

Making 'On-the-Spot' Housing Loan Approvals a Reality

A Roha Housing Finance Case Study



FOCUS ON PEOPLE IN THE MIDDLE AND LOWER INCOME GROUPS

CREATED A QUESTIONNAIRE BASED COMPREHENSIVE CREDIT EVALUATION SYSTEM

INCORPORATED 900+ PARAMETERS, 150+ CONDITIONS AND 100+ RULES IN THE RULE ENGINE

STANDARDIZED AND AUTOMATED CREDIT DECISION MAKING

ABOUT ROHA HOUSING FINANCE

Roha Housing Finance Pvt. Ltd. is one of the fastest growing Housing Finance Companies (HFC) in India. The company has the mission to offer financial solutions through fast services, backed by simple processes and honest dealings. Roha Housing Finance, a part of the JJT Group provides faster, simpler and more transparent access to housing finance in India. JJT Group is a conglomerate involved in businesses as diverse as food colours, food ingredients, renewable energy and financial market operations. The company operates in more than 20 countries and has more than 2000 employees worldwide.

BUSINESS NEED

Roha Housing Finance wanted to set a new benchmark for customer experience and disrupt the housing finance market. Traditionally, people in lower and middle income groups were unable to easily access credit due for a number of reasons such as unavailability of a credit report from credit bureaus, lack of proof of regular income and inability to provide a comprehensive view of their sustained earning capacity. Roha wanted to use the power of technology to offer a 'customer-first' approach and adopt innovative ways for assessing the credit worthiness. To do this the company needed a well-integrated, scalable and robust lending solution that would not only help drive efficiency in loan processing but also bring in the required level of automation across the loan lifecycle.

100%

**AUTOMATED CREDIT DECISION
MAKING**

97%

**REDUCTION IN TIME FOR CREDIT
ASSESSMENT**

50%

**REDUCTION IN TIME FOR CREDIT
PROCESSING**

2700%

**INCREASE IN REVENUE IN 10 MONTHS**

THE SOLUTION

After an extensive assessment of various lending solutions in the market, Roha chose Nucleus Software's FinnOne Neo Cloud lending platform to translate its vision into reality. FinnOne Neo offers complete digitization and automation of the front-end and back-end processes across the complete loan lifecycle including origination, servicing and collections. The company chose to deploy the solution on cloud to take advantage of the shorter time to market, cost optimization, flexibility and scalability it offered. The fact that Nucleus' FinnOne Neo had been recognized as the market leader in IBS Intelligence's Domestic Sales League Table 2018 for India, building on the record of being 10 time winner world's best-selling lending solution, made the choice easier for Roha.

Roha Housing Finance also implemented Nucleus FinnOne Neo Lending Mobility for mobile based loan origination and collections. Roha automated and standardized the credit decision making process across its entire operations, thereby eliminating

the dependency on human judgment in credit underwriting, and improving credit risk management.

RESULTS DELIVERED

Following the quick and successful implementation of Nucleus FinnOne Neo Cloud in just 4 months, Roha benefited from the end-to-end digital capabilities. Roha completes the credit assessment and provides approvals for housing loan in less than 2 hours as against the industry average of 3 days, a 97% reduction in time. The system auto-calculates the financials based on the customer profile and auto-populates bank related info based on customer's bank details. FinnOne Neo Cloud creates a comprehensive credit profile of the applicant simultaneously and by applying the respective credit policies of the company, a decision on the loan is given instantly.

Roha offers end to end loan processing in 7 days, which is 50% faster than the housing finance industry benchmark of 14 days. FinnOne Neo Cloud allows the creation of flexible workflows, which

are configurable as per the evolving business and market needs. The solution helped Roha incorporate a complex configuration of 900+ parameters, 150+ conditions and 100+ rules in the rules engine to standardize and automate the credit decision making. FinnOne Neo Cloud's API based design made it easy to integrate with multiple third party sources for validation including credit bureaus (CIBIL, CRIF Bureau), customer records (CRIF Sherlock), financials data checks (Perfios) and ERP systems (SAP).

After implementation of FinnOne Neo, Roha's business grew by 2,700% from INR 10 million (\$140k) per month to INR 265 million (\$3.7 million) per month. The project followed an approach of "zero customization" of the original solution and ensured that all the business requirements were met effectively by utilizing the inherent flexibility and rich capabilities in FinnOne Neo Cloud. This also meant that the system can be easily upgraded by way of periodic system update releases without any additional effort / time requirement in the future.