TBX

THE LIQUIDITY NETWORK

CORPORATE BANKING SERIES • 2026

A report on financial networks rewiring corporate banking in India

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About TBX

TBX is a Corporate Banking infrastructure company enabling Banks, Enterprises, NBFCs, Fintechs, and Financial Institutions to manage interconnected financial operations through integrated infrastructure, APIs, and SaaS-based platforms.

Founded by ex-bankers, TBX covers the full spectrum of corporate banking. Its ecosystem includes TrustHub for enterprise financial operations which includes treasury, payments, collections, reconciliation, commercial cards and more; TxBHub for banks which includes banking platforms, cash management, trade management, and supply chain finance; ReconX for AI-powered reconciliation across banking and financial operations; and API Hub for connected banking workflows, integrations and enterprise infrastructure capabilities.

TBX is focused on enabling more connected, scalable, and intelligent corporate banking and enterprise financial operations across modern financial ecosystems

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Preface

Indian corporate banking is entering its most exciting chapter yet. The account, long the foundational unit of the sector, is now joined by something larger - the network: an interconnected layer through which banks, fintech platforms, payment rails, ERPs, and treasury systems together move corporate liquidity in real time.

This report examines that evolution. It looks at how a decade of regulator-built payment infrastructure, the rise of multi-bank treasury, and the maturing fintech orchestration layer have collectively expanded what corporate banking can deliver. It examines the evolution of corporate banking, the role of AI as a working layer, the extension of network logic across lending ecosystems, and the fresh levers on which banks now compound advantage.

The intent is not to forecast a distant future. The transition described here is already in motion, in which the strengths of the banking franchise are amplified by the connective infrastructure built around it. Our objective is to set out, with clarity and evidence, the structural logic of this evolution, and the opportunity it creates for the institutions operating within it.

Founder's Note

Corporate banking has always been the engine room of the economy - the infrastructure that moves capital between businesses, funds supply chains, settles trade, and keeps enterprises liquid. While the last decade rightly celebrated the transformation of consumer banking - UPI reshaping how a billion people transact, digital credit reaching borrowers who had never seen a bank branch - corporate banking was quietly undergoing its own equally consequential transformation. Less visible, but no less significant. And now, that transformation has reached an inflection point that deserves the same quality of attention, analysis, and conversation.

At the heart of that transformation is a single question that touches everything - treasury, payments, trade finance, reconciliation, credit, AI: how does liquidity move? Who controls it, through what networks, and on whose infrastructure? The answer to that question has changed fundamentally. Liquidity no longer flows through discrete bilateral banking relationships. It moves across interconnected networks of banks, fintechs, NBFCs, payment rails, and enterprise platforms - orchestrated by software, governed by rules, and increasingly augmented by intelligence.

That shift - from the account to the network as the primary unit of corporate banking - is what is the basis of our attempt to give the industry a rigorous, evidence-based map of where corporate banking actually is in 2026 - not where we imagine it to be.

We are releasing this report at CBNxT 2026 because we believe the industry deserves a dedicated platform for exactly these conversations - a genuine forum where the ecosystem can examine where it is, debate where it is headed, and collectively shape what comes next.
We hope the report provokes useful thinking - and that the conversations it starts today continue long after the event.

Vaibhav Tambe
Co-Founder & CEO, TBX

Executive Summary

Indian corporate banking is undergoing a structural transition toward a networked operating paradigm. Historically, the sector was organized around bilateral relationships - a single corporate entity maintaining a relationship with one bank, typically through a single operating account structure. This model is now undergoing change. Large corporates increasingly operate across multiple banking institutions, fintech platforms, payment rails, and lending structures concurrently. Consequently, liquidity is no longer channelled through discrete, product-specific banking arrangements but through interconnected software-mediated networks.

The most consequential transformation currently underway is the emergence of a software orchestration layer spanning banks, NBFCs, fintechs, and corporate entities. This layer provides the operational infrastructure for multi-bank treasury visibility, payout orchestration, collections reconciliation, rule-based liquidity sweeps, trade-receivable flows, programmable fund transfers, compliance audit trails, and real-time payment operations. Corporates are looking at not just standard banking solutions but also last mile solutions. The cumulative effect of these developments is a fundamental expansion in the reaches of corporate banking - from the individual account to the liquidity network.

Our position

One: multi-bank corporate treasury has become the default operating model in India.

Two: fintech infrastructure platforms are becoming embedded operating systems across corporate banking workflows.

Three: Payment and regulatory infrastructure have created the foundation for programmable liquidity movement at scale.

Four: the competitive advantage in banking is shifting from branch reach and relationship depth toward integration quality, API reliability and operational orchestration.

Five: artificial intelligence will significantly enhance liquidity intelligence, reconciliation, anomaly detection and predictive treasury management on top of that infrastructure.

The next phase of Indian corporate banking will be defined less by standalone financial products and more by which institutions control the operational network through which liquidity moves.

The Emergence of Liquidity Networks

Three converging developments explain the moment. None of them is new on its own. What is new is that all three are now operating at the scale required for network-level orchestration to be viable.

RBI-built digital financial infrastructure

India in 2026 possesses real-time, high-throughput financial rails that did not exist a decade ago. UPI volume crossed 228 billion transactions in CY 2025, growing roughly 29x in seven years. NEFT volumes more than quadrupled from FY21 to FY25. IMPS roughly doubled over the same period. RTGS, the rail that carries corporate value, settled ₹2,013.9 lakh crore in FY2025 though transaction volumes remained modest compared to NEFT and IMPS. BBPS monthly volumes grew approximately 10x in five years. The headline numbers are familiar; the second-order consequence is the one that matters.

