

Grid CTS implementation- Northern Grid

Grid Cheque Truncation System

Delhi – 10/01/2014



AGENDA

About NPCI

CTS Update

Northern GRID

Help Required

NFS
NATIONAL FINANCIAL SERVICES

CTS
CREDIT TRANSFER SYSTEM

NACH
NATIONAL AUTOMATED CLEARING HOUSE

A@PS
AUTOMATED @ PAYMENT SYSTEM

IMPS
INSTANT MONEY PAYMENT SYSTEM

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ABOUT NPCI

VISION

Anywhere Anytime
Payment Services

- Simple & easy to use
- Safe & Secure
- Fast & Cost effective

MISSION

To build state of the
art world class
customer friendly
electronic retail
payments system
available &
affordable to all
round the clock

OBJECTIVES

To consolidate and integrate
all retail payment systems
such that they are

- Inclusive
- Customer friendly
- Varied yet simple
- Universally accessible
- Available round the clock
- Affordable to all
- Fully automated
- World class

Founder Members



NPCI PRODUCTS

Financial Switching Services
to facilitate Interbank Transactions

Automation of
Cheque Processing

National
ATM
Network

Immediate
Mobile
Payment
Service

Cards
RuPay

AADHAR
Enabled
Payment
System

Cheque
Truncation

ACH

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CTS UPDATE

- RBI mandated NPCI to implement Grid based CTS
- 66 MICR centers bifurcated into 3 Grids
 - Southern Grid - 25
 - Northern Grid - 21
 - Western Grid - 20
- Infrastructure set up completed in all 3 Grids
- Disaster Recovery and Archival set up are in place
- Net work provided by NPCI - NPCInet
- Grid commencement
 - Southern Grid - September, 2011
 - Western Grid - April, 2013
 - Northern Grid - December, 2013

CTS UPDATE

- 100% migration completed in 20 centers
- December - Cheque Volume processed
 - Southern Grid - 2.71 crores
 - Western Grid - 1.97 crores
 - Northern Grid - 0.86 crores
- Peak Volume
 - Southern Grid - 15.96 lakhs - October 07th
 - Western Grid - 10.68 lakhs - December 18th
- P2F
 - Southern Grid - Operational in 23 centers
In process for the remaining 4 centers
 - Western Grid - Operational in 11 centers

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MICR CLOSED

S NO	MICR CENTRE	CLOSURE DATE
1	CHENNAI	28-02-2012
2	COIMBATORE	31-03-2013
3	ERODE	15-06-2013
4	TIRUPUR	28-06-2013
5	TRIVANDRUM	28-06-2013
6	CHANDIGARH	25-07-2013
7	HYDERABAD	26-08-2013
8	BANGALORE	30-08-2013
9	ERNAKULAM	30-08-2013
10	KOLKATA	31-08-2013
11	SALEM	31-08-2013
12	TIRUNELVELI	06-09-2013
13	TRICHUR	28-09-2013
14	TRICHY	21-11-2013
15	PONDICHERY	23-11-2013
16	KOZHIKODE	30-10-2013
17	MADURAI	02-12-2013
18	VIJAYAWADA	20-12-2013
19	VISAKHAPATNAM	20-12-2013
20	LUDHIANA	20-12-2013

SOUTHERN GRID

S NO	LOCATION	TOTAL BANKS	LIVE BANKS	MIGRATION %
1	BANGALORE*	76	76	100%
2	CHENNAI*	66	66	100%
3	COIMBATORE*	55	55	100%
4	ERNAKULAM*	54	54	100%
5	ERODE*	43	43	100%
6	HYDERABAD*	66	66	100%
7	KOLKATA*	59	59	100%
8	SALEM*	51	51	100%
9	TIRUPUR*	45	45	100%
10	TRIVANDRUM*	49	49	100%
11	TRICHUR*	41	41	100%
12	TIRUNELVELI*	34	34	100%
13	KOZHIKODE*	44	44	100%
14	TRICHY*	44	44	100%
15	PONDICHERRY*	50	50	100%
16	VIJAYAWADA*	52	52	100%
17	MANGALORE	56	56	100%
18	VISAKHAPATNAM*	49	49	100%
19	CHANDIGARH	50	50	100%
20	MADURAI*	46	46	100%
21	MYSORE	51	48	94%
22	HUBLI	53	49	92%
23	LUDHIANA	47	42	89%
24	BELGAUM	57	47	82%
25	GUWAHATI	40	22	55%
26	BHUBANESHWAR	47	22	47%
27	CUTTACK	40	8	20%

