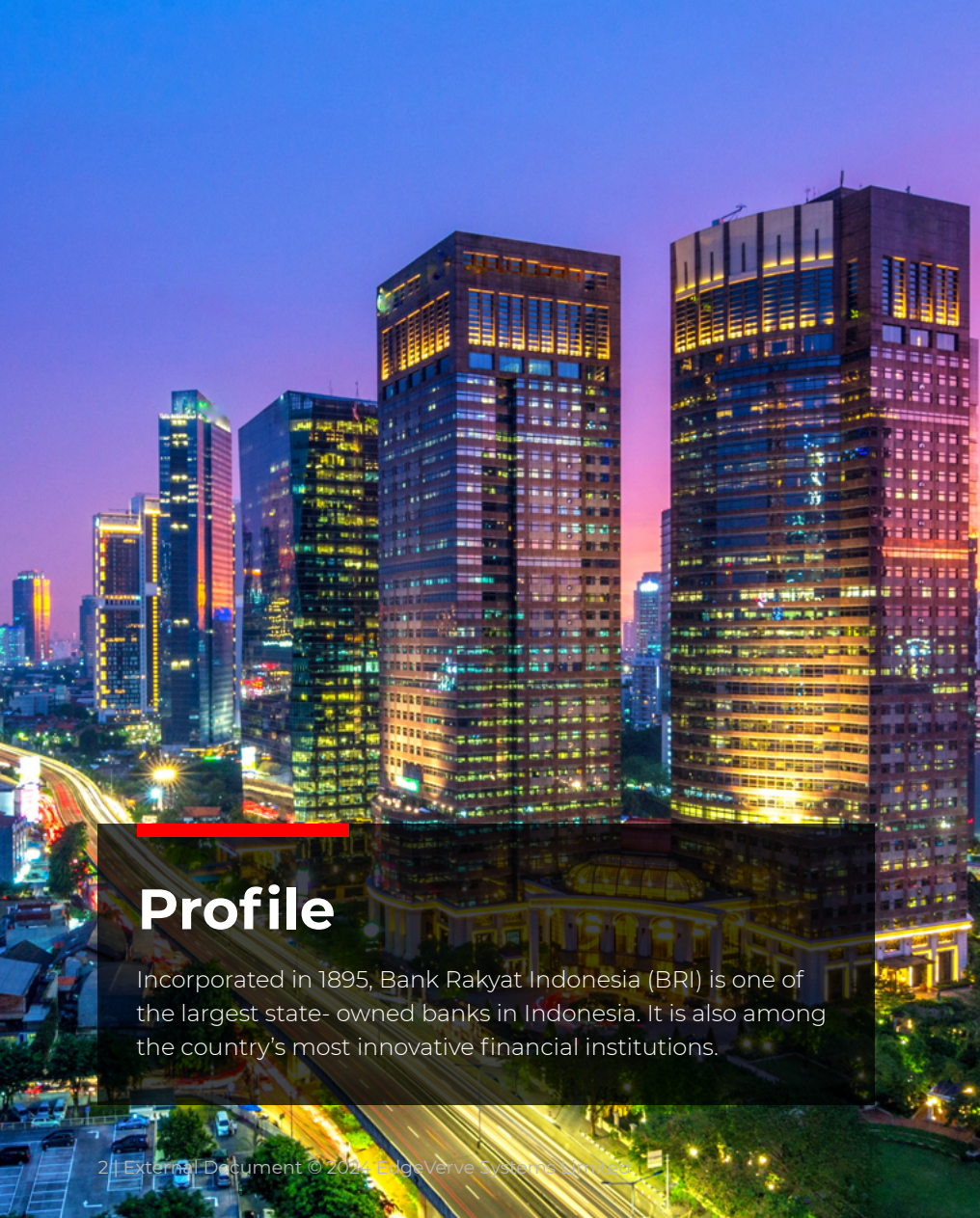




CASE STUDY

Bank Rakyat Indonesia Disrupts the Unsecured Loans Market with a Digital Solution



Profile

Incorporated in 1895, Bank Rakyat Indonesia (BRI) is one of the largest state-owned banks in Indonesia. It is also among the country's most innovative financial institutions.

