending on the market value of the mutual fund holdings. The solution allows the bank to provide an over draft facility for customer withdrawals and an automatic redemption occurs whenever the account balance crosses this threshold .

The company faced competition from local software services firms. There are no off-the-shelf products available for this requirement. Ramco Systems was able to get the contract on the basis of its superior domain expertise and the technical and functional capabilities of its development & delivery platform (Ramco VirtualWorks), which enabled it to provide a quick turnaround time .

Benefits

Highlights

- This System is a First-of-its- kind offering in India. This innovative scheme provides better returns to the bank's customers
- The bank has increased its clientele eight fold in a matter of just 6 months from the time of implementation of the solution
- It is able to cater to the unique investment needs of the customer more proficiently
- 'Single sign on', using the bank's existing security layer, was seamlessly integrated using Ramco VirtualWorks
- The solution had a very quick turnaround time requiring only three months from concept to deployment

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About Ramco

Ramco is a global provider of business consulting, enterprise solutions and outsourcing services that enhance business value through better business processes and agile global-class applications. Ramco Systems has offices in nine countries and over 450 customers in 1,000 locations worldwide. The company provides solutions to multiple verticals including banking, insurance, manufacturing, supply chain, aviation, transportation and logistics, healthcare, governance, retail and more. Ramco Systems has been certified for ISO 9001:2000 quality standards and assessed for SEI CMMi - SW Level 5. The company is part of the USD 800 million Ramco Group and is publicly held.

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