



A Leading Indian Retail Bank Embarks on **its Successful Digital Transformation Journey with Newgen**

Over a Decade of Partnership and Trust



About the Customer

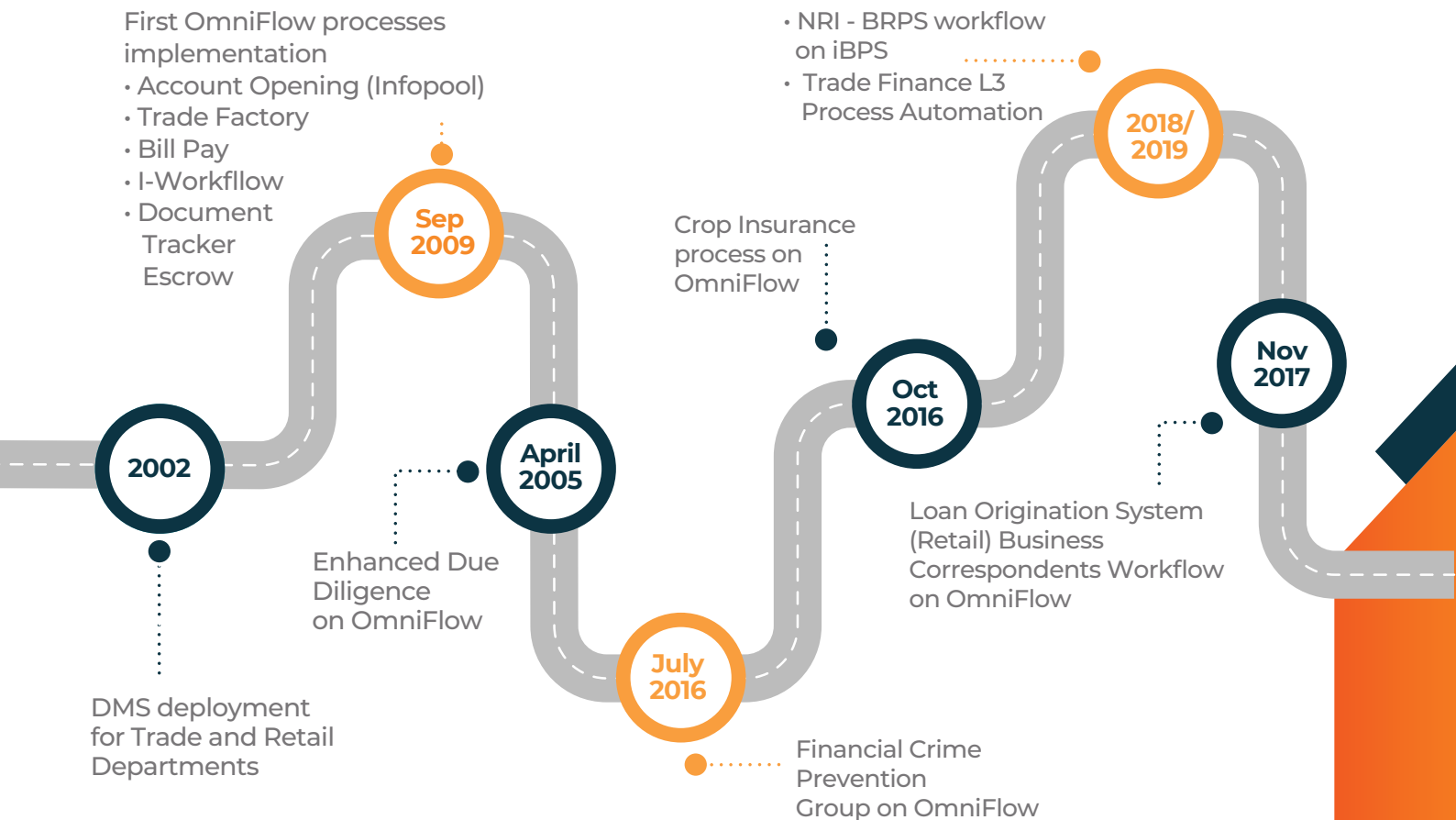
Founded in 1955, the bank started its journey as a financial institution with an objective to provide medium, and long-term financing to businesses across India. In 1994, it was established as India's multinational bank and became the first (non-Japan) bank in Asia and the first Indian company to be listed on the New York Stock Exchange in the next five years.