Pioneering Digital Lending

Bank Rakyat recently introduced the first digital lending solution in Indonesia, whose underserved market, young population, high mobile penetration and expanding middle class provided the ideal conditions for such an offering.

The solution targets borrowers in need of small, unsecured loans (up to IDR 20 million) for personal and business requirements. Because it is so cumbersome to obtain such loans from the formal banking system, most people end up going elsewhere. Spotting a clear opportunity, BRI crafted a digital lending solution leveraging Finacle Lending and the Finacle Digital Engagement Hub that automated the end-to-end lending process and issued the loan in just 10 minutes.

One Hub does it all

The Hub became the single point of contact for managing customer interaction. Customers seeking a loan were asked to download a mobile application and provide the required information to the Bank. The Digital Engagement Hub, which integrated with 10 systems involved in loan processing, including Silverlake for customer account

enquiry, CAMS for customer management, Whitelist, Element for e-KYC, Privy for digital signature and document signing, Finacle Core for CIF and loan account maintenance, an SMS aggregator for delivering OTP, an OCR system for e-KTP, and a credit scoring system, orchestrated them all to take a decision and if favorable, issue the loan; the entire process was completed in 10 minutes. The loan itself was affordable, came with a flexible tenure, and was directly disbursed to the borrower's account.

This was the first time that any bank in Indonesia offered an end-to-end and fully automated loan processing. The bank was also the first to use e-KYC and digital signature to authenticate customers. An interesting feature of the implementation was that the Bank chose to leverage the componentized structure of Finacle to only build what it needed without touching its other systems.

Big plans

BRI, which is mainly targeting blue-collar workers, expects to issue 275,880 loans this year, 643,760 loans in 2020 and 1.1 million loans in the year after. While these numbers

are impressive, what is more important is that the Bank is taking a lead in digitally disrupting the market, rather than waiting for a FinTech or challenger bank to do it.