WESTERN GRID

S NO	LOCATION	TOTAL BANKS	LIVE BANKS	MIGRATION %
1	MUMBAI	117	117	100%
2	AHMEDABAD	94	94	100%
3	BHOPAL	54	54	100%
4	SURAT	82	72	88%
5	INDORE	61	53	87%
6	PUNE	86	68	79%
7	VADODARA	77	57	74%
8	RAIPUR	48	32	67%
9	GWALIOR	37	23	62%
10	ANAND	38	23	61%
11	JABALPUR	29	17	59%
12	RAJKOT	55	30	55%
13	BHAVNAGAR	38	19	50%
14	PANJIM	55	25	45%
15	JAMNAGAR	40	18	45%
16	NAGPUR	66	25	38%
17	NASIK	87	25	29%
18	AURANGABAD	71	14	20%
19	KOLHAPUR	76	10	13%
20	SOLAPUR	59	7	12%

CTS 2010

- **Enhanced Security Features** : Gives confidence to drawee Bank for image based posting of cheques, decrease in cheque frauds
- **Image size less** : Compared to old cheques revised/standardized cheque images are less in size, Consumes less Bandwidth
- **Automation** : Opportunity to automate workflow due to standard placement of fields

Type	Size in Kb	Bandwidth
Old Cheque	Avg 68 kb	
CTS 2010 Cheque	Avg 40 kb	

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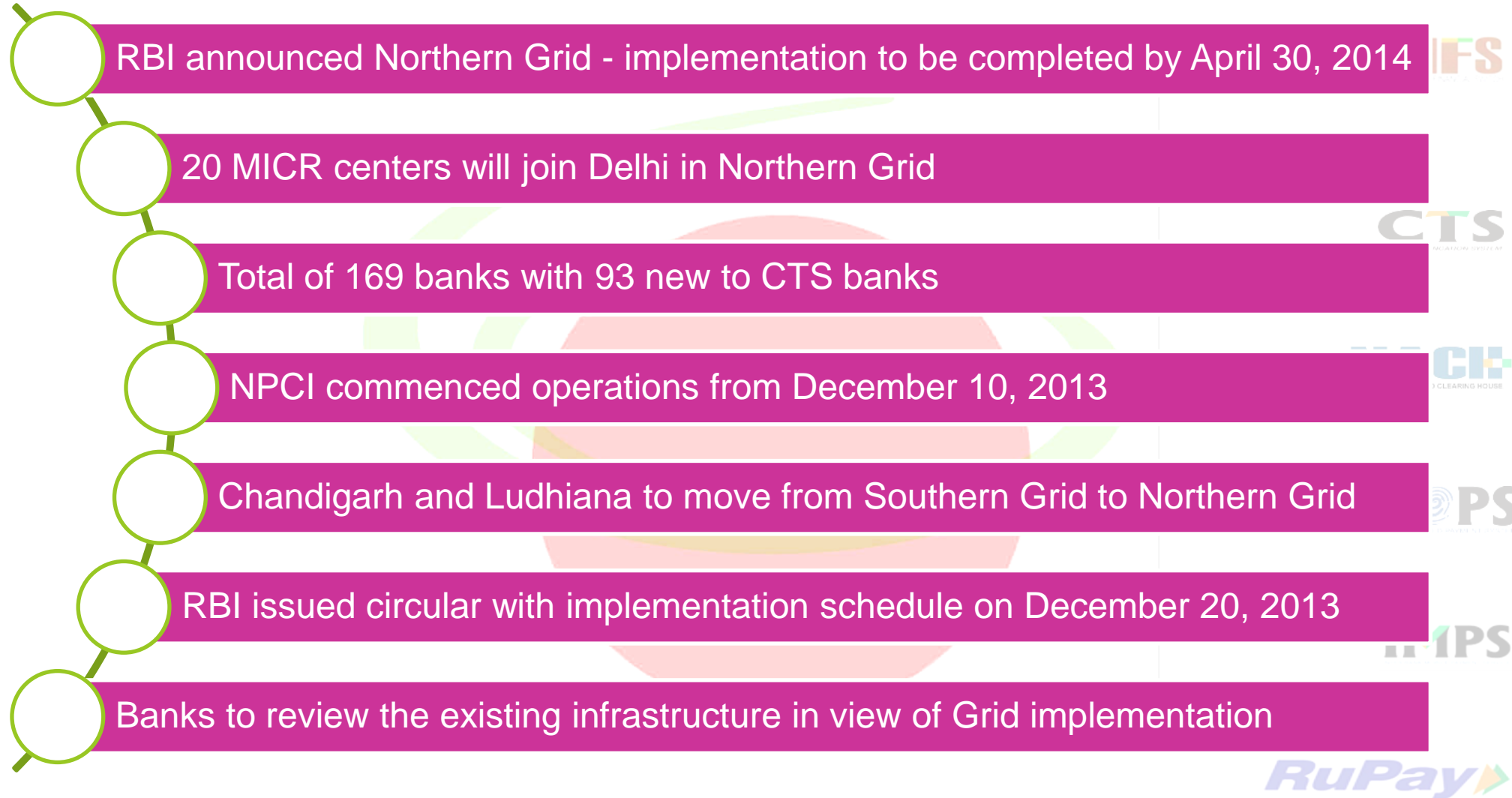
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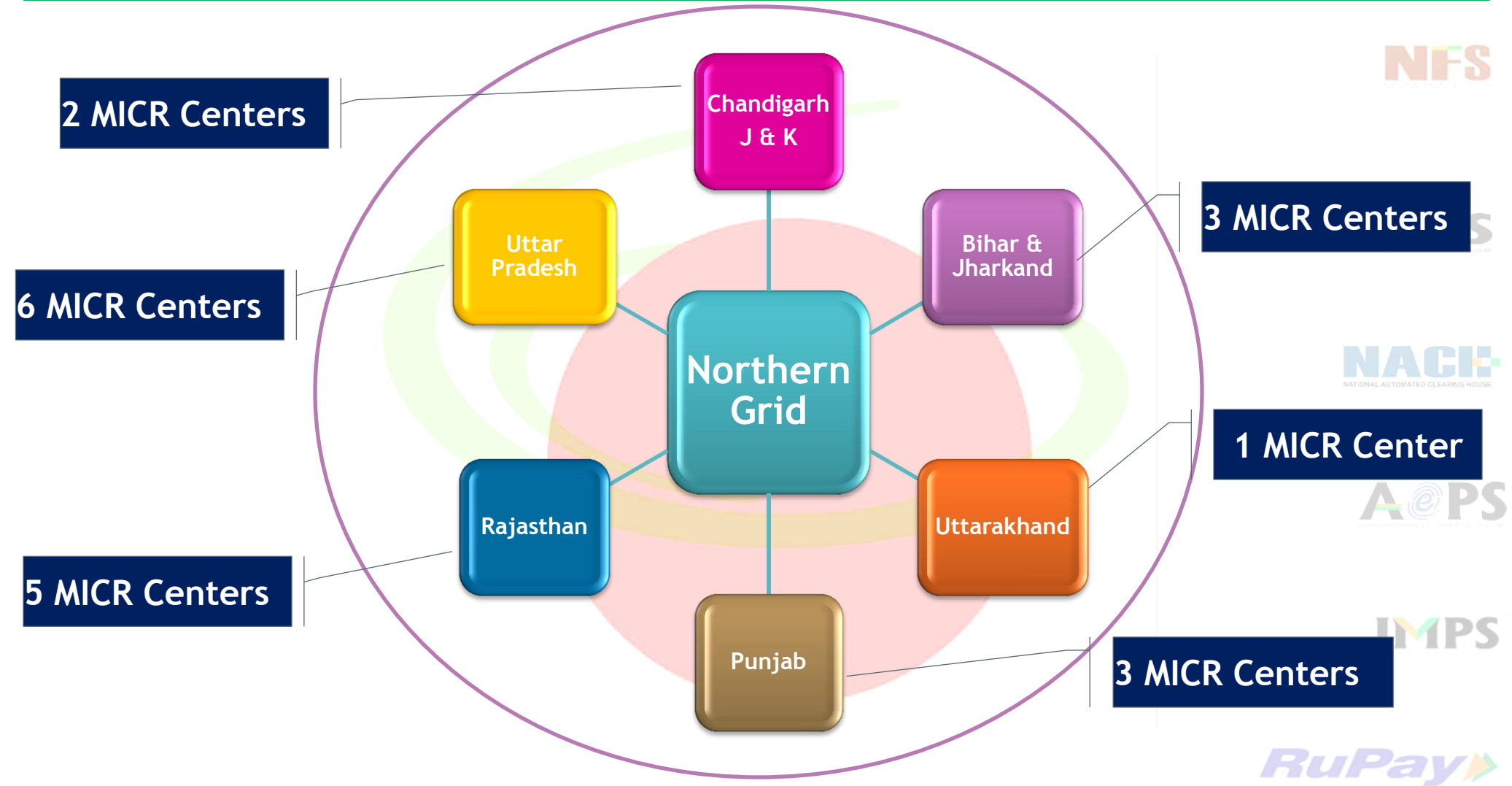
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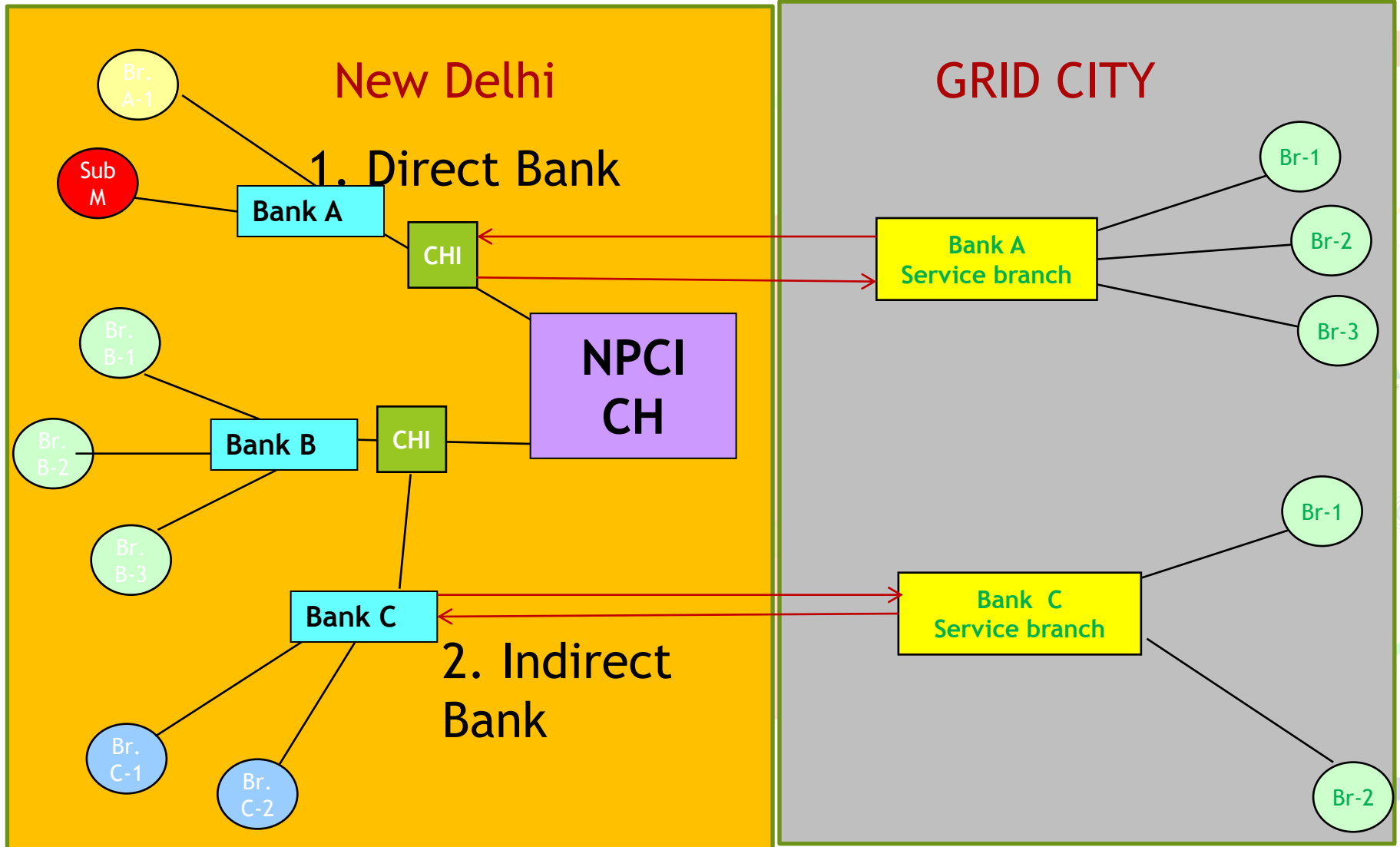
NORTHERN GRID



