

Case Study | Nelito Systems implements Finacle Core Banking Solution in Bhutan Development Bank Limited (BDBL)



The Royal Charter, January 1988, incorporated Bhutan Development Bank Limited (BDBL) with assistance from Asian Development Bank (ADB) to function as a development finance institution (DFI). BDB is now registered as a company under the Companies Act 2000 and licensed under the Financial Institutions Act 1992. BDB now functions as a domestic development bank after obtaining its banking license in March 2010.

Key facts

- **Bank:** Bhutan Development Bank Ltd
- **Headquarters:** Thimphu, Bhutan
- **Founded:** 1988
- **Branches:** 35 Branches nationwide
- **Community Centers:** 200
- **Supplier:** Nelito Systems
- **Solution implemented:** Finacle Core Banking Solution

BDBL is the only Development Bank that provides seasonal and other small and medium term loan and banking services to the rural farmers. It also provides term and working capital loan to industrial, commercial and agricultural enterprises in Bhutan. Besides, BDBL has also taken over the operation of the Community Service Center established across all 205 geogs from Bhutan Postal Corporation as per the mandate of Royal Government of Bhutan. As on date the Bank has 3 Regional Offices across the country

with its Corporate Office based in Thimphu. BDBL holds 04.62% equity share in FITI.

Bhutan Development Bank selected Infosys’s Finacle CBS Application Solution, to migrate data and choose Nelito Systems as a partner to implement Finacle Solution. The initiative was taken both from Nelito Systems and Bhutan Development Bank Ltd to take Bank from TBA (Total Banking Automation Solution) environment to Core Solutions (Centralised Banking Solutions) to serve the customer needs with fast and most effective way. Challenges were to scale up to newer technology upgrade the systems to Centralised setups, setting up of data centre and linking of branches to data centre through network.

Nelito Systems Ltd. is an Indian financial technology company, that provides software technology solutions and services for Banking, Financial Services, Micro-Finance and Government verticals globally and work as a Third party to implement Finacle CORE. Formed in the year 1995, Nelito has over 400+ Banking Clients and 25+ Microfinance and Non-Banking Finance Clients in 19 countries across 4 continents.

Bhutan Development Bank Ltd Bank approached Nelito with a set of requirements. Some of the key ones were:

- Robust and scalable CBS which could support the expanding operations of the bank
- Migrating from legacy TBA
- Since most branches are situated in hilly and isolated areas, implementing core banking with limited connectivity was a challenge
- CBS platform which could help bank compete with other private banks with new technology
- Improve Customer services and base

Some of the implementation highlights were;

- Resolved issue of legacy software during migration
- Implemented CORE Banking solution – **FINACLE CORE - LIVE**
- Provided SMS and Email Alert Service - **SMS & Email Alert - LIVE**
- Implemented internet Banking - **FEBA-E-banking – Partial Live**
- Implemented Mobile Banking - **Mobile Banking - LIVE**
- Developed Document Management System and integrated with Finacle core - **DMS Solution - LIVE**
- Developed Group Lending solution - **Group Lending Module - LIVE**

Following benefits were achieved by Bhutan Development Bank Ltd with implementation of Finacle Core Banking Solution;

- Better Services:
 - Improvement in customer service
 - Services to end consumer are faster
 - Anytime anywhere banking through multiple channels
- Business Development:
 - Better control for Income leakage & expenses, resulting revenue growth
 - Opening up of new opportunities to bring in new business
 - Faster on-boarding of customers