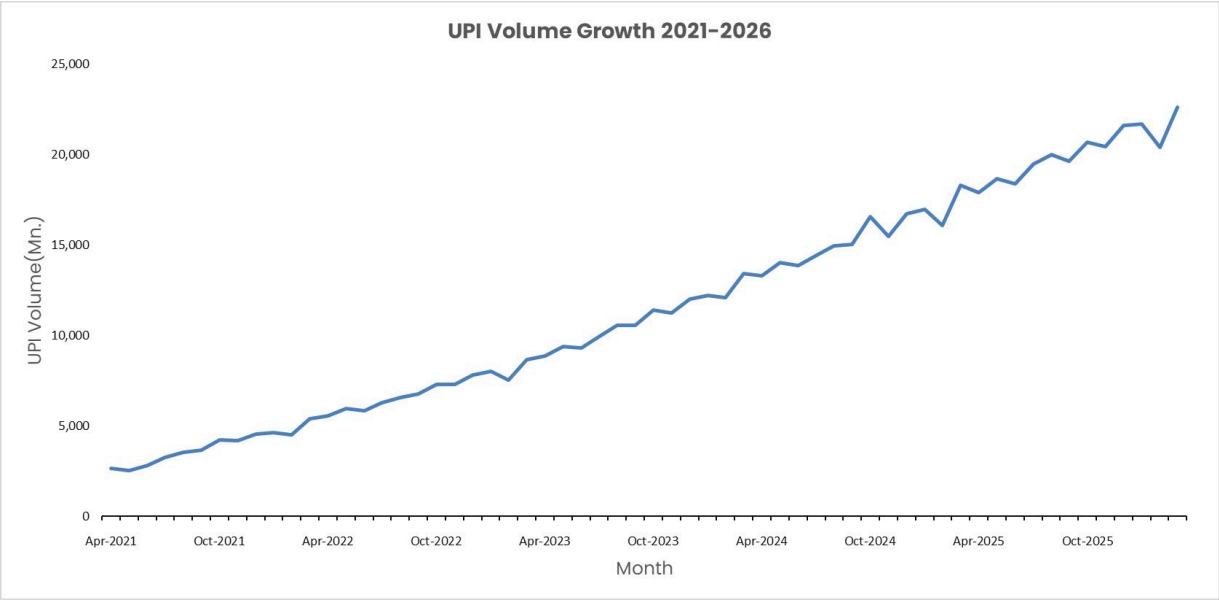

Figure 1.1

As the underlying payment infrastructure achieves this level of throughput and operational reliability, the service layers constructed upon it become economically viable at scale. Capabilities such as real-time balance aggregation across multiple banking institutions, rule-based threshold payouts, instant reconciliation against Unique Transaction References (UTRs), and API-driven liquidity movement are not conceptually novel.

Their deployment, however, was contingent on the maturation of the requisite infrastructure - a threshold that has now been reached. Concurrently, regulatory measures introduced by the Reserve Bank of India have materially strengthened the security posture of digital payment channels, while a demographic shift toward a technologically proficient user base has extended the effective reach of banks through these channels.

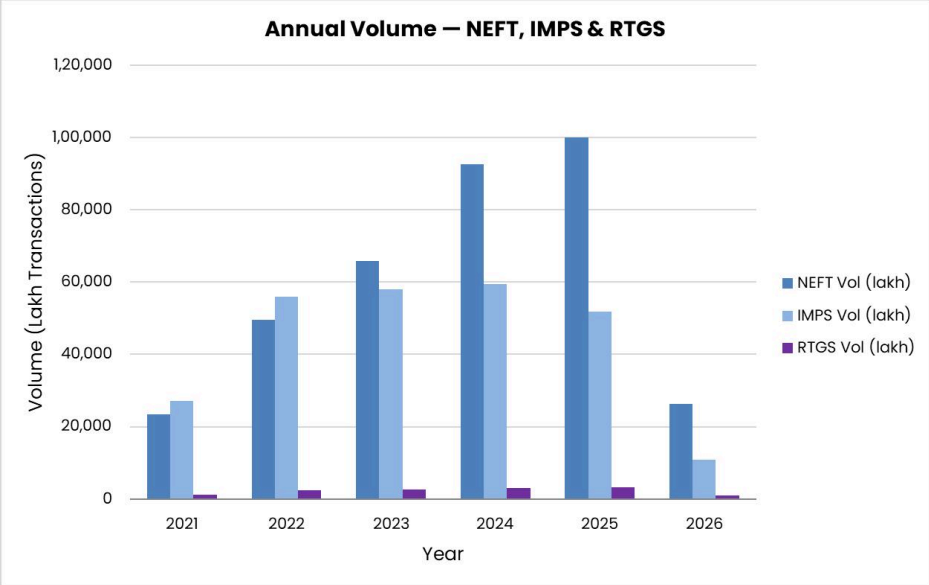

Figure 1.2

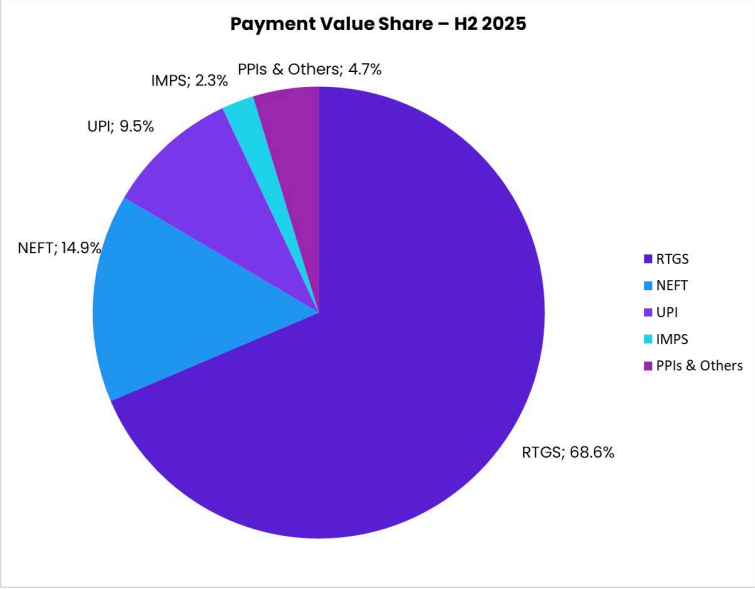

Figure 1.3 Source: RBI Half-Yearly Payment Systems Report, H2 2025

RTGS deserves particular attention. RBI Payment System Report data shows that customer transactions now account for over 99% of RTGS volume and approximately 89% of value, with roughly 75% of customer RTGS transactions falling in the ₹2 lakh to ₹10 lakh range. Corporate flow accounts for a dominant share of system activity by both volume and value.

Multi-bank treasury complexity

On the demand side, the corporate treasury function has grown markedly more complex in structural terms. It is now standard practice for large corporates to maintain relationships with multiple banking institutions simultaneously.

The drivers of this multi-bank approach are well established: counterparty risk diversification, geographic coverage requirements, working capital syndication, payroll and supplier payment arrangements, and sector-specific lending relationships. What has materially changed, however, is the operational cost that this institutional fragmentation imposes on the treasury function.

Treasury teams responsible for managing fragmented liquidity positions across multiple institutions have undergone a functional transformation - from a predominantly back-office role to one of active network management. The focus of senior financial leadership has shifted accordingly: rather than monitoring the status of a single bilateral banking relationship, the CFO now requires consolidated operational visibility across all banking partners, available in real time and governed by rule-driven controls.

This represents a qualitative change in the nature of the problem. It is no longer a relationship management challenge confined to a single institution; it is a network orchestration challenge of materially greater complexity.

Fintech infrastructure maturity

On the supply side, fintech infrastructure providers have matured into the orchestration layer that connects banks, corporates, NBFCs, payment systems, ERP systems and treasury systems. Five years ago, these providers were peripheral they sold individual products or specific automations to specific corporates. Today, they are increasingly the operational substrate through which banking workflows actually run.

Then the supply side, fintech infrastructure providers have evolved into a fully constituted orchestration layer, interconnecting banks, corporates, NBFCs, payment systems, ERP platforms, and treasury management systems. Until recently, these providers occupied a peripheral role in the financial ecosystem - offering discrete products or targeted workflow automations to individual corporate clients.

They have since assumed a substantially more central function, serving as the operational substrate through which core banking workflows are increasingly executed. The fintech layer can no longer be characterized as ancillary to corporate banking; it now constitutes the connective infrastructure underpinning it.e fintech layer is no longer adjacent to corporate banking. It is the connective tissue.

