



SME Lending Solution

Small and Medium Enterprises (SME) form a vital part in the world economy. SME's have an even greater significance in economies like India where nearly 92% of all industrial units are SME.

This segment has an immense growth potential which is often hindered due to lack of finance. Indian and foreign banks are now focusing on this sector in driving their growth strategy. Only an integrated solution can replace the existing multiple software platforms required to respond quickly to the SME market requirements. Our integrated solution improves efficiencies, enhances client satisfaction and enables banks to provide more accurate and flexible management and statutory regulatory reports, ensuring better compliance and control environment. It streamlines the work flow process, maximizes resource utilization and increases customer loyalty leading to enhanced profits.

Business Issues

Geographic Dispersion of SME Community

Most SME customers are spread across the various industrial units in the country. Geographic dispersion of the SME community makes reaching out to customers difficult.

Rapid growth in SME Business

With the growth in the economy, SME

business has grown exponentially in last few years. Banks have increasingly started focusing on this emerging area to provide their products and services.

Heterogeneity of SME segments

SME Business can be classified into various clusters like jewellery, construction, retail etc. depending on the nature of their business. This heterogeneous nature of SME business is fairly complex in terms of funding facilities.

Process Complexity

No state-of-the-art solution is available to streamline the business processes and meet the special requirements of business groups within the critical SME segments, leading to lower productivity and customer loyalty. Also control and monitoring of funds becomes difficult due to complex process relationships.

Increasing Cost of Servicing

Higher Turn Around Time due to lack of standardized processes reduces efficiency and increases the cost of servicing SME customers.

Regulatory Compliance

Regulatory initiatives such as Basel II are driving banks to have greater transparency in their business processes. Our solution allows firms to manage risk more effectively by having audit trails to control and support these processes.



Solution Components

Siemens Integrated SME Lending Solution for banks is a collaborative workflow driven solution that consists of the following modules:

- Loan Origination
- Current Account Opening
- Deal Tracking
- Loan Management
- Loan Monitoring
- Collections and Recovery
- Reporting

Loan Origination

Workflow based prospecting and approval processing module to automate the multi channel customer acquisition life-cycle.

Consists of major sub processes like

- Lead Management
- Loan Evaluation
- Loan Sanction / Approval
- Post Sanction Activities

Current Account Opening

Provides flexibility in centralized or local based account opening function; with all compliance and status tracking procedures and integration with back-end system. The module has major sub processes like:

1. Documentation
2. Limit Setup and Account Opening

Deal Tracking

Provides an integrated view of the whole process to enable the management identify, analyze, plan, track and control the risks and ensure that all procedures have been complied within the transaction.

Loan Management

Enables the customer to initiate the processing workflow. Proper documents are maintained and managed through the process.

Loan Monitoring

This module enables the entry and modification of rates and associate policies with these rates.

Collections and Recovery

Recovering losses rapidly and efficiently when loans outlook deteriorate is the primary function of the module. It manages collection workflow and monitors results.

Reporting

Ensures reporting integrity and uniformity so that information is consistent in availability and presentation. It helps to better manage customers, portfolios, revenues, productivity and exceptions.

Basel II Compliance

Our solution allows firms to manage risk more effectively by having audit trails to control and back the entire SME process from loan origination to recovery.

Business Benefits

Some of the key benefits of the solution are:

- Standardized and automated processes improve productivity in terms of quality, cost and schedule.
- Improved processes speed up TAT, facilitate prompt credit evaluation and further improve efficiency and cost outlook within the bank.
- Increased flexibility and speed to offer newer and innovative products with better control.
- High scalability and flexibility ensures future growth needs as well as customer distinction.
- Integrated and flexible control helps in better monitoring of funds.

Technical Solutions

Our solutions are based on best in class software, adhere to industry standards and are built using a highly modular architecture so as to ensure extensibility, flexibility and easy maintenance. Our solutions are based on the J2EE and Microsoft technology platforms. Some of the tools and technologies that are used in our solutions are list below:

Microsoft Based Solutions

ASP, ASP.Net, VB.Net, C, IIS
Visual Studio.Net

Java J2EE based solutions

Java, JSP, AJAX, J2EE
IBM Websphere/JBoss/BEA Weblogic
Eclipse/Netbeans.

Workflow and Imaging

JBPM, Staffware, FileNet.

Database

SQL Server, Oracle, IBM DB2

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