

# Customized Integration Gateway Tool & Comprehensive Risk Dashboard Enables Total System Utilization & Real-time View of KPIs



## SITUATION

The customer was using multiple systems for different trade capture activities (CTRM system for paper trades and ERP system for physical trades). It was becoming a cumbersome task to maintain different systems for capturing trading activities.

## IMPACT

The customer wanted to utilize trade capture (both physical and paper) in the CTRM system and integrate the CTRM and ERP systems for Master Data, Trade Capture, Scheduling and Invoicing and Payment activities. A customized dashboard was required to empower decision making and have a significant impact on the business.

## RESOLUTION

ITC Infotech's techno-functional expert team designed an Integration Gateway Tool to integrate the customer's CTRM and ERP systems. The existing CTRM system version was upgraded from an older version to the latest version. We further built a customized reporting dashboard to provide a consolidated view of the key performance indicators of various activities.

## The Customer

The customer is a leading Oil & Gas company having its core business in oil refining. The main production site of the group is in the Mediterranean region, one of the six supersites in Europe situated in a favorable position for the receipt of crude oil and in proximity to the sales outlets of finished products.



## The Need

The customer was using multiple systems for capturing trading activities – the CTRM platform for paper trade capture and the ERP system for physical trade capture. It was becoming a cumbersome task to maintain different systems for different activities. The customer wanted to utilize the trade capture (physical and paper) only in the CTRM system and integrate the CTRM and ERP systems for Master Data, Trade Capture, Scheduling and Invoicing and Payment activities. They also wanted to upgrade their CTRM platform version to avoid system inefficiency. Another critical need was to have a single view of the key performance indicators so as to have a complete picture of the risk the trading firm was being exposed to. The client also desired to generate capability in the system to capture physical deals that required system implementation as their existing CTRM system was not used for physical deal capture earlier.

## The Solution

ITC Infotech partnered with the customer to address their core business needs and provided the following as part of the solution and service offerings:

- **Integration Gateway:** "Integration Gateway" (a proprietary accelerator of ITC Infotech) acts as a direct communication channel between the ERP system and the CTRM system. The logic for communication between the two systems lies in the integration layer without modifying either of the systems. The Integration Gateway is built in such a manner where the tool's engine pulls / pushes the information from either system. This data received is processed in the transformer layer and modified to match the requirements of the target system. This data is also stored in the staging IGT Database for future reference while completing the trade's life cycle. An exchange server is also configured in IGT to send out alerts and email notifications in case of any errors (mapping or network) encountered while processing transactions. A simple UI helps users track all the activities
- **Risk Management Dashboard:** The customer's business focused on several trading activities in various areas and they were unable to obtain a consolidated view of all activities. There was a need for a customized dashboard capable enough to present a graphical view of the key performance indicators at any point required by the management for easy and quick decision making. ITC Infotech experts designed a customizable risk dashboard capable of displaying the key performance indicators related to portfolio value, VaR, risk P/L and cash flows
- **Physical Deal Implementation:** As the customer was not able to capture physical deals in the CTRM system, there was an underutilization of the CTRM as it was used only for paper

trades. Our team implemented the physical deal capture in the CTRM (which was integrated with ERP), enabling the customer to capture physical trades along with paper trades

- **Version Upgrade:** The customer was currently using an older version of the CTRM for oil paper transactions. The CTRM vendor had provided multiple releases with new features, functionalities and bug fixes. The customer had decided to upgrade to the latest CTRM version and hence did not have the most recent physical deals entered into the CTRM system as these were entered directly in the ERP system. The migration to a higher version was with a fresh installation with no cutover for physical deals but all live paper deals were migrated. All paper positions and PnLs were reconciled between the existing and upgraded systems.

## Business Benefits

- Enhanced system usage with version upgrade
- Total utilization of the CTRM system for physical and paper trades, enabling better data capture and position views on the risk management system
- Better decision making and execution of future plans owing to clear, consolidated view of key performance indicators
- Significant reduction in cost of development of Integration Gateway owing to cost-effective solution with onshore and offshore development model

### ITC Infotech's IT Solutions Practice For CTRM

The Commodity Trading and Risk Management (CTRM) domain at ITC Infotech recognizes technological innovation and sophistication as the only the beginning. Our value proposition comprises of strong domain expertise with deep knowledge on all the asset classes in the commodity trading industry and expertise in top CTRM products along with the capabilities to build strong value-added solutions around CTRM systems, which is important for being a value generator in this business.

Our combination of Global delivery capabilities and robust offshore delivery infrastructure promises a best in class quality service to the client. Our emphasis on client focus drives us to identify the pain areas of our customer and provide best delivery experience which makes us a customer centric and customer friendly organization.

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