Key implication

The corporate treasurer of 2026 has two screens. One is the bank's portal - useful but limited to one bank. The other is the platform that aggregates positions across all banks, runs threshold rules, automates sweeps, and produces a single audit trail. The second screen is the one the treasurer trusts. The first is where the money happens to live. The shift in which screen sits at the centre of the workflow is the shift this report is about.

From Banking Relationships To Financial Networks

The unit of analysis in Indian corporate banking has changed. The old unit was the account. The new unit is the network.

The historical model

Historically, the corporate banking value chain was organized around clearly delineated divisions of work.

Banks performed the account management function - holding deposits, issuing payment instructions, and maintaining the books of record. Corporates assumed responsibility for relationship management - negotiating terms and determining the distribution of business across their banking partners.

Treasury teams, in turn, managed reconciliation through predominantly manual processes, reconstructing the corporate's consolidated financial position at periodic intervals from bank statements and spreadsheet-based records.

Each of these three functions operated within its own organizational silo, with coordination occurring through paper-based exchanges, telephone communications, and periodic data transfers.

The current model

Each of these three pillars is now undergoing measurable change. Liquidity movement across institutions is increasingly managed by software platforms.

Corporate treasury operations are oriented toward network-wide visibility rather than visibility confined to individual bilateral relationships. APIs are progressively displacing the operational silos that once characterized inter-institutional workflows.

The reconciliation function - historically one of the most challenging elements of treasury operations - has transitioned from periodic manual exercises to continuously operating, model-assisted processes conducted in real time.

The unit of analysis has changed : from the account to the liquidity network

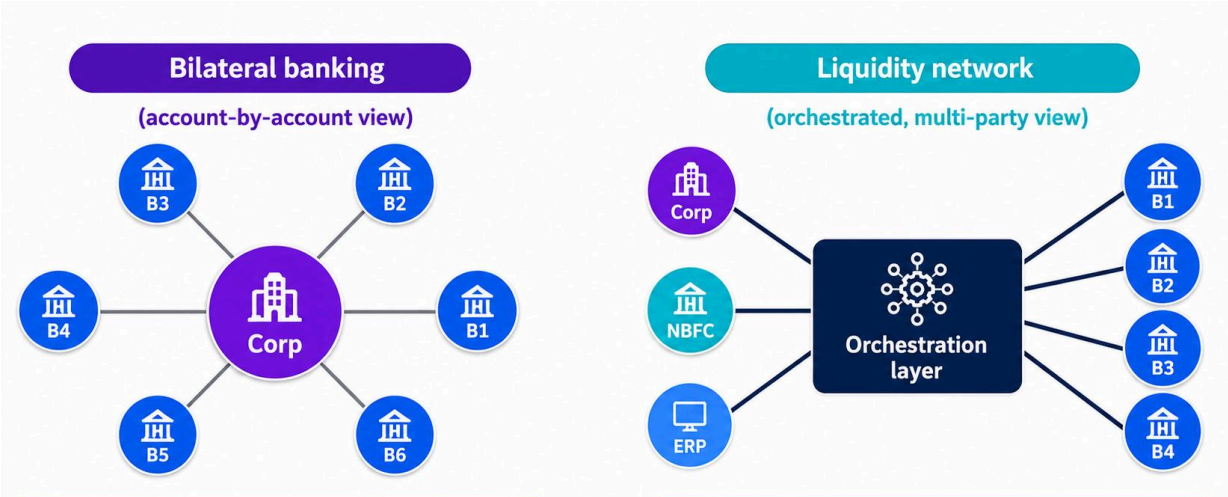

Figure 2.1

What the liquidity network actually is

Stated precisely, a liquidity network is the interconnected operating layer through which banks, fintechs, NBFCs, and corporates coordinate fund movement, treasury visibility, reconciliation, and regulatory compliance. It does not describe a single platform or product. Rather, it denotes the architectural pattern that emerges when these participants are connected through software-mediated infrastructure rather than through discrete bilateral arrangements.

The implications of this re-framing are significant. Payments are no longer discrete, institution-specific banking actions; they are events on a shared network that is observed and acted upon by multiple parties simultaneously. Treasury operations are becoming programmable - the rules governing liquidity movement are increasingly encoded in software rather than prescribed in operating manuals.

Liquidity decisions are being taken progressively at the network layer, where the relevant data - multi-bank balances, projected inflows, and regulatory thresholds - is aggregated for analysis. Banks as indispensable as licensed nodes holding deposits and operating payment rails, are transitioning to much broader scope of access through the network architecture.

Controlled-account structures as one example

It is imperative to consider how specific product structures fit within this framework. RERA escrow, Trust and Retention Accounts (TRA), Lease Rental Discounting (LRD), co-lending pools, payment aggregator settlement, and TReDS are frequently analysed as distinct products with distinct operational mechanics. They do not, however, constitute the central thesis of this report.

They serve as illustrative examples of a single category: programmable, multi-party liquidity structures whose viability at scale is contingent on the existence of the network. Each represents a manifestation of the same underlying structural shift. Each would be prohibitively costly to operate in the absence of a software orchestration layer. Each becomes operationally routine as network maturity increases.

Position

The corporate banking franchise of the next decade will not be defined by which bank wins the credit mandate. It will be defined by which institutions - banks, fintechs, or partnerships between the two - operate the network through which the corporate's liquidity moves.

The credit relationship and the operating relationship are decoupling. The institutions that recognise this and reposition for it will run the franchise. The institutions that do not will retain credit business while watching deposits, fee income and visibility migrate elsewhere.

The Fintech Infrastructure Layer

The most consequential repositioning in Indian financial services over the past five years has occurred largely without public attention. Fintech firms have evolved from peripheral players offering discrete workflow automation into the operational base of a fully constituted infrastructure layer - one that interconnects banks, corporates, NBFCs, payment systems, and ERP platforms. These firms deliver connectivity, orchestration, and embedded operational capability, functioning as collaborative partners that deepen and extend what banks are able to offer.

This development would not have been possible without the foundation built beneath it. A decade of deliberate investment by the Reserve Bank of India, NPCI, and regulated infrastructure providers has created the payment, settlement, and data rails that now carry the corporate banking workload - spanning high-value interbank settlement, bulk mandate processing, consented financial data exchange, trade receivable financing, and domestic payment clearing. The share of digital and electronic transactions in total banking has crossed 98% by volume. Increasingly, the corporate's interface is a software layer that calls these RBI-built rails on its behalf.