As of 2024, the bank has a network of over 6,500 branches across India and offers a diverse array of financial products and services, including asset management, non-life insurance, investment banking, loans, and more. It also has an international footprint in 17 nations, including the United States, Singapore, Hong Kong, Canada, and Bahrain.

Joining Forces for a Bright Digital Future

The customer partnered with Newgen for its digital transformation journey in 2002. For end-to-end digitalization and data migration, Newgen's Document Management System (DMS) for the trade and retail departments was adopted. After witnessing the benefits of streamlined documentation, the bank decided to implement Newgen's Business Process Management (BPM) platform. BPM met the needs of new customers and enabled efficient scalability across several critical business processes, comprising account opening, financial crime prevention group, crop insurance, retail loan origination, and trade finance. Newgen also successfully automated 50 processes and over 70 sub-processes for trade products.

Overview of the Journey



Transforming Critical Business Processes with Newgen

Newgen's low-code platform—NewgenONE—enabled end-to-end automation of business processes, rapid application development, and contextual customer engagement across multiple touchpoints while driving continuous process improvement.

Seamless Account Opening

Overview:

More than 25,000 users across 6,500 branches used the retail bank's account opening process. Newgen's Digital Account Opening solution automated the account opening lifecycle for customers and businesses. It digitized documents, archived data, secured risk assessment, and ensured a user-friendly onboarding experience. The solution also eliminated information siloes by offering a single platform to process onboarding applications within minutes.

Challenges Faced:

Inconsistent onboarding experience:

The dependence on manual efforts caused delays and inaccuracies in processing applications

Absence of a centralized repository:

A complex process for collecting customer data caused siloes and slowed decision-making

Lack of accessibility:

Fragmented archival, retrieval, and distribution of documents resulted in low visibility and control

Key Features of the Implemented Solution:

Omnichannel Initiation: The self-service portal enabled the bank's customers to initiate requests anytime through their preferred channel, including branch walk-ins, mobile applications, and web portal

Document Collection: Applicants were able to upload the required documents and e-sign the forms using mobile or tablet devices

KYC Validation: The solution integrated with third-party systems and set up a rules engine to accelerate the Know-Your-Customer validation process

Instant Funding: The system provided multiple methods for online funding, including mobile check deposits, account transfers, debit and credit cards, and branch funding for retail customers

Case Initiation Mechanism: The system

supported both manual and automated case creations. A high number of cases were initiated from a third-party mobile/tab vendor through web service integration. Additionally, manual cases were initiated using the case initiation functionality available in the BPM product

System Screen Layout Overview: Key functionalities, including data entry forms for users, vendor forms containing exhaustive applicant data, and tools for comparing and verifying data, were provided through the system screen layout

Post-account Creation Workflow: Cases were sent in parallel to multiple integration channels handling internet banking, trade online enablement, and automation of signature uploads in its existing Finacle banking system using the case distribution functionality of our BPM platform

Implementation Impact

Over 96 lakh total transactions processed to date | 2,200+ transactions processed daily



Trade Factory Automation

Overview:

The customer's 2,900 international branches spread across 15 countries operate trade factory processes, handling over 70 trade transaction-related products. More than 15,000 active users work across the processes. **Newgen's Trade Finance Automation solution** helped centralize the bank's core trade finance operation.

