BANK

CASE STUDY

Leading Bank goes paperless using eSignatures based on National ID and emSigner Workflow

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eMudhra helps banks to onboard customers faster, reduce cost, and improve customer experience

Industry
Banking

Business Matters
With digitalization gaining momentum, banking customers are eager to adopt self-service transactions adding convenience and flexibility to their lives.

Keeping in mind the customers' convenience and security, banks wanted to move to a completely paperless environment for faster customer onboarding by using eSignatures based on National ID, which provides authenticity and legal non-repudiation.

Paperless banking requires more than changing processes and implementing enabling technologies.

Business Need
Reduce turnaround times for customers from filling the application, submission, eKYC and verification for opening an account using eSign and goes completely paperless office.

Approach
Deploy a digital signature workflow solution for management of customer lifecycle from application to account opening using legally valid digital signature certificates and components of digital signing and validation, approval workflow, and document management.

Background
The leading Bank was dealing with delays in the customer onboarding process due to physical document submission, verification, etc. This resulted in tremendous paper usage, and moving the file within the respective teams, for approvals consumed time. This presented challenges and problems, namely:

- Increased customer turnaround times
- An immense pile-up of files pending for approvals, resulting in a delay in project clearance, etc
- Inconsistencies in customer data due to manual errors
- Huge usage of depository for storage and archival of papers

Business Requirement
The Bank wanted to leverage eSignatures based on National ID to allow customers and sanctioning authorities to initiate, sign, and approve documents as part of a pre-defined workflow. The need was to eradicate paper-based account opening, manual verification, and movement of physical papers internally for routine activities between customer and Bank.

Going completely paperless, will open the door for more efficient operations, lower costs, improved compliance, and better knowledge management.

eSignatures based on National ID

eSign Electronic Signature is a new and innovative way to sign any document. eSign service allows any Aadhaar holder to digitally sign any document without having to obtain a physical digital-signature.

As eSign is incorporated under the second schedule of the Information Technology Act, any document signed using eSign, is legally valid as a physically signed document or a document signed using a conventional digital signature.

Benefits

Bank reaped significant benefits by implementing eSignatures based on National ID to the workflow for customer onboarding,

These include -

- Legal non-repudiation, reducing frauds
- Offering anywhere, anytime filing of forms for customer onboarding, service requests
- Faster turnaround time, increased employee efficiency, productivity and transparency
- Meeting compliance & regulatory requirements
- Completely paperless workflow, resulting in huge savings from a data repository perspective

Solution

eMudhra (a Licensed Certifying Authority in India and a PKI solution provider) implemented emSigner – a Secure Paperless Office solution to enable Digital Signature based workflow for a customer to bank and vice versa

The typical lifecycle involves

- Customers can use **eSignatures based on National** ID to sign new account opening forms. These eSigns are generated by entering Aadhaar Number and an OTP is being sent to the registered mobile number of the Aadhaar holder

- Customer can do their regular transactions through online gateway of the respective bank by **using eSignatures based on National ID**.

- The forms are sent **through emSigner to approving authorities**

- Approvers review **eKYC, verify and digitally sign the application** using eSign for further account opening process

- Authorised officer can **digitally sign E-Cheques** which are sent to customers

- Approving authorities periodically needs to **sign bulk bank statements** which need to be sent to customers can be signed through eSignatures based on National ID

- Digitally **Sign ECS/NACH mandates** by the approving officer

- Approvers can **digitally sign Contracts** like e-Stamping using e-Sign to eliminate paper completely

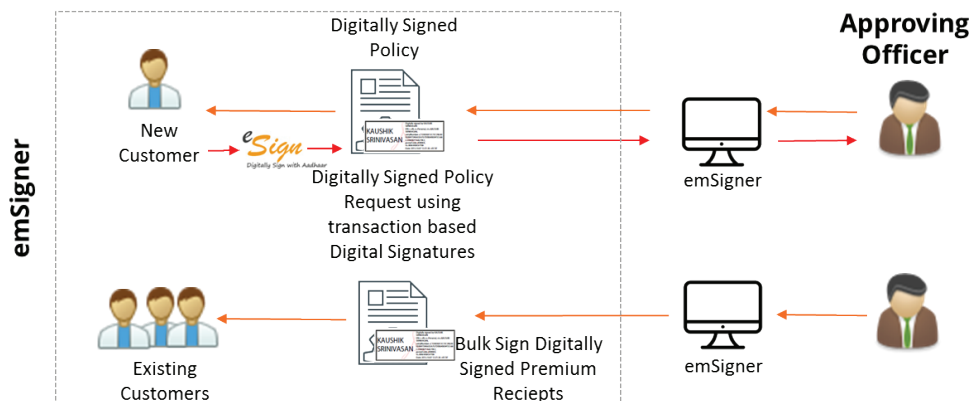### The paperless office solution uses following broad modules:

- **emSigner**
  Digital Signature Workflow application for digital signature-based workflow management with form builder

- **emAS - eMudhra Authentication Server**
  To authenticate, verify digital signature certificates on a real time basis.

- **Configuration Module**
  Signature, Encryption & HSM (Hardware security module)

- **Hardware Security Module**
  FIPS-2 level 3 certified physical computing devices that safeguards and manages digital keys for secure authentication and provides crypto-processing

- **emCA – Certificate Lifecyle Mgmt**

  a. Certificate Issuance - To manage the issuance, revocation of Digital Signature certificates

  b. Certificate Download - For downloading digital certificate from Certifying Authority (CA) as a soft or crypto token

  c. Certificate Registration - To allow the customer to register their digital signature on the Banking application

About eMudhra:

Much like the name, which is an embodiment of the seal of authenticity in the electronic or digital world, eMudhra is a cyber security solutions company and a trust service provider that is focused on accelerating the world's transition to a secure integrated digital society. With presence in 5 continents and a global delivery center in Bengaluru, India, eMudhra is empowering secure digital transformation of over 45 global banks, several Fortune 100 customers and thousands of SMEs.