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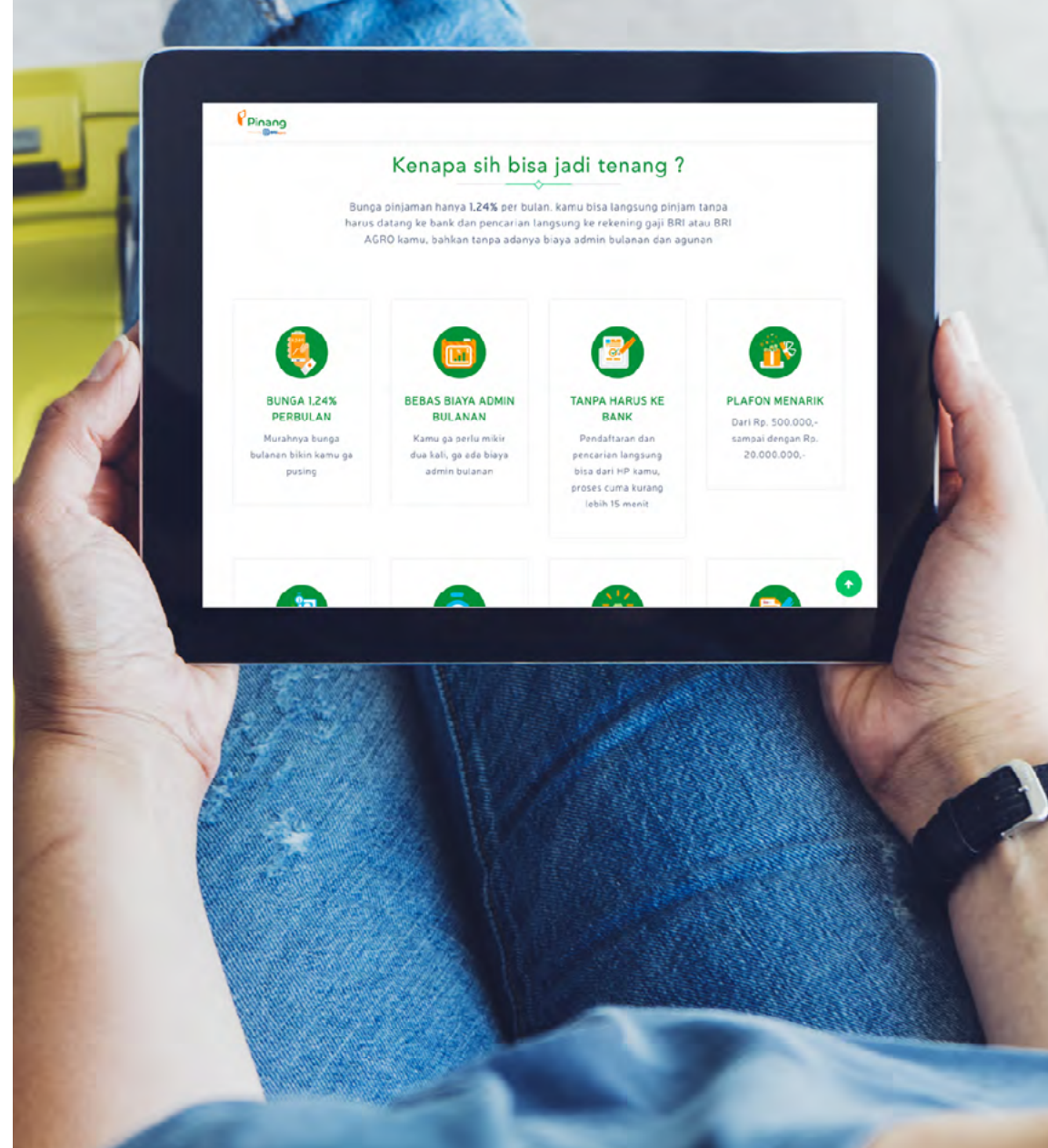
With the presence of Pinang, Bank BRI Group is able to reach more volumes of customers in Indonesia at high speed (from application to disbursement in less than 10 minutes without a face to face meeting). Pinang is BRI's radical innovation catering to ultra-micro customers creating a seamless and economical on-boarding process. The reimagined process provides a faster, cheaper and safer digital lending in Indonesia. With the persistent support of the Infosys management and the robust Infosys Finacle digital banking suite, BRI's vision of accelerating Indonesia financial inclusion is one step closer.

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Kaspar Situmorang

Executive Vice President, Digital Center of Excellence,
Bank Rakyat Indonesia



Why we exist

To inspire better banking so that billions of people and businesses can save, pay, borrow, and invest better.

How we do it

Our solutions and people help banks to engage, innovate, operate and transform better, so that they can improve their customers' financial lives, better.

What we offer

A comprehensive suite of industry-leading digital banking solutions and SaaS services that help banks engage, innovate, operate and transform better.

Finacle is an industry leader in digital banking solutions. We are a unit of EdgeVerve Systems, a wholly-owned product subsidiary of Infosys (NYSE: INFY). We partner with emerging and established financial institutions to help inspire better banking. Our cloud-native solution suite and SaaS services help banks engage, innovate, operate, and transform better to scale digital transformation with confidence. Finacle solutions address the core banking, lending, digital engagement, payments, cash management, wealth management, treasury, analytics, AI, and blockchain requirements of financial institutions. Today, banks in over 100 countries rely on Finacle to help more than a billion people and millions of businesses to save, pay, borrow, and invest better.

For more information, contact finacle@edgeverve.com

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