

A EURONET CUSTOMER SUCCESS STORY

## EURONET WORLDWIDE PROVIDES TURNKEY SOLUTION FOR INDIA'S NATIONAL FINANCIAL SWITCH

### Client

National Payments Corporation of  
India

### Challenge

Implement a robust, scalable and  
flexible system to seamlessly connect  
all banks on a common platform

### Solution

ITM Gold-Net

### Results

Achieved phenomenal growth in the  
last 3 years with 61 member banks  
connected to the system and driving  
83,648 ATMs

Spearheaded by the Reserve Bank of India (RBI), India has made enormous strides in creating the foundation of a modern payments system. The country has an electronics payment system rivaling the most advanced in the world.

Promoting a transition from cash to electronic payments was a focus of the RBI's Vision 2009-12 initiative, in which the NPCI was earmarked to play a central role. In 2009 NPCI issued a document calling for an expression of interest from technology solution providers in the area of switching electronic transactions.

### The Challenge

NPCI's requirement was of a switch which will provide switching of all retail electronic payment transactions from all possible channels like ATM, POS, internet, mobile payments, m-commerce, e-commerce, real-time electronic funds transfer, etc.



Secure Financial Transactions — Any Time, Any Place

## The Solution

After considerable due diligence, Euronet was selected by Institute for Development and Research in Banking Technology (IDRBT), the technology arm of Reserve Bank of India, to implement a national financial switch (NFS) in India under the control of NPCI.

IDRBT selected Euronet to provide a turnkey solution for the NFS, which created a neutral platform that enabled banks to connect their own switches to the NFS. Currently NFS is both an integrated inter-ATM switch and an Aadhaar Enabled Payment System (AEPS), which acts as a facilitator to authenticate and route payment details between banks and the Unique Identification Authority of India's (UIDAI) authentication system. The Aadhaar is the brand name of the national identification system of India and the AEPS is a bank led model which allows online financial inclusion transaction at PoS (MicroATM) through the Business correspondent of a bank using the Aadhaar authentication. At present AEPS service can be availed by customers at their respective bank business correspondent outlets. This two-part solution is believed to be the first of its kind at a national infrastructure level.

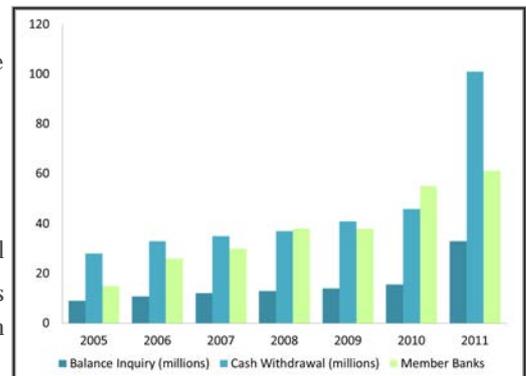
The NFS was a major step in building the financial infrastructure to allow connectivity for participating banks' ATMs and increase convenience for customers to get cash anytime, anywhere. The installed base of ATMs in India is estimated to be over 85,000 units and this number of ATMs has been growing at over 50% for the last three years. New private banks have been the biggest deployers and more recently public sector banks and old private banks are implementing aggressive plans to install ATMs.

Selection of Euronet's IIM Gold-Net was done after an extremely careful evaluation by IDRBT spanned across 12 months and in which all the leading solution providers of the world were evaluated for this project. One of the deciding factors was the experience that Euronet has in driving Interbank Shared Networks around the world along with proven extremely scalable and flexible design of the system.

Earlier in May 2003, Euronet also launched Cashnet a shared ATM network in India which now has 14 member banks and over 19,000 ATMs under one umbrella covering 450 cities & towns in India

## The Results

- n Achieved phenomenal growth in the last 3 years with 61 member banks connected to the system and driving 83,648 ATMs
- n 150 million transactions processed for the month of August 2011
- n On an average 26.32 % of the transactions are of Balance Inquiry and rest are Cash Withdrawal
- n On an average 11.57% of the total transactions were declined as business decline and less than 1% as technical decline
- n On an average 5.38 million transactions processed on a daily basis with peak of 8 million transactions
- n Total cash withdrawal transactions in Aug 2011 were recorded at 109 million and total cash dispensed was recorded at 348 Billion INR
- n There are currently 28 member banks live on Interbank Mobile Payment Service (IMPS)
- n Chargeback to total volume ratio was on average 0.060%



## About Euronet Worldwide

Euronet Worldwide, Inc. (NASDAQ: EFFT) facilitates the movement of payments around the world and serves as a critical link between our partners — Financial Institutions, Retailers, Service Providers — and their end Consumers, both locally and globally. Founded in 1994, Euronet has established itself as a leading electronic payments provider. Euronet's customers are served from three core business segments: Electronic Financial Transactions (EFT - including Payments Software), Prepaid (epay) and Money Transfer. In 2010, the Company processed approximately \$56 billion in ATM, prepaid and money transfer payments for more than 115 financial institutions, 200 mobile operators, approximately 385,000 retailer and agent locations, and millions of individual consumers worldwide

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NPCI is functioning as a true payment hub for all electronic retail payment systems with an every growing variety of products and delivery channels”