Challenges Faced:

Longer transaction time:

The large volume and complexity of trade-related transactions involved coordination with multiple systems and inaccurate data, increasing the turnaround time (TAT)

Complex inter-geography integration:

Various compliance requirements, security standards, and disparities in technology and infrastructure (imports, exports, and bank guarantee) across different countries made it difficult to achieve efficiency in data integration



Key Features of the Implemented Solution:

Utility-based Document Upload: Files were instantly received through the SWIFT application to the trade finance server. In the end, the utility read the file, generated a track in the system, and attached the same file to the track without the need for manual intervention

Global Routing Mechanism: Complex routing criteria were configured with a global mechanism to manage the flow of over 70 trade-related products

No-click Process: Instant Export Packing Credit (EPC) process was developed with a "no-click" functionality. Every time the transaction was initiated through a third-party system (customer interface), a utility of trade finance validated all

mandatory checks and triggered the request for loan disbursement without any manual intervention. In addition, once the transaction was successful, it sent a request to the third party to inform the customer about the transaction status

Inter-geography Integration: With all geographies built under one solution, the bank's trade finance process was cross-integrated across India, which helped the domestic customers process their transactions through Gujarat International Finance Tec (GIFT) City

External Integration: Trade finance also integrated with a well-known international courier service to help raise a ticket for the documents' passage to the customer without any manual intervention

Implementation Impact

Over 1.16 crore total transactions processed to date | 8,400+ transactions processed daily

Financial Crime Prevention Group

Overview:

Financial Crime Prevention Group (FCPG), also known as Case Management Module (CMM), is a workflow designed to automate and digitize the CART (Customer Acquisition Risk Team) screening and sampling process. The FCPG team used the CMM application to scrutinize applications for different services, such as retail loans, current and savings account openings, credit cards, mortgage loans, etc. They checked for fraud using tools such as Experian (Hunter), Facial Recognition System (FRS), and Optical Character Recognition Systems (OCR). After automating the matching process with various systems, the FCPG team conducted additional checks and made decisions. The onboarding application depended on the CMM's decision to onboard or sanction the loan.

Challenges Faced:

Manual case tracking

Internal stakeholders had to track onboarded customers over email and maintain physical copies of the documents

Minimal fraud check

The FCPG conducted minimal scrutiny checks using manually extracted data from documents that increased the chances of fraudulent activity. Due to the high volume of customer onboarding, these checks were applied to only a few applications

High TAT

Cases that required further investigation were outsourced to an external agency, resulting in prolonged TAT



Key Features of the Implemented Solution:

Automated Case Initiation: The onboarding application automatically initiated cases, utilizing customer data fields and documents through a web service hosted on the CMM application

Parallel Online Checks: Cases were split into three work items using distribute-and-collect work steps of intelligent business process system (iBPS), with parallel processing through Hunter, FRS, and OCR for SWIFT online checks

Workflow Automation: Workflows were automated through iBPS. Custom utilities were built to interface with Hunter, FRS, and OCR services for efficient case-handling

Stamping Functionality: The solution provided a layer of stamping or watermarking functionality for submitted documents during onboarding applications

Web API Functionality: Integration of web API functionality facilitated seamless communication with the bank's customer relationship management (CRM) mobile app for sampled document verification by the agency or external verifiers

Split-screen View: Customization of the iBPS document viewer enabled a split-screen view, enhancing the ease of review for onboarding application documents, CMM documents, and forms



Benefits Achieved:



Seamless Integration

All the onboarding applications were smoothly integrated the CMM application for FCPG sampling and screening checks



Reduced TAT

Significant reduction in the screening and sampling process from weeks to days



Enhanced Tracking

Improved tracking of decisions by the FCPG team on customer cases, facilitating comprehensive reporting



Implementation Impact

1.69 crore total transactions processed to date | 18,000+ transactions processed daily

Enhancement Due Diligence

Overview:

The customer had an enhancement due diligence (EDD) process across 5,000 branches in India with 15,000 active users. This risk assessment process involved a deep analysis of the data of high-risk customers to detect and minimize potential financial crimes. This procedure included four sub-processes that focused on the tracking and reporting of fraudulent transactions.

Newgen's EDD Automation solution helped target and track fraudulent transactions.

