



Digitize and Dominate the Gold Loan Market with Newgen

AI-first Gold Loan Software for Retail, MSME,
and Agri Lending – Built on Low Code



A man with dark hair and glasses, wearing a dark suit, white shirt, and patterned tie, is seated. He is looking directly at the camera with a serious expression. His hands are resting on a large pile of gold coins in the foreground. The background is filled with stacks of gold bars and more coins, creating a rich, textured environment. The lighting is warm, highlighting the metallic surfaces.

Overview

Gold loans are among the fastest-growing secured lending segments in India. With tonnes of household gold held across urban and rural households, leveraging this idle asset as collateral provides quick access to capital for consumers, farmers, and small businesses.

However, traditional gold loan operations are manual, branch-bound, and compliance-heavy, resulting in delayed disbursements, risk exposure, and poor customer experience. To remain competitive and scale efficiently in this high-volume business, financial institutions must digitally transform the gold loan lifecycle from pledge to disbursement to release.

Newgen Software offers a powerful, configurable, and fully digital Gold Loan Management Suite, tailored for Retail, MSME/Working Capital, and the agriculture industries. Built on Newgen's AI-first, low-code platform, it empowers banks and NBFCs to accelerate disbursements, minimize fraud, ensure regulatory compliance, and drive growth.

Segment-wise Gold Loan Offerings



1. Retail Gold Loan

- ▶ Quick access to small-ticket, short-term loans for salaried, self-employed, or daily wage customers
- ▶ Pledge-to-disbursal within minutes
- ▶ Ideal for medical, education, emergency, or household needs
- ▶ Collateral: Ornaments, coins (as per RBI policy)



2. MSME/Business Gold Loan

- ▶ Higher ticket-size loans for working capital and short-term business expansion
- ▶ Structured repayment schedules (EMI, bullet, overdraft)
- ▶ Customizable LTV, tenure, interest, and top-up policies
- ▶ Collateral: Gold pledged by individual proprietors, partners, or directors



3. Agri Gold Loan

- ▶ Loans/limits for agricultural input needs, especially during Kharif/Rabi seasons
- ▶ Seasonal repayment structure and lower interest rates
- ▶ Priority sector classification as per RBI guidelines
- ▶ Documentation aligned with farm usage and gold ownership proofs

Facility Types in Gold Loans: Tailored to Every Lending Need



Fresh Gold Loans

Fresh Gold Loan is the initial loan facility availed by a borrower by pledging gold ornaments or coins for the first time. This facility caters to both new and existing customers who wish to secure funds against their gold assets.



Top-Up Gold Loans

Top-Up Gold Loans are additional loans provided to an existing gold loan customer over and above the outstanding loan amount, subject to the available eligible value of the pledged gold.



Renewal Gold Loans

Renewal Gold Loan refers to the extension or continuation of an existing gold loan after its maturity. Instead of releasing the pledged gold, the customer chooses to renew the facility for a new term.



Repledge Gold Loans

Repledge Gold Loan is when a previously released (closed) gold loan is pledged again for a new loan facility. It is treated similar to a fresh loan but may have simplified procedures for existing customers.

Challenges in Gold Loan Operations



Manual appraisal, weighing, and purity assessment



Risk of misvaluation, fraud, or misplacement



Delays in pledge storage, disbursement, and vault updates



Multiple manual entries across systems



Difficulty tracking overdue pledges and maturity dates



Gaps in compliance with evolving RBI gold loan norms (purity, valuation, storage, KYC, audit)

Newgen's Digital Gold Loan Automation Software for NBFCs

Newgen's Gold Loan Automation Software delivers end-to-end automation across the gold loan cycle, seamlessly integrated with vaults, field operations, and core lending systems.

Core Functional Modules:



1. Loan Origination

- ▶ Assisted or self-service onboarding via mobile app or branch system
- ▶ Document capture (PAN, Aadhaar, KYC, ownership declaration)
- ▶ Live geotagging and ornament/borrower photographs
- ▶ Digital entry of appraisal details (weight, purity, type, valuation method)
- ▶ Real-time LTV eligibility and pre-approved loan calculator



2. Appraisal & Valuation

- ▶ Configurable workflow (single/double appraiser)
- ▶ Capture purity, gross/net weight, and wastage
- ▶ Upload ornament images and digital appraisal reports
- ▶ Auto LTV computation based on integrated daily gold rates



3. Pledge Management

- ▶ Auto-generated pledge slip and agreement
- ▶ Vault ID mapping, packet tagging, and barcoding
- ▶ Dual custody tracking and locker assignment
- ▶ Electronic movement logs and audit-ready vault records



4. Disbursal & Servicing

- ▶ Instant disbursal via IMPS/NEFT
- ▶ Configurable interest models (EMI, bullet, overdraft, part-payment)
- ▶ Top-up or renewal on the same packet
- ▶ Real-time repayment tracking and interest accrual



5. Closure & Auction

- ▶ Gold release post-repayment via OTP authentication
- ▶ Auction workflow with branch/vault transfer, legal notice, and bidding logs
- ▶ Integration with legal and auction vendors
- ▶ Auto-notification to the borrower before auction initiation