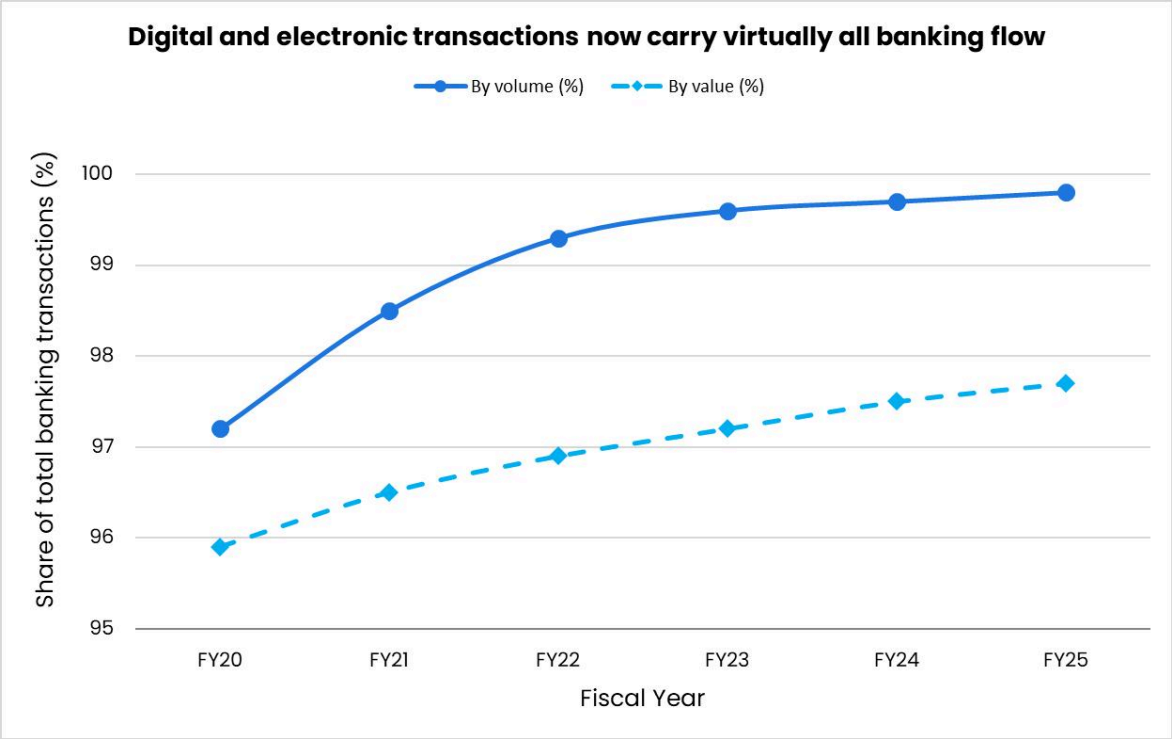

Figure 3.1

The throughline across all RBI-built rails is interloper ability. NEFT, RTGS, and UPI function identically across all participating banks, making each bank a node in a larger system. Any layer built on top of these rails inherits the same interoperability - a treasury platform integrated with one bank for a UPI-based payout can, almost automatically, make that payout to any beneficiary at any bank. This is not accidental; it is the deliberate architectural choice that has defined the RBI's payment system strategy

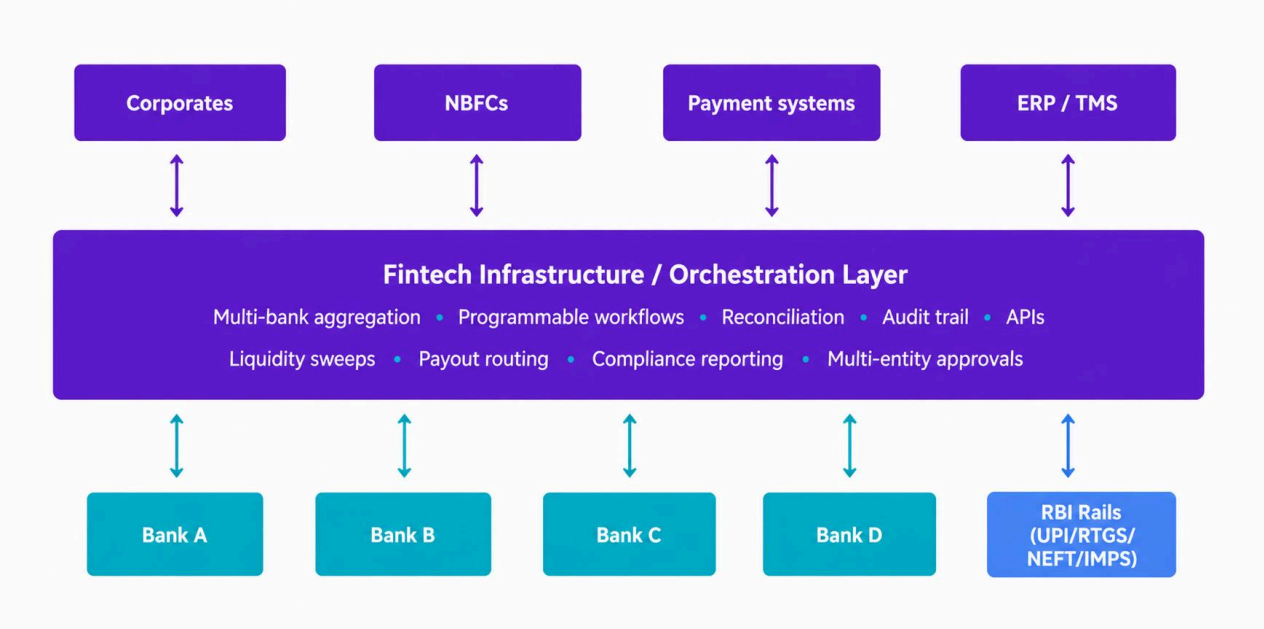

Figure 3.2

On top of this foundation, the fintech infrastructure layer performs three cumulative functions.

Multi-bank connectivity is the most visible. A modern liquidity management platform consolidates balance and statement data from multiple institutions into a single unified view, available in real time or near-real time. It enables API-based transaction initiation, allowing the corporate's ERP or treasury management system to execute fund transfers across banking partners directly, with bidirectional integration ensuring continuous, synchronized data flows.

Programmable treasury operations sit on top of that connectivity. Automated sweeps transfer idle balances between accounts in accordance with treasurer-defined rules. Rule-based payment workflows operate against configurable thresholds - invoice approvals trigger releases, EMIs auto-debit on schedule, surplus balances move to designated accounts. Maker-checker controls, multi-entity sign-offs, and dual authorisation flows are managed within the platform itself. Liquidity routing decisions, which previously required active treasurer intervention, increasingly execute as continuous automated processes.

Embedded operational infrastructure is the least visible but most structurally significant. The platform absorbs the operational mechanics that formerly resided in manual processes and fragmented tooling: vendor and salary payout workflows, collections reconciliation across multiple receiving banks, cross-bank and cross-entity audit trails that satisfy internal and regulatory requirements, multi-party approval flows spanning corporate entities and financial institutions, and continuous role-based reporting to corporates, lenders, and trustees.

The cumulative effect is to reduce operational friction across the banking ecosystem. The bank does not need to build all of this. The corporate does not need to build all of this. The fintech infrastructure layer builds it once, with deep integrations into each bank, and offers it to participants on the network.