Challenges Faced:

Gaps in compliance:

The bank faced difficulties complying with EDD procedures due to the diversity and complexity of regulations

Manual monitoring:

Excessive human intervention in tracking the transactions hindered accurate account categorization as fraud or non-fraud

Inefficient case categorization:

Categorizing cases based only on the identity proof of the bank's customers led to erroneous results

Key Features of the Implemented Solution:



Utility-based Case Upload

An automated utility accepted flat files, created a case for tracking, and entered it into the system



Routing Mechanism

The routing mechanism for all the sub-processes helped intake approvals from subsequent groups to achieve the closure of a particular case



System Screen Layout

The unified screen contained a document viewer, data entry forms, and a KYC link for verifying documents attached with the account number

Implementation Impact

Over 53 lakh transactions processed to date | 5,500+ transactions processed daily

Retail Loan Origination Journey

Overview:

Over 10,000 users across 3,300 branches had access to the bank's retail loan origination process. **Newgen's Retail and Consumer Lending solution** automated the end-to-end loan origination journey, offering multi-channel support, seamless management, and efficient data gathering. It also accelerated the manual processes, ensured compliance, and mitigated risks.

Live Loan Products

Personal Lending	Vehicle Lending
<ul style="list-style-type: none">• Personal Loan• Earnest Money Deposit• Preapproved Loans to Liability Customers	<ul style="list-style-type: none">• New Car Loan and Used Car Loan• Two-wheeler Loan• Preapproved Loans to Liability Customers• Commercial Vehicle



Challenges Faced:

Manual processes:

The bank's back-office and document-handling processes heavily relied on manual execution

High TAT:

Siloed working of multiple systems and departments led to significant delays in loan approval and disbursement

Key Features of the Implemented Solution:

Multichannel Loan Application: The bank seamlessly initiated loans across multiple channels using an intuitive, user-friendly self-service portal with real-time tracking for a consistent digital lending experience

Retrieval Capabilities: Customer data was quickly extracted from online and core banking systems using retrieval capabilities

Pre-screening: Users performed deduplication checks, validated government identity proof details, performed negative checks, and offered suitable products

Credit Bureau Check: The bank's internal users verified customers' credit scores through a CIBIL and Equifax check

Collateral Data Check: The solution enabled capturing detailed collateral data and performing deduplication checks to avoid multiple pledges of the same collateral

Loan Calculation: The loan amount was quickly offered to eligible applicants based on their credit rating, income, and other current loans

Third-party Integrations: The solution seamlessly integrated with third-party systems, including Perfios, Legality, E-NACH, RC Dedupe Finnone, RC limit

Credit Underwriting: An applicant's creditworthiness and risk factors were determined based on external and internal scoring. The use of pre-built AI models as decision engines led to faster loan approvals

Approval System: Single as well as joint approver process ensured proper oversight and review of transactions

Flexible Disbursement: The solution streamlined the rapid disbursement of loan funds to borrowers by enabling both single and multi-party payments, providing flexibility in disbursing funds to multiple beneficiaries in need. Availability of an eAgreement expedited the disbursement of personal loans, while for new and used car loans, both straight-through processing (STP) and non-STP disbursements were followed

Benefits Achieved:

Streamlined Process: The solution streamlined and automated workflow processes with extensive monitoring and adherence to compliance. This resulted in smooth change management with minimal process interruption

Reduced TAT: Automated processes led to a significant reduction in effort and processing time, enabling faster loan disbursements

Enhanced Monitoring: Real-time tracking and reporting capabilities improved adherence to SLA commitments and helped with audits

Increased Efficiency: The bank achieved a 60-70% increase in team productivity and process efficiency

Flawless Compliance: With end-to-end tracking of activities, the bank enhanced transparency and traceability to ensure better regulatory compliance



Implementation Impact

Over 65,000 total transactions processed | 1,200 auto loans and 2,300 personal loans disbursed daily

SmartGBO Transaction

Overview:

SmartGBO (General Banking Operations) is a transaction application that manages all types of transfer requests at branches, including NEFT, RTGS (Real-time Gross Settlements), and fund transfers. **Newgen's SmartGBO management system**, applicable to both corporate and retail customers, handled bulk transactions consisting of all payment types through a single file.

