



# Newgen's Robust Loan Management System

***Transforming Lending with Precision, Agility,  
and End-to-end Control***

## Overview

Lending has evolved from being just a core banking function to a growth engine. Rising loan volumes across traditional and digital channels, coupled with shifting customer expectations, are putting immense pressure on banks, NBFCs, credit unions, fintechs, and microfinance institutions. Legacy models can no longer keep pace. Emerging innovations and disruptive trends demand a smarter, unified approach that can manage the entire loan lifecycle with speed, accuracy, and regulatory confidence. Banking leaders must rethink their loan management strategy to evolve beyond traditional systems, or risk being left behind.

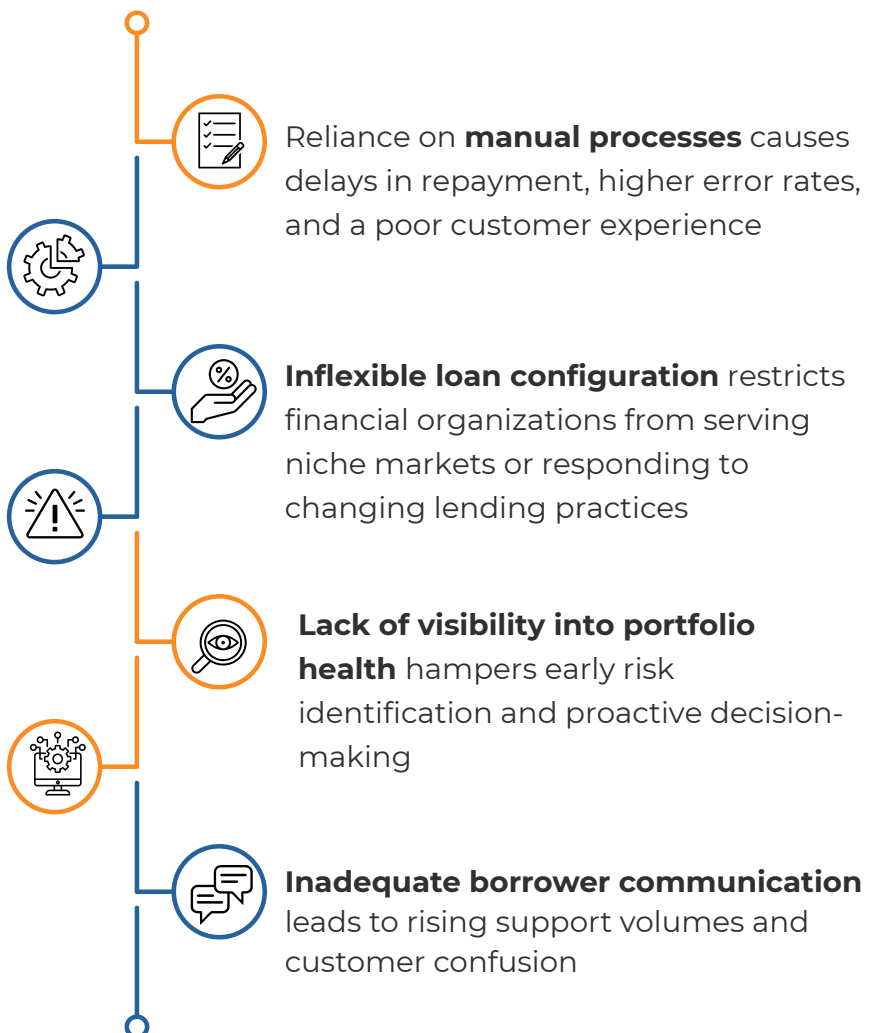


## Common Pain Points in a Traditional Loan Management Process

The **lack of integration** between loan management and accounting systems increases the risk of audit issues, inaccurate financial reporting, and reconciliation difficulties.

**Non-automated compliance mechanisms** increase the risk of penalties and regulatory issues.

**Limited API Integration** with third-party systems like CRMs, payment processors, and accounting tools disrupts end-to-end process efficiency.



# Newgen's Loan Management System

Newgen's **Loan Management System (LMS)** is a scalable and flexible platform with strong **accounting capabilities**, **dynamic product configuration**, and **comprehensive reporting**. It empowers financial institutions to efficiently manage high-volume loan portfolios while staying audit-ready and future-proof. The system has four key components: the Core LMS, Master Data Management Module, Comprehensive Reporting Suite, and Accounting Engine. Those modules work together to streamline loan processing, provide insightful reporting, and automate financial accounting.

## Scope of the Solution

Newgen's LMS manages the entire lifecycle of loans from post-sanctioning and disbursement to repayment and closure. It is designed to support a wide range of products across retail, MSME, and corporate portfolios, including both conventional and Islamic banking.