Across payments, lending, and credit infrastructure, a small set of Indian fintech firms- Razorpay, Cashfree, TBX (Transbnk), Yubi, and others - now operate this connective layer, sitting between corporate ERPs and bank payment rails or intermediating credit flows across borrowers, lenders, and investors. None of them is a bank; none holds regulated deposits, yet collectively they now direct, in operational terms, how a growing share of Indian corporates experience banking.

For Indian banks' transaction banking strategy in 2026, the bank-fintech infrastructure relationship has accordingly become a primary strategic priority - because it is this relationship that increasingly determines how the bank is experienced by the corporates operating on the network.

Position

The decade-long regulatory programme of building interoperable, high-throughput financial rails is the foundation. The network built on top of those rails is the consequence. Fintech infrastructure providers have been the accelerant - compressing the adoption cycle for banks and corporates alike, and translating regulatory infrastructure into deployable banking capability at a high pace. Banks that cultivate deep partnerships with fintech infrastructure providers are accordingly better positioned to meet corporate requirements with the breadth, speed, and integration quality that the environment demands.

The AI Imperative

Artificial intelligence is now a working layer within the liquidity network. It is no longer a roadmap item or an emerging capability under evaluation - it is embedded in the platforms through which Indian corporates manage payments, treasury, reconciliation, and credit operations. The infrastructure layer described in the preceding sections and the AI layer described here are not sequential developments; they have matured together, and they now function as a single operating stack.

AI and the network operating together

The conditions that AI requires to function reliably are precisely the conditions that the liquidity network has created. Multi-bank data aggregation supplies the breadth and depth of transactional information that models need to perform.

Programmable treasury infrastructure provides the execution surface into which model outputs - forecasts, classifications, exception flags, recommended actions - are written back in real time. The network and the intelligence layer are interdependent: each is materially less useful without the other, and corporates that operate on the network are already experiencing them as a single capability.

This integration has been reinforced by three developments that are now established rather than emerging. Model performance on the domain-specific tasks that matter in corporate banking - narration parsing, transaction classification, anomaly detection, cashflow forecasting - has reached production-grade reliability.

Deployment patterns have shifted decisively: AI is delivered inside the workflow tools that treasury and operations teams already use, not as a separate analytics product requiring its own adoption cycle. And the governance frameworks around model explainability, audit traceability, and regulatory oversight have crystallised sufficiently for large enterprises to deploy AI within core financial workflows with institutional confidence.

Three shifts that AI has produced

From reporting to prediction - The treasury function was historically organised around reporting - where cash is, what has moved, what has reconciled. AI has reoriented it around prediction: where cash will be, what is likely to move, which anomalies are forming before they surface. This is not an incremental enhancement of existing reports; it is a change in the strategic posture of the treasury function itself, from reactive observation to anticipatory management.

From rule execution to adaptive orchestration - Rule-based automation, which already governs a substantial share of corporate treasury workflows, executes defined logic with precision. AI extends this with adaptability - identifying patterns that rules did not anticipate, surfacing configurations that improve on current settings, and adjusting routing and allocation decisions as conditions evolve.

The transition from fixed rules to learning-based orchestration is in active production deployment across the leading platforms in the market.

From human-in-every-loop to human-on-the-loop - Treasury, reconciliation, and credit operations have historically required human intervention at most decision points. AI has shifted the operating model: routine decisions execute automatically against learned patterns, and human attention is concentrated on exceptions, governance, and strategic design. The volume of activity that a single treasury team can supervise has expanded substantially as a result.

The strategic dimension for banks

Institutions that have completed their platform fundamentals - API depth, multi-bank connectivity, data quality, integration breadth - are deploying AI capabilities that deliver compounding value across their corporate client base. Institutions that have not made these investments find that their AI initiatives inherit the limitations of the infrastructure beneath them: incomplete data, inconsistent connectivity, fragmented workflows. The platform foundation determines the ceiling of what AI can deliver. The AI strategy and the platform strategy are not separate conversations; they are the same strategy, observed at two different layers of the stack.

Position

AI is not a parallel transformation alongside the network; it is the layer that gives the network its forward-looking capability. Banks and platforms that treat AI as an extension of their infrastructure investment will move ahead of those that treat it as a standalone product initiative. The institutions that build the platform first and the intelligence layer on top of it will define the next phase of corporate banking. Those that attempt the reverse will discover that intelligence without infrastructure is a demo, not a capability.

The Evolution Of Corporate Treasury

The treasury function has undergone more significant transformation in the past five years than in the preceding two decades. Three key shifts merit close examination: the centralisation of treasury operations, the transition to real-time processing, and the evolving economics of transaction banking from the perspective of the banking institution

Treasury centralisation

The corporate treasury function at most large Indian enterprises now operates on a unified-visibility model: a consolidated liquidity view spanning all banking relationships, real-time balance reporting, and automated liquidity movement governed by pre-defined rule sets rather than manual instruction. What was an aspirational target in 2018 has become operational reality in 2026 for organisations that have invested in modern treasury platforms.

Real-time treasury operations

Building upon centralisation, the treasury function has evolved into a real-time operation. API-driven treasury enables corporate systems to query bank positions, initiate payments, and reconcile transactions with minimal human intermediation. Real-time reconciliation matches incoming receipts to the corresponding invoices and outgoing payments to their respective obligations at the point of occurrence rather than at end of day.

Automated payment routing selects the optimal rail for each transaction based on cost, speed, or defined business criteria. Dynamic balance management deploys funds proactively - informed by forecasts rather than reactive adjustments. The treasurer's role has transitioned from operational execution to strategic design: defining the rule sets and exception frameworks that the platform executes at the speed of the underlying infrastructure.

Transaction banking economics

From the banking institution's perspective, the economics of transaction banking continue to face sustained compression. The weighted average lending rate on outstanding loans declined from 9.90% in September 2024 to 9.26% in September 2025.

The weighted average deposit rate on outstanding rupee term deposits declined from 6.95% in September 2024 to 6.82% in September 2025. The lending-deposit spread narrowed by approximately 40 basis points over the course of a single year, settling at roughly 2.44 percentage points — a level that reflects the ongoing compression trend observed over this period.

