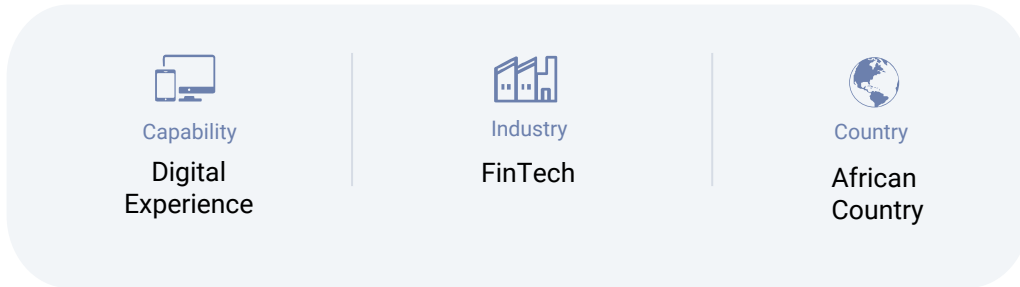Case Study

Loan Processing Mobile App Development

To digitize and automate microloan processing

PROJECT OVERVIEW

An Africa-based fintech organization partnered with Rishabh Software for microfinance loan app development. The partnership aimed to automate and streamline its entire loan lifecycle, from the initial assessment of the loan application and KYC verification to loan approval and disbursement.

Capability	Industry	Country
Digital Experience	FinTech	African Country

KEY FEATURES

Rishabh Software developed a microfinance loan processing app catering to the end customers and the client's banking partners. Key features of the solution include:
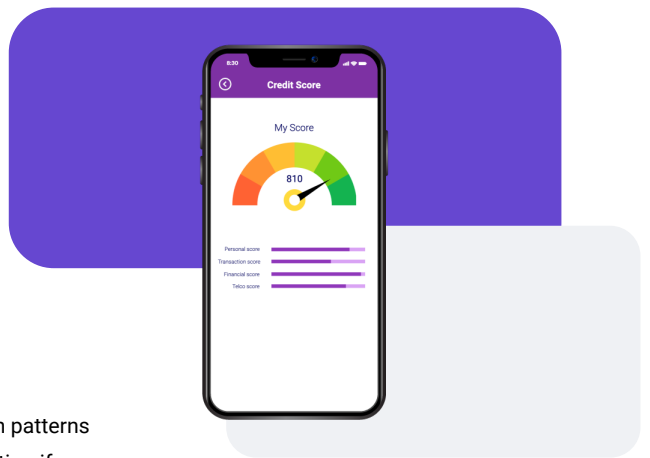
▷ **Efficient Documentation and KYC Management**

Our team automated document handling and KYC processes by digitizing a proprietary screening platform. This advanced system and secure document upload features streamlined compliance tasks and risk assessments.

▷ **Centralized Management of Applicants Accounts**

The microfinance loan app's admin dashboard was customized to process everything in one place - from tracking application statuses and automated alerts to monitoring loan disbursement and payment status.

▷ **Automated Credit Processing**

The app offers a module that uses proprietary algorithms that leverage alternative data sources to assess credit risk accurately and efficiently. This expedites the application review and loan disbursement process.

▷ **Loan Eligibility Calculator**

The new calculation feature in the app helps determine the eligible amount by considering the applicant's salary, liabilities, years of service, income, and other relevant parameters.

▷ **Fraud Prevention**

We integrated a fraud prevention API that monitors user activities and transaction patterns in real-time. It verifies user identities and analyzes behavior to take immediate action if suspicious activities are detected.

CHALLENGES WITH EXISTING SYSTEM

▷ Inefficient document validation & management delayed loan application reviews

▷ Predominantly manual system made loan processing cumbersome and resource-intensive

▷ Banks struggled to confirm applicants' identities due to different versions of customer names across different IDs

▷ The absence of integrated screening, risk-scoring, and assessment tools hindered accurate credit decisions during the loan approval process.

▷ Limited integration with existing banking systems hampered efficient loan disbursement and servicing.
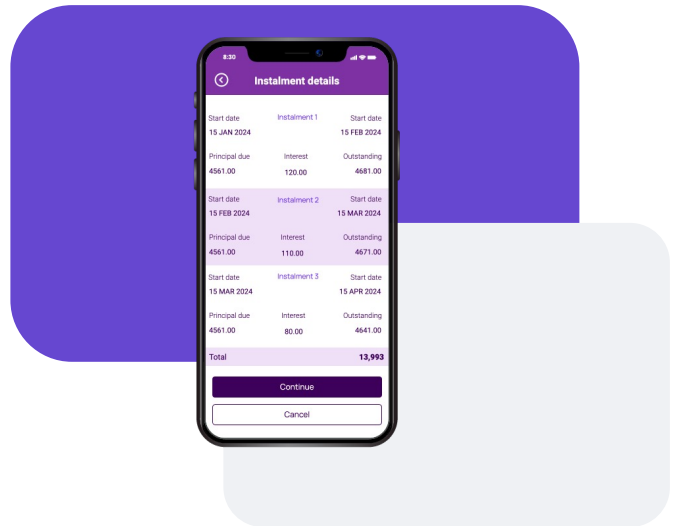
SOLUTION

