



“With the implementation of BIBAS on Microsoft Windows 2000 Server, we are able to handle customer queries and transactions far more efficiently. There has been a definite improvement in the service levels of all our branches.”

Prof. Jyotirmoy Kar (MLA) Chairman, Contai Cooperative Bank Limited

Contai Cooperative Bank Limited is one of the top 100 leading banks in the urban cooperative banking segment in India. The bank has a working capital base of U.S.\$480 billion/Rs 480 crore with profits of U.S.\$120 million/Rs 12 crore. The 13-branch bank has 223 employees. Contai Cooperative Bank sought to accelerate its growth by increasing the range and efficiency of its services, expanding its customer base, attracting larger deposits, and minimizing cost of operations. With the implementation of Nelito Systems Bilingual Integrated Branch Automation Solution, Contai Cooperative Bank has been able to provide multi-lingual solutions for the convenience of its customers, improved and more efficient customer services, as well as increased staff productivity.

## Situation

India has an extensive banking network, in both urban and rural areas. For the past 100 years, cooperative banks have played an important part in the Indian Financial System. The cooperative banks in urban areas mainly provide financial services to different customer segments, such as businesses of all sizes, small-scale units, home loans, consumer loans, personal loans, and the like.

### Overview

Country or Region: India  
Industry: Banking and Finance

### Customer Profile

Contai Cooperative Bank is one of the leading urban cooperative banks in Eastern India with 13 branches. Its first branch was set up in 1945 at Contai, a small town located 180 kilometers from Calcutta.

### Business Situation

Contai Cooperative Bank decided to implement a state-of-the-art automated banking infrastructure to provide updated services and facilities to its growing clientele and compete in the fast-developing Indian banking segment.

### Solution

The Bank implemented Nelito Systems Bilingual Integrated Branch Automation Solution on Microsoft® SQL Server™ 2000.

### Benefits

- Bilingual banking solution
- Improved customer service
- Automation of non-performing assets
- Seamless integration between head office and all branch systems

Established in 1945, The Contai Cooperative Bank has celebrated over 60 years of service to its customers. However, the influx of foreign and private banks into India with state-of-the-art technology-based services has brought a new level of sophisticated services to the Indian banking sector. Consequently, to retain and expand their existing clientele Contai Bank executives knew they had to provide modern banking facilities.

During the past few years, the profit margins of banks in India have been under pressure due to a slow-down in growth of deposits and the declining lending rates. It has been the endeavour of the Reserve Bank of India to develop the urban cooperative banking sector, to provide security to depositors.

In this overall context, Contai Cooperative Bank had to face competition from private and foreign banks on the one hand, and from the aggressive marketing efforts of nationalized banks on the other. The bank's management wanted to make improvements to its existing branch automation system to be able to create a range of new services and products that would benefit its customers and also enhance operational efficiency.

With the passage of time, the bank's existing technology infrastructure had become unable to give a unified view of the all banking operations at one juncture. Nelito Systems Limited had provided the earlier COBOL-based solution at Contai Bank in an early phase of computerization in Indian banks. The previous solution was suitable in 1997 and 1998. Seven years later, the bank needed a modern, technically developed solution for today's environment.

The challenges faced by the bank could broadly be classified into:

- Automation and timely reconciliation of inter-branch transactions
- Automation of the existing loan process
- Preparation of specific manually intensive Reserve Bank of India reports
- Obtaining a clear view of activities at each of Contai Bank's 13 branches
- Obtaining details of the non-performing assets at all the branches

Contai Cooperative Bank decided to revamp its branch automation software, to address the requirements of automated branch banking and support automatic teller machine transactions. Contai Bank also planned to incorporate the ability for customers to bank at any branch—not just the one where their account was located—into its existing branch automation system, for the further convenience of its customers.