Challenges Faced:

High volume of transactions:

The bank struggled to efficiently manage large-scale transactions and salary payments due to slow processing

Ineffective status tracking:

Manual processes made it a challenge to track transaction status

Validation issues:

Lack of validation measures was causing multiple transaction failures

Key Features of the Implemented Solution:

Bulk Transaction Processing: Through end-to-end automation, the solution efficiently processed bulk transactions, including multiple payment types, within a single case

Omnichannel Transaction Request: Users were able to accept transaction requests from multiple channels like website, mobile application, and branch

Detailed Validation: The AI-enabled transaction detail validation system reduced transaction failures

Transaction Tracking: Internal users and customers monitored transaction status in real time

Root Cause Analysis: The solution facilitated easy identification of the reasons for failure through a real-time transaction journey map

Auto-fetch Data: Automated retrieval of account details and account property accelerated processing and minimized errors

Signature Authentication: The system provided support for digital signature authentication while ensuring secure transactions



Implementation Impact

Over 13 lakh total transactions processed | 1,000+ transactions processed daily

Reconciliation and Accounting

Overview:

The Reconciliation and Accounting Process (REAP), a cash management process, helped the bank compare and verify account balances and transactional records. **Newgen's low-code platform** for iBPS authenticated cash replenishment and other ATM/CRM operations by MSP (third-party/merchant service providers) and CRA (Cash Replenishment Agency) and pushed the entries to the core banking system in real time.

From the initiation of the indent to its completion, the process covered handling cash transactions, such as replenishment, reverse replenishment, cash brought back, excess cash, short cash at the ATM/ CRM terminals, and cash handover by the service providers, CRA, Integrated Currency Management Centre (ICMC), and branches. The reports generated on the REAP Application helped in reconciliation and tallying balance daily.

Challenges Faced:

Unpredictable cash retrieval:

The process to obtain cash from ICMC/branch relied on service requests without any predictive analysis from data science and analytics groups (DSAG)

Unnotified cash requests:

Requesting cash from ICMC/branch without any prior intimation resulted in no cash at the branch/ICMC and ATM experiencing cashouts

Data inaccuracy:

The account team performed manual entries of the data provided by MSP, leading to data inaccuracy

Delayed data provision:

The significant delay in providing data by the MSPs to the account team resulted in large amounts of unused cash remaining in MSP vaults

Gaps in balance:

Weekly reconciliation revealed significant discrepancies in balances



Features & Benefits of the Implemented Solution:



Automated Cash Indent

The solution automated the indenting process to get the cash from the ICMC/branch with predictions from the data science and analytics group. Upon raising an indent, a mail would be triggered to the branch user detailing the request and its amount



Automated Transaction Postings

The entries from the banking core system were automated at the application level for the cash handover and transactions managed by MSPs. This eliminated the manual intervention from the accounts team



Seamless Integration

Terminal transactions were seamlessly managed through communications between the ATM/CRM and REAP application. This ensured the authentication of ATM eligibility for replenishment as per the DSAG predictions, with transactions accepted accordingly. The updated indent balances were sent to the core banking system in real-time



Zero Balance Discrepancy

Daily reconciliation and balance tallying prevented discrepancies from occurring in the accounts

Implementation Impact

Over 12,000 transactions were pushed to the core banking system

Over 4,000 indents/work items are processed daily

Cash earlier stored in the MSP vaults found better use

Better allocation of the account resources due to automated processes

Easy reconciliation of the amounts received by MSP

Simplified usage of cash in the ATMs/CRMs

Conclusion

The bank's partnership with Newgen transformed its operations across critical areas such as trade finance, account opening, financial crime prevention, REAP, and retail loan origination. Leveraging Newgen's wide range of ready-to-deploy solutions, the bank achieved significant milestones, including automation of critical processes, improved compliance, streamlined customer experience, and enhanced workforce efficiency. The solution enabled the bank to successfully navigate through a diverse range of challenges and position itself as a leader in the financial services sector.

About Newgen

Newgen is the leading provider of AI enabled unified digital transformation platform with native process automation, content services, and communication management 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.

For Sales Query

AMERICAS: +1 (202) 800 77 83
CANADA: +1 (202) 800 77 83
AUSTRALIA: +61 290 537174
INDIA: +91 11 407 73769
APAC: +65 3157 6189
MEA: +973 1 619 8002, +971 445 41365
EUROPE: +44 (0) 2036 514805

info@newgensoft.com
www.newgensoft.com