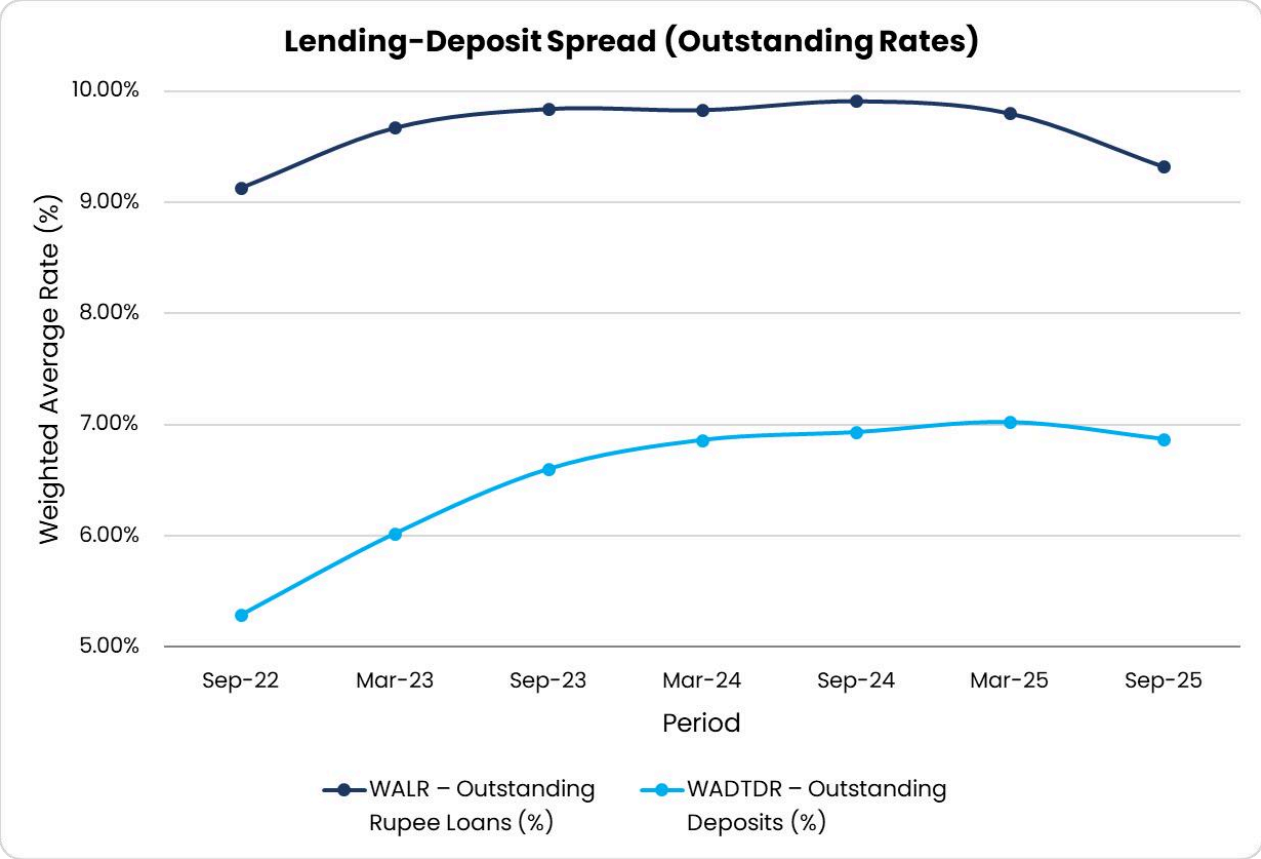

Figure 5.1

Spread compression, however, represents only one dimension of the structural shift. Of equal significance is the progressive reduction in the system's low-cost deposit base.

System-wide CASA ratios have declined by approximately 470 basis points over three years, from a peak of 43.7% in March 2022 (FY22) to approximately 39% by mid-2025, as customers shifted savings into higher-yielding term deposits amid the tightening cycle. Depositors - including corporate clients - are actively reallocating idle balances into higher-yielding term deposits, facilitated by enhanced visibility tools that render such balances more readily identifiable and transferable.

Consequently, the low-cost float that has historically underpinned transaction banking profitability has narrowed materially by 2026 relative to prior periods

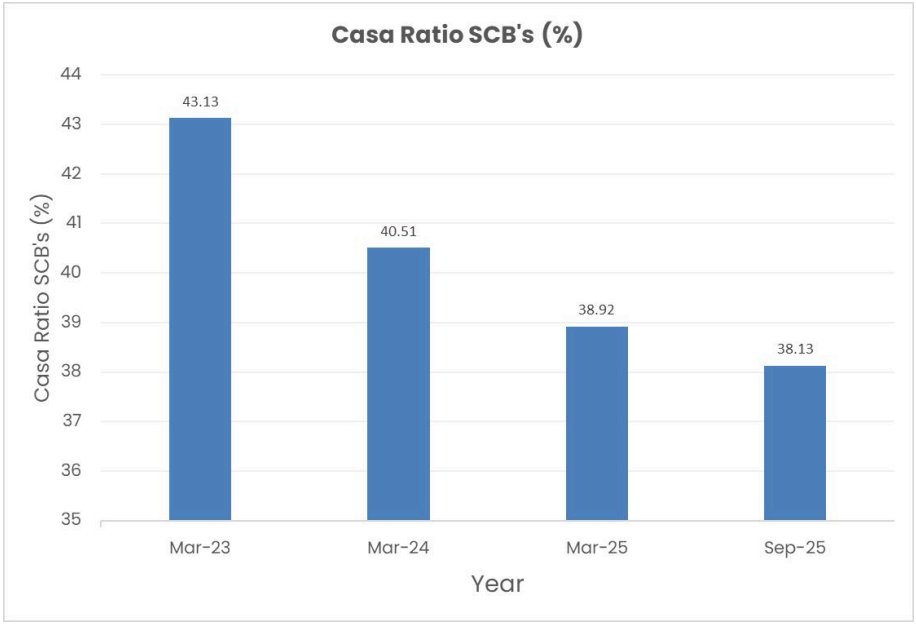

Figure 5.2

The role of AI in treasury transformation

Artificial intelligence is reshaping every aspect of treasury in some way. In centralisation, AI strengthens the consolidated view - parsing inconsistent narrations across banks, reconciling receipts to invoices at the network level, and routing only genuine exceptions for human review. What the platform makes visible, AI makes usable at scale.

In real-time operations, AI contributes an anticipatory dimension: forecasting intraday liquidity needs, recommending sweep timing, and surfacing unusual patterns before they propagate through the workflow. The treasurer's role has shifted accordingly - from designing rules to reviewing recommendations and managing exceptions.

On transaction banking economics, AI provides a direct lever against spread compression. By smoothening reconciliation, exception handling, and routine treasury decisions, it reduces the cost-to-serve on each corporate relationship while simultaneously deepening the value delivered. Banks with stronger platform foundations apply these capabilities to greater effect, and that advantage compounds as network-level data accumulates.

AI is not displacing the treasury platform; it is multiplying the value of what the platform has already built. For corporates and banks operating on the network today, this is the working reality of the treasury function - not a forward-looking design.

> *As margins narrow and CASA ratios decline, corporate banking offering shifts from float to service quality. Banks that embed cleanly into corporate workflows and retain operating flow — regardless of where the credit relationship sits - are pulling ahead. Those still relying on deposit arbitrage face structural erosion.*

Networks Across Lending Ecosystems

The network logic that has transformed corporate treasury is now exerting an equivalent influence across lending. Multiple lending categories that were historically structured around bilateral relationships have progressively transitioned to connected liquidity systems. The operational infrastructure underpinning a corporate treasurer's multi-bank dashboard is, by extension, the same infrastructure increasingly powering an NBFC's co-lending workflow, an MSME's receivables financing, and a marketplace's settlement engine.

