



# End-to-end

## Automation of Payments Process

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**FSS achieves** automation of payments process for a leading bank under **PUNGRAIN** project

## The Client

One of the largest banks headquartered in Mumbai, India with more than **4200** branches across the country.



## Business Challenge

The 'Kissan Aarthia Information and Remittance Online Network' system introduced by PUNGRAIN (Punjab Grains Procurement Corporation) marked a landmark change in the way payments were made to farmers.

As a leader in grains procurement with a market share of **31 percent**, there was a strong business need for PUNGRAIN to automate their commission agent payment network.

Technology was deployed as a facilitator for all stakeholders to ensure accurate and quick payments.

This payment system was redesigned as a joint effort of National Payments Corporation of India (NPCI)\*, Global e purchase and participating banks.

The participating banks would pay the costs of application, operations and maintenance.

The client, a participating bank in this initiative, required an end-to-end electronic process with minimal manual intervention in the transfer of money from the agency to 'Arthia' accounts. This included application development, procurement, installation and management of micro ATMs for the client in Punjab.



Designed for farmers in the remotest of villages, key challenges included



### Tough geographical terrain –

This led to issues in sourcing of micro ATM sites



### Poor infrastructure –

Erratic power supply, non-availability of adequate service support network, poor road and communication infrastructure could lead to declined transactions and chaos with farmers



### Operational challenges –

Issues of vandalism and theft of micro ATM components, mobile SIM connectivity

The scope of project over a span of five years comprised the following activities

- Design and development of e-Finclusiv application as per bank requirements
- Procurement and management of micro ATMs, operated on GPRS mode with data SIM cards; streamlining of supply chain and logistics for installation
- Season-wise installation of micro ATMs (Kharif and Rabbi) for 3 months each
- Dedicated call support to address issues related to micro ATM usage
- Fast support operations with an engineer on call
- Monitoring of daily transactions and system-generated reports for bank and related stakeholders.

\*The umbrella organisation for all retail payments in India

We were **awarded the project due to our extensive experience and proven success in executing similar projects**, and for the cost advantages we provided.



Our robust solution included procurement, installation and management of micro ATMs.

- Design, development and testing of the business-specific application by our in-house team. This was loaded in normal POS machines procured from OEMs to construct the 'micro ATMs'. A demo was given to the bank, the PUNGRAIN board and E-Global (transaction processing server of Punjab Government) before every season
- Setting up Aadhaar\*\* -enabled payments (debit and prepaid cards) through FSSNet
- Installation of location-wise SIM cards in the machines, thus ensuring that the micro ATMs were always functional
- Appointment of dedicated engineers to attend to field calls for PUNGRAIN
- Managing ground level activities throughout the active season
- Alignment of local resources, comfortable with the language and the farmers
- Meticulous and regular review mechanism with all stakeholders for course corrections as necessary

\*\*Aadhaar is a 12-digit unique identity number for residents in India

### Transaction Set Supported for PunGrain



## Benefits

- Consistent on-time deployment of all 60 micro ATMs for 10 consecutive PUNGRAIN seasons
- 86 percent+ in successful transaction rate for each season - ranked as one of the best performers among the 20 participating banks
- Client achieved successful transactions on all PUNGRAIN requirements including
  - Total transparency of the ePDS system
  - Immediate payments (through Rupay debit cards) and settlements
  - Elimination of middlemen to achieve better sharing of grains with neighboring states at higher rates

## Abstract

### The Client

Large Bank in India

### Service

FSS Financial Inclusion Services

### Client Requirement

End-to-end automated electronic payment process including procurement, installation and management of micro ATMs across remote locations in Punjab, India.

### FSS Solution

#### The solution included the following –

- Design, testing and loading of e-Finclusiv application as per bank requirements and loading into POS machines to construct the micro ATM
- Ensuring adequate infrastructure in all areas for maximum uptime
- Meticulous and regular review mechanisms for speedy redressals

#### Results –

- On-time deployment and successful management of 60 micro ATMs
- Consistent average of 86 percent+ successful transaction rate
- Over-achievement by bank and PUNGRAIN against business goals

### FSS Hosted Services Advantage

25+ years payments domain expertise

Leading edge technology products

World class payment processing infrastructure

Quality Leadership for delivery excellence

Pay per use model

### About FSS

Financial Software and Systems (FSS) is a leader in payments technology and transaction processing, offering a diversified portfolio of software products, hosted services and software services built over 25+ years of comprehensive experience across payments spectrum. FSS, through its innovative products and services, caters to the retail and wholesale payments initiatives of leading banks, financial institutions, processors, merchants, governments and regulatory bodies. It's end-to-end payment suites span Issuance, Omni-Channel Acquiring, Digital Security, Digital Banking, Analytics, Smart Back-Office and Payments Processing. FSS has over 2,700 experts serving clients across North America, Europe, Middle East, Africa and APAC.

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