NORTHERN GRID



GRID WORKFLOW



SCHEDULE

S NO	MICR Centre	Clearing House	Implementation Phase	Expiry date for MICR AMC	Migration completion date
1	CHANDIGARH	Migrated to Southern Grid	Phase I	-	15/01/2014
2	LUDHIANA	Punjab National Bank	Phase I	25/06/2014	15/01/2014
3	JAIPUR	Reserve Bank of India (PNB)	Phase II	31/03/2014	28/02/2014
4	LUCKNOW	Punjab National Bank	Phase II	21/06/2014	28/02/2014
5	PATNA	Reserve Bank of India (SBI)	Phase II	31/12/2013	28/02/2014
6	KOTA	Union Bank of India	Phase II	01/03/2014	28/02/2014
7	AGRA	Punjab National Bank	Phase II	30/09/2014	28/02/2014
8	KANPUR	Reserve Bank of India (PNB)	Phase II	31/03/2014	28/02/2014
9	JAMSHEDPUR	Union Bank of India	Phase II	31/03/2014	28/02/2014
10	UDAIPUR	Punjab National Bank	Phase II	31/03/2014	28/02/2014
11	JALANDHAR	Punjab National Bank	Phase III	10/12/2014	31/03/2014
12	JODHPUR	State Bank of India	Phase III	27/09/2014	31/03/2014
13	AMRITSAR	Punjab National Bank	Phase III	18/10/2014	31/03/2014
14	VARANASI	Punjab National Bank	Phase III	30/09/2014	31/03/2014
15	DEHRADUN	State Bank of India	Phase III	10/12/2014	31/03/2014
16	RANCHI	State Bank of India	Phase III	27/06/2014	31/03/2014
17	ALLAHABAD	Punjab National Bank	Phase III	30/09/2014	31/03/2014
18	JAMMU	Punjab National Bank	Phase III	30/06/2014	31/03/2014
19	BHILWARA	State Bank of Bikaner and Jaipur	Phase III	31/07/2014	31/03/2014
20	GORAKHPUR	Punjab National Bank	Phase III	24/12/2014	31/03/2014

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Help Required

- Shifting Chandigarh, Ludhiana to Northern Grid
- Finalizing Operational process flow
 - Consolidation of files at the bank level and submission to respective CHI
 - Single settlement irrespective of location
 - Outward clearing confirmation
 - Inward Referrals
 - Reconciliations
- Paper to Follow instruments to be handled locally
 - Centralized processing banks have to work out a mechanism for confirming P2F cases
- Submit mandate for charges and settlement authorization letter for settlement
- Implementation of Payee name project – proposed to be made mandatory from January 31st, 2014

Help Required

- Review the existing infrastructure at Delhi CHI
 - CHI capacity
 - Network Bandwidth
 - Ordering for scanners for Grid Centers
- Act as sponsor bank for the 93 new to CTS banks
 - Business preposition for existing banks having CHI

PAYEE NAME PROJECT

Particulars	Total Bank Count
Live Banks	17

S. No.	Live Banks
1	Federal Bank
2	ICICI Bank
3	Lakshmi Vilas Bank
4	Vijaya Bank
5	Indian Overseas Bank
6	Tamilnad Mercantile Bank
7	ING Vysya Bank
8	Axis Bank
9	Shamrao Vithal Co-operative Bank
10	Kotak Mahindra Bank
11	Bank of Tokyo Mitsubishi
12	Standard Chartered Bank
13	Dhanlaxmi Bank
14	South Indian Bank
15	BNP Paribas
16	Allahabad Bank
17	Bank of America

RBI CIRCULARS ON CTS

S.No	Circular Number	Circular Name	Date
1	DPSS.CO.CHD.No. /133 / 04.07.05 / 2013-14	Standardization and Enhancement of Security Features in Cheque Forms/Migrating to CTS 2010 standards - Multi Sessions	16-07-2013
2	DPSS.CO.CHD.No. / 209 / 04.07.05 / 2013-14	Migration of Post-dated cheques (PDC)/Equated Monthly Instalment (EMI) Cheques to Electronic Clearing Service (Debit)	24-07-2013
3	DPSS.CO.CHD/328/04.07.005/2013-2014	Expanding the Grid Based CTS in Chennai	08-08-2013
4	RBI/2013-14/199 DPSS.CO.CHD.No. /458/ 04.07.05 / 2013-14	Adoption of Uniform Holiday Calendar under Cheque Truncation System (CTS)	23-08-2013
5	DPSS.CO.CHD/1190/04.07.005/2013-2014	Implementation of the Northern Grid CTS in New Delhi	29-11-2013
6	DEL.NCC.No.828/12.01.001/2013-14	Implementation of the Northern Grid CTS in New Delhi - Information to MICR centres	19-12-2013
7	NCC MRO No. /03.01.003/2013-14	Goa MICR Centre Closure Notice	17-12-2013
8	NCC MRO No. /03.01.003/2013-14	Pune MICR Centre Closure Notice	17-12-2013
9	NCC MRO No. /03.01.003/2013-14	Nasik MICR Centre Closure Notice	17-12-2013
10	NCC MRO No. /03.01.003/2013-14	Kholapur MICR Centre Closure Notice	17-12-2013
11	NCC MRO No. /03.01.003/2013-14	Solapur MICR Centre Closure Notice	17-12-2013

Thank You !!!



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