



# A Leading Financial Institution Automates Its MSME Lending Lifecycle with Newgen



## Overview

Our customer is a top financial institution in India, offering a range of solutions to micro, small, and medium enterprises (MSMEs) nationwide. With over 450 branches across the country, the company facilitates financial inclusion and serves thousands of small business owners. It sought a solution that could support a large, distributed workforce with hundreds of concurrent users, and seamlessly onboard and train multiple user roles, including loan officers, credit managers, and underwriters.

## The Customer's Pain Points

**Scalability Constraints:** The absence of mobility and critical capabilities, such as API Gateway, made it challenging for the customer to scale and support its growing user base

**Missing Deadlines:** The team lacked the agility and responsiveness to deliver time-sensitive proposals, proof of concepts, and demos

**Pricing Pressure:** Balancing competitive pricing demands with the need to maintain healthy profit margins posed a significant challenge

**Manual Underwriting:** Paper-based underwriting slowed down decision-making and increased the risk of errors

**Compliance Gaps:** The absence of a robust platform made it difficult to comply with regulatory mandates

**Competitive Challenges:** The legacy systems and siloed processes made it difficult to gain a competitive edge



## Industry Approach

With the rise in competition, financial institutions have been positioning themselves as digital-first establishments by offering more innovative and personalized services. To compete effectively, banks are focusing on their loan origination process and leveraging advanced technologies to automate workflows and provide faster and more efficient loan processing to their customers. With a strong preference for mobile-friendly loan origination, banks are launching mobile and web apps that can collect customer data, integrate with third-party systems, and provide instant loan approvals. While these features provide a competitive advantage, financial institutions need a comprehensive solution that enables flexible and agile orchestration to process enterprise-wide automation.

## Transformative Steps by Newgen

The customer opted for **Newgen's AI-first Loan Origination Solution (LOS)**, custom-built for MSMEs, to automate the end-to-end journey for capital loans, from lead generation to disbursement.

The solution helped the customer process over 1 lakh loan applications monthly in the first year of its implementation, enabling the customer to manage a large number of loan requests. By facilitating offline loan application initiation, data collection and processing, and credit evaluation, the solution reduced delays and supported growth in areas with limited internet connectivity.

## Key Capabilities of the Implemented Solution

**Collateral Management:** Users handled collateral creation, cross-collateralization, modification, replacement, release, etc., from a single platform

**Document Management:** The solution captured and extracted data, maintained categories for different document types, and generated loan packages with a configurable document management system

**Simplified Onboarding:** The system enabled seamless onboarding with several pre-built templates for customer and product-specific data capture

**Automated Underwriting:** The underwriters were able to determine an applicant's creditworthiness and risk factors using AI for faster and more secure lending decisions. The solution ensured straight-through processing of loan applications across product lines

**Offline Capabilities:** The mobile application offered offline access for auto data extraction and redaction, with seamless login features for both web and mobile modules

**Robust API Integration Layer:** The system integrated seamlessly with 45 third-party applications and Fintech partners for data enrichment, validation, e-Sign, etc.

**Co-lending Module:** The solution enabled end-to-end workflow integration with co-lending partners using existing APIs, enhanced document and decision flow, and configured rules for partner eligibility verifications. A unified partner dashboard provided a summary view of the case to the partners to support decision-making

## Benefits Achieved



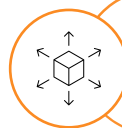
**Faster Loan Approvals:** The streamlined loan origination process resulted in data-backed real-time decisions, reduced turnaround time, and faster disbursements



**Improved Customer Experience:** The system delivered a hassle-free and transparent journey for borrowers, boosting retention



**Higher Revenue Growth:** By automating the entire lending journey, the customer controlled the cost and improved productivity, driving sustained revenue growth



**Enhanced Scalability:** Armed with a scalable LOS platform that supported higher transaction volumes, the customer expanded its footprint in the high-growth MSME segment



**Assured Regulatory Compliance:** Automated monitoring ensured adherence to audits and regulatory requirements, minimizing risk for the bank and its customers



**Better Customer Lifetime Value:** The partnership established a strong foundation for long-term customer relationship, and improved opportunities for cross-selling and up-selling

## To Sum Up

By implementing Newgen's Loan Origination Solution for automating MSME capital loans, the customer successfully scaled operations and delivered a superior borrower experience. This strategic partnership not only addressed the immediate challenges but also strengthened the customer's ability to serve the MSME segment with speed, agility, and intelligence.

### 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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