Key Features (Aligned with RBI Guidelines)



Gold Ownership

Declaration: Capture mandatory ownership declaration digitally as per the RBI circular



Daily Rate Feed

Integration: Auto LTV computation using RBI-approved sources



Packetization and Vault

Control: Barcode-based tracking, dual custody approval, and branch-wise inventory mapping



KYC & Re-KYC

Automation: Real-time Aadhaar, PAN, CKYC validation with expiry alerts



Risk-based Supervision (RBS) Compliance:

Audit readiness with pledge register, valuation audit trail, and maker-checker logs



RBI-defined LTV Limits:

Rule-based capping for different borrower categories (retail/agri/MSME)



Field/Mobile App for Agents:

On-field-sourcing, document capture, geo-tagging, and purity entry



Digital Signature and Consent Capture:

Aadhaar eSign and OTP-based eConsent for agreements



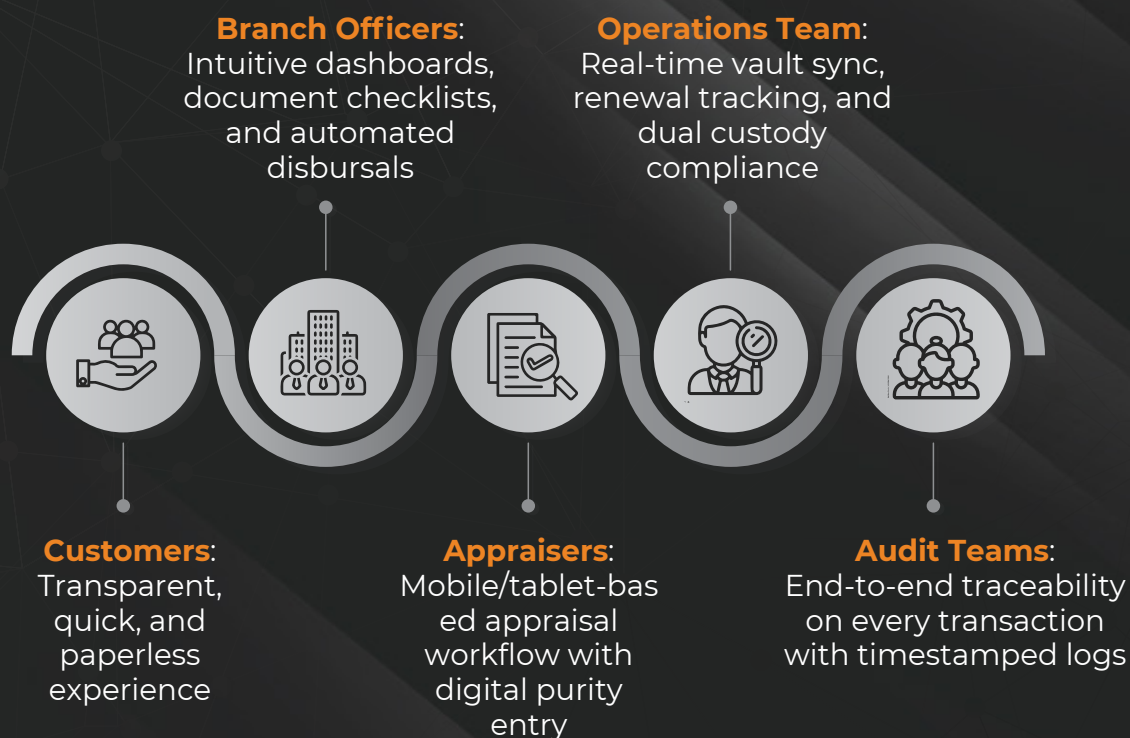
Auto-auction

Escalation Workflow:

Auto-alert on overdue packets, multiple reminder triggers before auction



Unified Experience for All Stakeholders



Benefits of Newgen's Low-code, Gold Loan Automation Software

- ▶ **Faster Launch of Gold Loan Products:** Configure new interest slabs, LTV brackets, and appraisal flows instantly
- ▶ **Operational Efficiency:** Reduce manual paperwork, redundant entries, and vault-related risks
- ▶ **Real-time Risk Visibility:** End-to-end tracking of high-value pledges, overdue packets, and audit trails
- ▶ **Compliance Assurance:** Built-in workflows for RBI-mandated declarations, pledge registers, and dual custody
- ▶ **Enhanced Customer Experience:** Faster disbursement, real-time tracking, and mobile-friendly journeys
- ▶ **Easy Integration:** Plug-and-play with CBS, core lending, vault management, rate feed providers, and auction partners



Why Banks and NBFCs Trust Newgen



Deep domain expertise in secured retail lending

Proven track record of gold loan automation at top NBFCs

Cloud and on-prem deployment flexibility

AI-powered risk models and auto-escalation workflows

End-to-end low-code platform reduces IT dependency

Fully aligned with RBI's evolving gold loan regulatory framework

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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