



NUCLEUS
SOFTWARE

Facilitating Business Expansion Beyond Borders

An Idemitsu Saison Microfinance (Cambodia) Plc.
Case Study



\$3.1B

MICRO FINANCE LOANS OUTSTANDING IN CAMBODIA

ABOUT IDEMITSU SAISON

Established in 1986, Idemitsu Credit Company Limited was one of the first companies in Japan to offer credit cards, loans, financing, leasing and pre-paid card services to the oil industry. The company reported an asset size of \$1.5 billion and a net profit of \$29 million as on March 31, 2016. In Aug 2015, Idemitsu Credit established Idemitsu Saison Microfinance (Cambodia) Plc., a microfinance subsidiary in Cambodia. One of the world's largest micro finance markets, Cambodia has total outstanding loans exceeding \$3.1 billion as of March 31, 2016, an increase of 34% on the previous year. Idemitsu Saison aims to meet local farmers' financial needs and help improve standards of living and economic development by providing financing and instalment payment services for individual goods.

BUSINESS NEED

Idemitsu Credit wanted to help modernize the agriculture sector in Cambodia and launched Idemitsu Saison with an initial capital of \$1 million for microfinance lending. With deep experience of doing credit business in Japan, Idemitsu Credit realized the importance of technology in setting up and running a successful credit business. Launching a new business in a new country was an added challenge. Idemitsu Saison wanted the lending process to farmers, corporations and non-government organizations to be simple and as automated as possible. As loans approval is primarily driven based on the applicant's reputation and their guarantors, the company required a solution that could offer non-collateral based loans quickly and conveniently.

The company was looking for an agile and scalable loan solution, one that could be implemented in a short period of time while also keeping operational costs low.

THE SOLUTION

After a rigorous assessment of the various lending solutions available in the market, Idemitsu Saison selected Nucleus Software's FinnOne Neo. They chose FinnOne Neo for a number of reasons, including the solution's advanced technology architecture, sophisticated business process automation, low network footprint, easy integration with peripheral systems, user friendly interface design and support for multiple languages. Idemitsu Saison also relied on Nucleus Software's widespread experience in the South East Asia (SEA) market coupled with three decades of domain expertise to help them establish robust business processes aligned to the local market needs.

Idemitsu Saison wanted to leverage the proven leadership of FinnOne - 10 time winner world's best selling lending solution to unlock growth in the new business and rapidly scale up operations to other SEA countries. The project was completed in a short span of 6 months.

RESULTS DELIVERED

Idemitsu Saison started their microfinance loan operations in Cambodia as a new entity with limited

users and product offerings. After the launch, the company is increasing their loan portfolio steadily. FinnOne Neo's easy to configure workflow and policy setup enabled Idemitsu Saison to quickly launch tailored products suited to the unique requirements of the target customers. The solution's Service Oriented Architecture (SOA) based design ensured seamless integration with a range of systems from external vendors and field agents. With FinnOne Neo's low network bandwidth requirement, the system provides reliable operations in areas with restricted network connectivity. System availability for 24x7 business operations ensured flexibility in loan servicing as per the specific local requirements.

KEY FEATURES

- End to end digitization of loan processes
- Reduced time to market
- Automated workflow based setup for high operational efficiency
- Comprehensive credit decision making capability
- Easy configuration of credit rules and policies
- Comprehensive credit decision making capability
- Speed and transparency in credit approvals
- Integrated loan lifecycle management on a single platform