



CASE STUDY

## **Enterprise-wide exposure and collateral management**

Mitigating risks, maximizing  
lending opportunities and  
driving profitability



# About the Bank

The bank ranks as one of the largest financial institutions in Singapore. The Bank has more than 7 million customers, 200,000 institutional customers, and a presence in 18 markets. It has been named the “World’s Best Bank” by many industry bodies around the world. The Bank has a deep understanding of Asia’s fragmented but dynamic markets, which it serves with a full range of consumer, SME, and corporate banking offerings.



**Over US\$330 Billion  
Asset size**



**Present across  
18 countries**



**Regarded as the  
World’s Best  
Digital Bank**



# The Market Opportunity

The need to comply with extensive regulation and manage various risks makes it imperative for banks to have a 360-degree view of their clients' loan exposures. This is especially true for global and regional leaders with a wide geographic footprint. Since corporate clients also operate in several markets and have multiple legal entities, they have fairly nuanced credit limit structures. Tracking exposures when there are disparate systems for different markets and lending products can be quite complex and cumbersome. Banks also end up losing opportunities for credit expansion. A unified limits and collateral management capability can help overcome these challenges and unlock the untapped opportunities.



# Migrating to a Modern, Centralized Exposure Management System

The Bank was finding it difficult to manage the complex limit structures of clients located in different countries in Asia. The use of multiple limits and collaterals systems to manage exposures resulted in a fragmented view of exposures and ineffective utilization of limits. There was clearly a need for a unified platform that would make better use of data and deliver real-time insights to drive decisions, while providing a holistic view of the customer at all times.

Thus began a search for a packaged platform solution that was easily configurable and would enable new products and solutions to be launched quickly. The Bank was keen to select a modern centralized exposure management system that ran on an open-source technology stack, was cloud-native and offered a broad suite of APIs for seamless integration. After looking at several options, it chose Infosys Finacle and the Finacle Limits and Collateral solution. With the new platform, the Bank gained comprehensive risk management capabilities with a unified real-time view of exposure, global limits across group entities, collateral management, and covenants monitoring for tighter control. The solution's multi-currency capability enabled centralized limits and collateral management across geographies, allowing the Bank to monitor both collateralized lending and unsecured exposure.





# The new platform

## Key capabilities that made the difference



### Power of APIs:

Integration with the core-banking application and multiple transaction systems such as treasury and trade finance, and the use of RESTful APIs gave the Bank a holistic view of clients' total exposure across entities along with centralized control and monitoring.



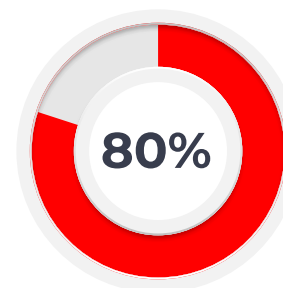
### Unified Limits Management:

The Bank can now digitally create new credit facilities, define global and local limits for individual or grouped customers, and renew facilities against existing limits.

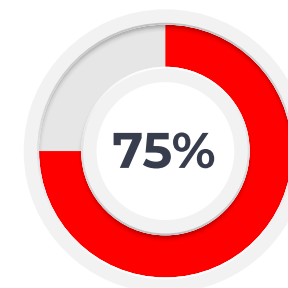


### Streamlined Collateral Management:

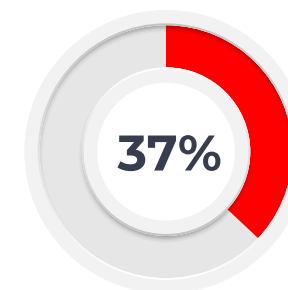
The Bank can also apportion a single collateral to multiple facilities or a single facility to multiple collaterals. It can create new collateral types, and track market-linked collaterals and their movement from allocation to agreed obligation in real-time to maintain realistic loan limits giving a comprehensive view of the collateral inventory.



TAT  
improvement



reduction in  
overheads



improvement in  
operational efficiency

# Key Outcomes



The Central Limits System has been integrated across 14 countries and 40+ downstream systems, with a few more in the pipeline.



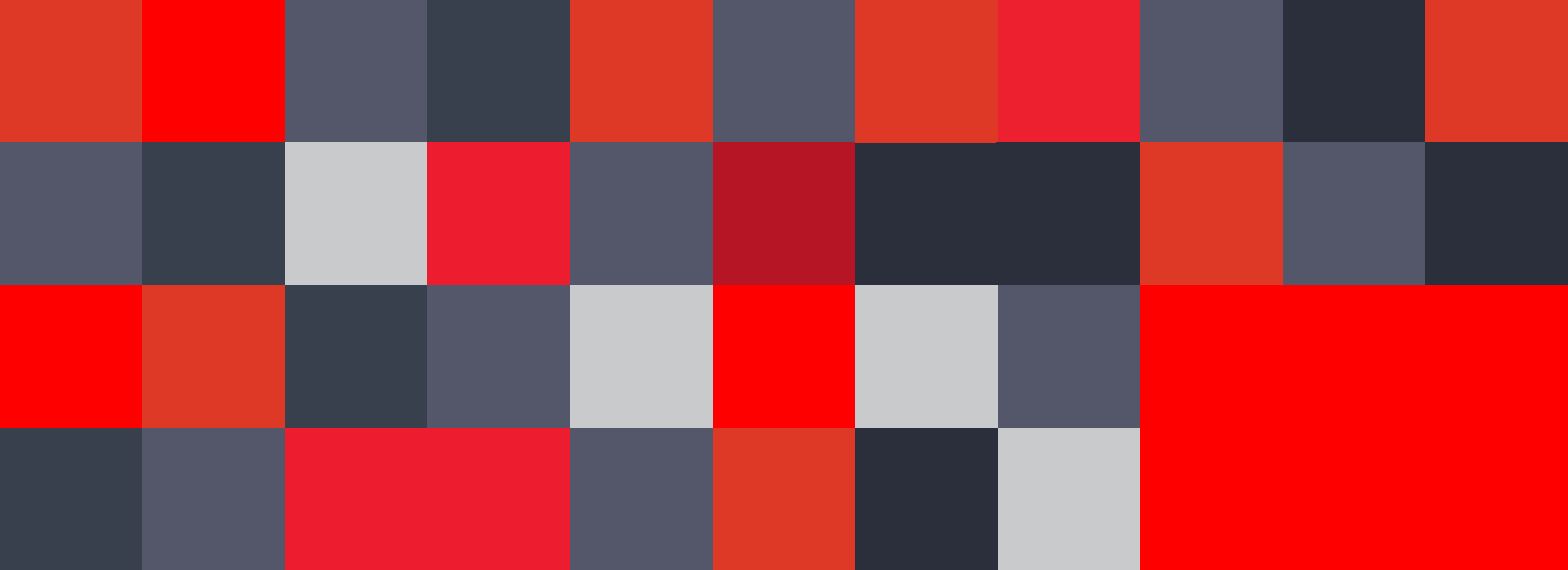
Over 500,000 limits, collaterals and covenants have been migrated to the new system.



By simplifying credit processes and enabling collaborative digital workflows, the time that relationship managers spend on preparing and monitoring credit memos has reduced by 85%.

Central Limit System (CLS) is now live in 15 locations





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