## A Quick Glance at the LMS Components

### Overview of LMS

#### Post Sanction

- > Collection of Disbursal Charges
- > Tax Application
- > PDD
- > Disbursal Approval

#### Collections

- > Multiple Payment Options
- > Fixed/Floating ROI
- > Receipt of Installment
- > ACH
- > Auto Debit
- > Tracking of Receipt

#### A/C Management

- > Rescheduling
- > NPA Handling
- > Stop Billing
- > Provisioning
- > Foreclosure
- > SMS, Emails



#### Disbursal

- > Disbursal Plan
- > Disbursal Cancellation
- > Additional Disbursal
- > Repayment Schedule

#### Automated Dues

- > Due Creation
- > Accruals
- > LPP
- > Bounce EMI

# Why Leading Financial Institutions Trust Newgen

## Operational Efficiency

Reduce turnaround time by automating both recurring and exception-handling processes.

## Customer-centric Approach

Obtain access to real-time reports, account statements, and interest certificates for complete transparency.

## Compliance Readiness

Maintain comprehensive audit trails, generate automated accruals, and produce reports aligned with regulatory formats.

## Scalable Architecture

Manage multiple loan types, high-volume portfolios with seamless integration into core banking systems.

## Smart Accounting

Streamline loan-linked ledgering and automate journal entry for accurate financial records.

## Proven Pedigree

Leverage over 32 years of domain experience and industry leadership for assured success.

## Highlights of Newgen's Loan Management System

### CORE LOAN MANAGEMENT SOLUTION

The core LMS offers a centralized platform that oversees all post-sanction activities. Financial institutions can navigate through complex workflows, maintain regulatory compliance, and efficiently manage high-volume loan portfolios.

#### KEY CAPABILITIES:

##### ► Disbursal Management:

Automate fund disbursements for single, multiple, and split disbursal with AI-led approval workflows.

##### ► Repayment Handling:

Manage both schedule-driven and ad-hoc repayments via multiple payment modes for flexible borrower servicing. Generate tentative repayment schedules based on the disbursal schedule and support loan curtailment/finalization.

##### ► Rescheduling & Repricing

Reschedule loans as per revised terms with support for multiple rescheduling models, including re-pricing, deferral, part payment, due date change, etc.

##### ► Accruals & Amortization:

Calculate accruals, compounding, and periodic interest automatically using a business rules engine and support diverse amortization schedules.



## KEY CAPABILITIES:

- ▶ **Waivers & Charges:**  
Configure charges, define waivers, and manage knock-offs for accurate fee processing.
- ▶ **NPA & Delinquency Handling:**  
Track NPAs and delinquencies with tagging, provisioning support, and real-time status updates.
- ▶ **Loan Closure & Early Closure:**  
Execute loan closure and early closure workflows with automated accounting and compliance reporting.
- ▶ **Limit Management:**  
Monitor and control credit limits assigned to dealers through comprehensive limit management capabilities.

## MASTER MANAGEMENT MODULE

The Master Management Module enables centralized configuration of loan products, schemes, and charges to ensure flexibility and consistency across lending operations.

## KEY CAPABILITIES:

- ▶ **Loan Product Configuration:**  
Enable comprehensive loan product configuration, allowing the definition of flexible loan products with customizable tenures, interest types, and repayment structures.
- ▶ **Targeted Scheme Management:**  
Support scheme management to create targeted schemes for specific borrower categories or campaign-driven lending initiatives.
- ▶ **Automated Charge Setup and Allocation**  
Define various types of charges and establish allocation rules for automated application of charges with **Charge Master**, ensuring accurate and streamlined fee processing.

## COMPREHENSIVE REPORTING SUITE

The loan operations team can automate report generation for portfolio performance, compliance, and audit needs. The solution ensures SLA compliance and simplifies tracking with unified monitoring and control.

Access a robust reporting module offering 50+ pre-configured reports, including:

- ▶ **Repayment Schedule**
- ▶ **Statement of Accounts**
- ▶ **Loan Wise Trial Balance**
- ▶ **Balance Confirmation**
- ▶ **Due and Overdue Reports**

## ACCOUNTING ENGINE

Lenders can configure accounts and manage financial account structures and templates within a centralized system. As a core capability of the LMS system, the accounting engine enables automation and standardization of financial treatments of all loan-related transactions.

### KEY CAPABILITIES:

#### ▶ **Ledger Structure:**

Leverage a flexible general ledger framework to manage accounting at both the loan and customer levels.

#### ▶ **Configurable Templates:**

Define accounting templates for various loan events across products, schemes, and NPA stages to ensure accurate postings.

#### ▶ **Journal Entry Generation:**

Automatically create journal entries for each transaction to maintain real-time financial accuracy.

#### ▶ **Core and GL Integration:**

Push accounting data to core banking or general ledger (GL) systems for synchronized reporting.

## *Measurable Impact by Newgen's Banking Solutions*

**45%** Accelerated Loan Disbursement

**50%** First-time-right Resolution

**75%** Reduction in Audit Time/Cost

**50%** Drop in Operational Cost

**20%** Boost in Customer Satisfaction

**up to 300%** Rise in Employee Efficiency



## About Newgen

Newgen is the leading provider of an AI-first unified digital transformation platform with native [process automation](#), [content services](#), [customer engagement](#), and [AI/ML](#) capabilities. Globally, successful enterprises rely on Newgen's industry-recognized low-code application platform to develop and deploy complex, content-driven, and customer-engaging business applications on the cloud. From onboarding to service requests, lending to underwriting, and for many more use cases across industries, Newgen unlocks simple with speed and agility.

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