We refactored the existing codebase and leveraged Spring Integration as the custom workflow engine developer framework to automate the loan application process. We executed the following key initiatives for digital lending platform development for microfinance banks:

▷ **Automated End-to-End Process**

We engineered a comprehensive solution using the Spring Integration framework to automate every aspect of the loan lifecycle process, from KYC authentication to loan disbursement and payment. This streamlined approach ensures efficiency, accuracy, and a seamless user experience.

▷ **Backend API Development and Mobile App Integration**

Leveraging Kotlin, Java, and React Native, we developed robust backend APIs and integrated them with the mobile application. This unified ecosystem enables smooth data flow and interaction, enhancing overall system performance and user satisfaction.
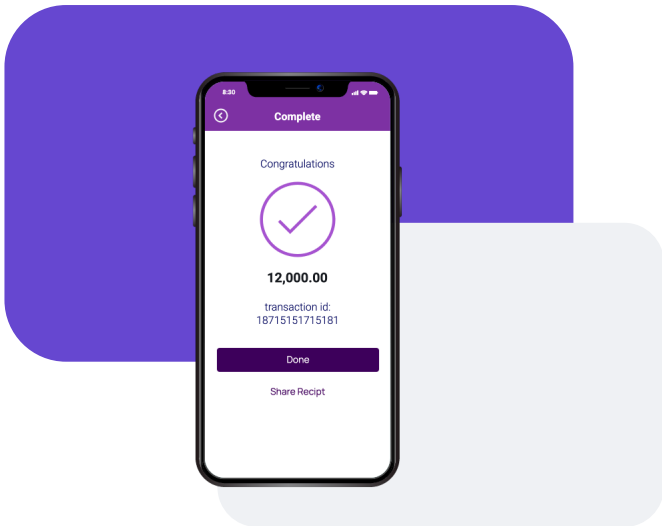
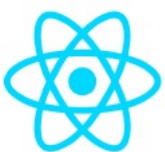▷ **Algorithm Development for Risk Assessment**

Our team devised sophisticated proprietary algorithms to calculate risk scores, verify documents, and make instant approval or rejection decisions. This intelligent system ensures swift and accurate processing of loan applications, minimizing delays and optimizing user experience.

▷ **Integration with Financial Institutions and Credit Bureaus**

The platform seamlessly integrates with partner banks' core banking systems to automate disbursement and payment reconciliation. It enables real-time fund transfers upon loan approval and automatically fetches EMI transaction reports for efficient reconciliation upon loan closure.

TECHNOLOGIES & TOOLS
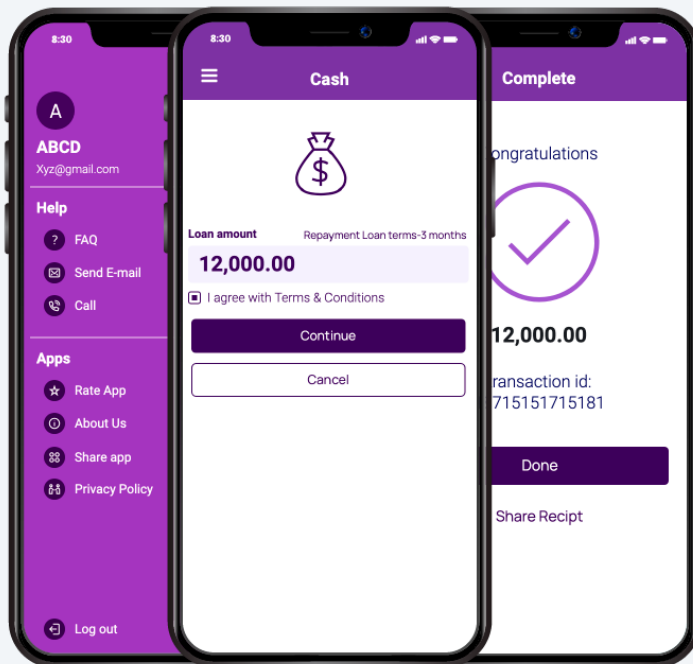
BENEFITS

62%

Reduction in loan processing time

80%

Improvements in loan distribution & Tier 2 & 3 bank partnerships

50%

savings in operational costs

PROJECT SNAPSHOTS

ABOUT RISHABH SOFTWARE

We are a global provider of enterprise-grade web, mobile, cloud, and analytics solutions. As ISO 9001 and 27001 certified software development company, we have two decades of service excellence delivering 1000+ successful projects globally, including the USA, UK, Europe, Middle East, and Australia.

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