### **Solution**

Contai Bank officials consulted with multiple organizations as part of its selection process. Finally, with the help of the Microsoft team, Nelito Systems personnel presented Contai Cooperative Bank management an analysis of the cost-to-benefit and product capabilities of Microsoft® technologies. The Nelito team was able to convince the top management at the bank that Microsoft SQL Server™ would be the most cost-effective and provide a superior high-end relational database management system solution.

The initial implementation of Nelito's Bilingual Integrated Branch Automation Solution (BIBAS) on Microsoft Windows® 2000 Server operating system would deliver the automation of Contai Bank's Ramnagar and Durgachuk branches. The hardware order was placed in December 2003, and the application software licensing order was placed in January 2004.

The BIBAS Product Design module allowed Contai Cooperative Bank to create and bring to the market new banking offerings, such as loans for students. The BIBAS Report Designer module also enabled Contai Cooperative Bank to streamline and automate branch-level reporting to the bank's head office and the Reserve Bank of India.

Explaining the reasons for choosing Microsoft SQL Server, Mr. Umesh Prasad Singh, Systems Administrator, Contai Cooperative Bank Limited advises, "Microsoft SQL Server 2000 is a fully featured and functional relational database management system that offers a variety of administrative tools. These tools make application development, maintenance, and administration very easy. We chose to work with Microsoft due to the low cost of acquisition and maintenance, the ease with which we could train our staff, and the assured after-sales support."

Owing to infrastructure inadequacies, the data entry began in April 2004. However, the deposit module went live in September 2004. Loan modules and reports went live in November 2004. The data conversion from COBOL to Microsoft SQL Server was achieved using Nelito conversion programs.

"The pilot implementation at the Ramnagar and Durgachuk branches went smoothly, and we view it as very successful. We have also received confirmation that the pilot branch is running successfully on BIBAS," comments Mr. Subimal Maity, Sr., Manager Operation & Secretary (Officiating), Contai Cooperative Bank Limited.

The management at Contai Cooperative Bank is now confident about the bank's ability to serve the changing requirements of its customers across the state by offering sophisticated technology-driven banking services.

### **Benefits**

#### **Bilingual Solution**

The Bilingual Integrated Branch Automation Solution has empowered Contai Cooperative Bank to provide better services to their customers. All the screens and reports are represented in a bi-lingual format, as per Reserve Bank of India guidelines. The automated banking solution also has the flexibility to design notices and reminders to customers in the language of their choice.

### Improved Customer Service

“We emphasize sophisticated technology upgrades to provide our customers with efficient and prompt customer service. We are now able to handle customer transactions, respond to customer queries, and provide information far more efficiently. We have seen a definite improvement in the service levels of all our branches,” explains Prof. Jyotirmoy Kar, (MLA) Chairman, Contai Cooperative Bank Limited.

### Automation of Non-Performing Assets

BIBAS has enabled Contai Bank to grow more proactive in financial dealings by automating the BIBAS Non-Performing Assets module. This has also give bank personnel the ability to obtain non-performing assets information at the click of a button, which has improved bank follow-up and recoveries.

### Seamless Integration of the Head Office and Branch Systems

The BIBAS solution on Microsoft SQL Server 2000 has enhanced timely reconciliation and processing of inter-branch transactions. The solution has automated report generation, closure of books on the same day, and on-time reporting to the bank's head office. The solution seamlessly integrates the front office services and back-office processing and analysis. It has also created a single bank-wide general ledger, profit-and-loss statements, and balance sheet for all branches.

### Future Plans

BIBAS will also soon be implemented in all the other 11 branches. Contai Bank is planning to implement the Head Office module where all the reports of its 13 branches will be consolidated.

The Bank also has plans to offer any branch banking and ATM facilities to its customers.

### Microsoft Windows Server System

Microsoft Windows Server System™ is a line of integrated and manageable server software designed to reduce the complexity and cost of IT. Windows Server System enables you to spend less time and budget on managing your systems so that you can focus your resources on other priorities for you and your business.

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