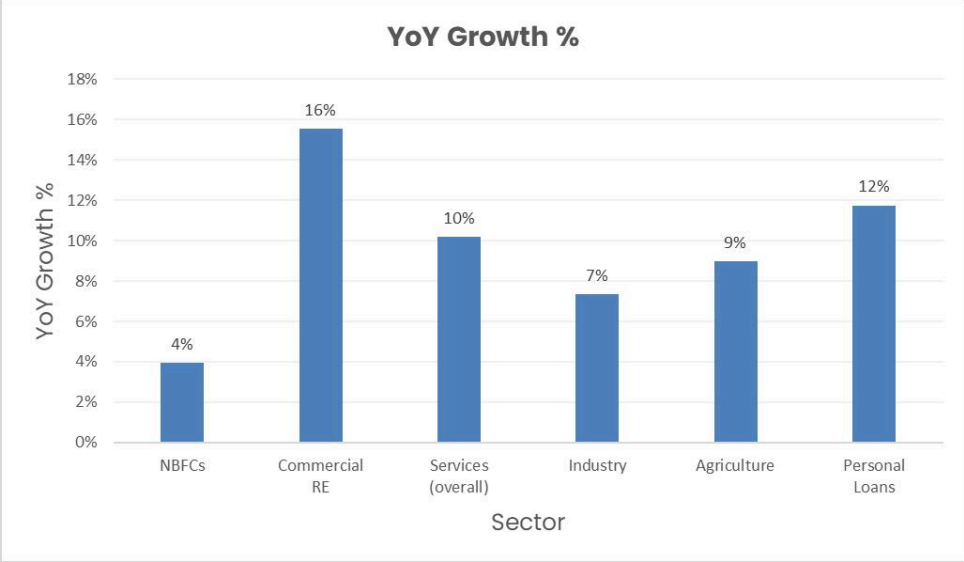

Figure 6.1

Where the growth is concentrating

RBI's September 2025 Sectoral Deployment of Bank Credit data showed that credit to the services sector grew 10.2% year-on-year, while growth in lending to NBFCs decelerated relative to the previous year. Commercial real estate credit is at 16.2%. Personal loans are at 11.7%. These three segments - collectively the fastest-growing categories in the system - share a structural property: each one operates through connected liquidity networks rather than through standalone single-bank relationships.

Co-lending as a connected liquidity system

Co-lending exemplifies this dynamic. Under such arrangements, two or more lenders jointly fund a single borrower, requiring shared disbursement accounts, joint approval workflows, real-time MIS access for all participating lenders, and a collections waterfall that distributes EMI receipts across parties each cycle.

The model functions as a connected liquidity system rather than a discrete product. The RBI Master Direction on Co-Lending Arrangements (2025) formally recognises it as a mainstream product category, affirming the maturity of the network infrastructure enabling such coordination.

Market data confirms the momentum: loan disbursements under co-lending agreements grew 134% year-on-year in FY24, and public sector banks' aggregate co-lending exposure reached ₹11,497 crore in 2024, with private sector banks and HFCs contributing additional volume beyond this figure.

MSME finance and TReDS

TReDS exemplifies the network pattern in MSME finance. The platform connects corporate buyers, suppliers, and competing financiers on a single regulated infrastructure: financiers bid in transparent auctions to discount invoices, with settlement intermediated across all three counterparties in real time.

System-wide volumes crossed ₹2 lakh crore in bills financed by October 2024; invoice financing grew approximately 80% in value in FY2023–24, reaching ₹1.38 lakh crore. Over 80,000 MSMEs and more than 80 financiers - banks and NBFCs combined - are registered across platforms.

SIDBI's 2025 assessment estimates total addressable MSME debt demand at ₹64 lakh crore, with formal institutions currently serving ₹34 lakh crore, indicating substantial headroom for further penetration by networked receivables financing .

Regulatory measures reinforce the structural shift: the mandatory buyer-onboarding turnover threshold has been reduced from ₹500 crore to ₹250 crore, and all Central Public Sector Enterprises are required to participate, accelerating adoption of the platform-intermediated model.

Marketplace settlement and embedded finance

The same structural pattern extends across adjacent categories. In marketplace settlement, programmable accounts govern fund distribution across operators, sellers, buyers, and receiving banks - encoding disbursement rules that execute automatically rather than through manual instruction.

In embedded finance, non-bank platforms in logistics, travel, payroll, and healthcare deliver credit and payment services to end-customers by drawing on a bank's balance sheet, channelled through orchestrated multi-party flows. Both models are, in structural terms, connected liquidity systems: multi-participant, rule-governed, and operationally networked.

Position

The categories that traditionally sat in separate departments inside a bank - corporate banking, transaction banking, MSME, NBFC coverage, embedded finance - increasingly share the same operational substrate. The bank that organises around the network - one platform, many product flows - will operate at structurally lower cost. This reorganisation has started happening for the better.

The New Levers In Corporate Banking

As the network becomes the primary unit of competition, the basis on which banks compete is evolving accordingly. The relationship-led model - centred on the relationship manager and the credit line - remains relevant and is now augmented by a distinct set of infrastructure-driven competitive levers.

API quality becomes strategic

The most significant shift in Indian corporate banking is the elevation of bank API quality to a primary determinant of competitive position. Corporate treasury platforms now select banking partners on the basis of API reliability, connectivity depth, ERP compatibility, and treasury system integration - alongside rate and relationship.

The RBI's Account Aggregator framework provides a quantitative lens on this transition: live Financial Information Providers have grown from 29 to 151, while Financial Information Users have expanded from 128 to 435.

As of December 2025, the framework supports 2.61 billion enabled financial accounts and 252.9 million users with linked accounts - a scale that reflects the degree to which API-based bank connectivity has become foundational to corporate financial operations.

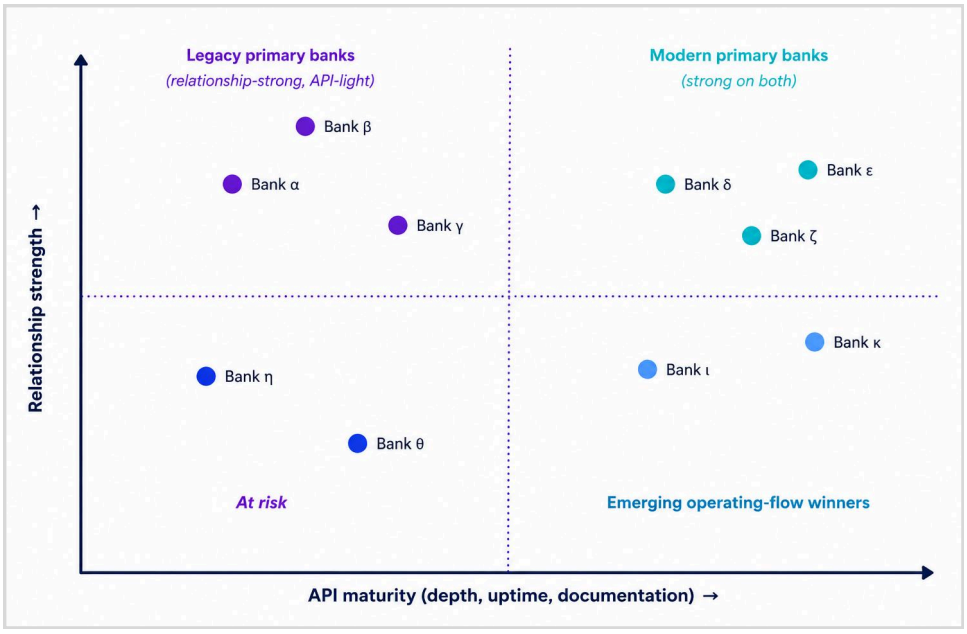

Figure 7.1

The operating account as the strategic prize

In a networked environment, the bank that holds the corporate's operating flow holds the deposits, the transaction visibility, the fee income, and the renewal leverage. Holding a credit relationship without the operating account yields a margin on one asset while forfeiting the broader commercial franchise. This is a structural inversion from five years ago, when credit relationships routinely anchored transaction banking mandates.

Today, operating account decisions are made independently - driven by integration capability, system reliability, and platform compatibility - irrespective of where the credit relationship sits.

The switching cost asymmetry reinforces this dynamic. Credit facilities can be repriced and replaced with relative ease; an embedded transaction banking relationship, integrated across the corporate's payment workflows, reconciliation systems, and ERP connectivity, is considerably harder to displace. For banks with strong transaction banking infrastructure, this switching cost constitutes a durable competitive advantage. For banks without it, it represents the risk of gradual, difficult-to-reverse commercial erosion.

Platform partnerships become critical

Platform partnerships have become a strategic imperative. Banks with credible fintech infrastructure relationships are embedded in the corporate's active workflow; the corporate's transactional experience is shaped predominantly by the platform layer through which services are delivered. Leading institutions are responding by building deep, formally structured, and mutually invested platform relationships - recognising that proximity to the corporate's day-to-day operations now depends on the quality of these partnerships.

Position

The competitive battle in transaction banking is shifting from relationship ownership toward operational network ownership. The strategic decision for every transaction banking head over the next 12 months is not which product to launch. It is which network to be on, and how deeply.

Conclusion

Indian corporate banking is undergoing a structural transition with no clear precedent in the sector's recent history. The shift from bilateral relationships to networked operating infrastructure is not a product trend or a technology cycle - it is a fundamental reordering of how liquidity moves, how treasury functions, how credit is delivered, and how competitive advantage is built and sustained. The implications, taken together, define the operating environment of the next decade.

The network is now the primary unit of competition. Five years ago, the account was the unit on which corporate banking was organised, won, and lost. Today, it is the network - the interconnected layer of banks, fintech platforms, payment rails, ERPs, and treasury systems through which corporate liquidity moves. Multi-bank treasury has become the default operating model for large corporates, not the exception. Fintech infrastructure providers - TBX (Transbnk), Razorpay, Cashfree and a handful of others - have become the connective layer through which a growing share of Indian corporates experience banking. None of them is a bank. None holds regulated deposits. Yet collectively, they now influence how corporates choose, switch, and combine their banking relationships.

Payment infrastructure has set the foundation, and AI now sits on top of it. The regulators' deliberate, sustained investment in interoperable payment rails - UPI, RTGS, NEFT, IMPS, BBPS etc - is the underlying architecture on which everything described in this report depends. Without these rails, the orchestration layer above them would not be economically viable; with them, it has become inevitable. Artificial intelligence has not arrived as a separate proposition; it has settled in as an intelligence layer on top of that infrastructure - parsing transactions, reconciling receipts, forecasting cashflows, detecting anomalies, and progressively assuming adaptive orchestration roles that rule-based automation cannot perform. The infrastructure layer and the AI layer have matured together, and they now function as a single operating stack. The bank or platform that holds both is not delivering two capabilities; it is delivering one integrated service.

The strategic imperative for banks is clear. Institutions that establish operational presence in the corporate's network - through API quality, platform partnerships, transaction banking depth, and integrated AI capabilities - will retain the commercial franchise: the deposits, the fee income, the transactional visibility, and the renewal leverage. Institutions that hold credit relationships without the operating layer will find that deposits, fee income, and client visibility migrate elsewhere, often before the full extent of that migration is visible in the numbers.

The Asymmetry Is Structural: Credit Facilities Can Be Repriced And Replaced With Relative Ease, But An Embedded Transaction Banking Relationship - Integrated Across Payment Workflows, Reconciliation Systems, And ERP Connectivity - Is Materially Harder To Displace. The Institutions That Recognise This And Invest Accordingly Will Compound An Advantage That Is Difficult To Dislodge. The Institutions That Do Not Will Face A Slow Erosion That Is Difficult To Reverse Once It Begins.

The lending ecosystem follows the same logic. What has happened to transaction banking is now happening across co-lending, MSME finance, marketplace settlement, and embedded finance. These are not separate trends; they are the same structural shift manifesting in different product categories. Co-lending pools, TReDS, programmable marketplace accounts, and embedded credit are all - in structural terms - connected liquidity systems: multi-participant, rule-governed, and operationally networked. Banks and NBFCs that build connected-network capability for one of these categories acquire infrastructure that extends to the others. Those that treat each category as a standalone product line will find themselves building from scratch each time.

The treasury function has changed , and so has the role of the treasurer. Centralised, real-time, AI-augmented treasury is not an aspirational target for 2030; it is the operating reality of 2026 for organisations that have invested in modern platforms. The treasurer's role has moved from operational execution to strategic design - defining the rule sets, exception frameworks, and governance structures that the platform executes at the speed of the underlying infrastructure. The boards and CFOs that have absorbed this shift are running materially more capable treasury functions than those that have not, and the gap is widening.

The transition also carries risks that demand explicit attention. The concentration of corporate banking workflows within a small number of platform providers introduces systemic interdependencies that differ in character from traditional credit and market risks. Cybersecurity exposure scales with connectivity. Platform dependency creates switching costs that must be governed with appropriate exit provisions, contractual protections, and continuity arrangements. API-driven automation compresses the time available to detect and contain operational failures - decisions that once took hours to propagate now take seconds. AI introduces new categories of risk around model behaviour, drift, and explainability that require governance frameworks distinct from those traditionally applied to financial systems. And the regulatory framework governing multi-bank technology service providers remains in active evolution; participants in the network operate within rules that are themselves still being written.

The governance imperative is therefore as material as the commercial one. The risk profile of corporate banking has changed. The governance frameworks applied to it must change accordingly - covering platform partnerships, AI model oversight, cybersecurity posture, operational resilience, and exit planning. The boards and leadership teams that build these disciplines proactively will be considerably better positioned than those that respond to incidents after the fact.

The bottom line

The next phase of Indian corporate banking will be defined less by standalone financial products and more by which institutions control the operational network through which liquidity moves. Banks will remain the regulated balance-sheet nodes - that role is not changing. Fintechs will operate the orchestration layer that connects them. Corporates will operate as multi-bank liquidity operators. AI will be the intelligence layer that emerges on top of all of this. The institutions that recognise this framing now, and reposition for it, will run the franchise of the next decade. The institutions that do not will retain credit relationships while watching the operating layer migrate elsewhere - and discovering, late, that the operating layer is where the value increasingly lives.

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Sources and Methodology

Primary data sources

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