

Introduction

The microfinance revolution, begun with independent initiatives in Latin America and South Asia starting in the 1970s, has so far allowed 65 million poor people around the world to receive small loans without collateral, build up assets, and buy insurance

Universal Micro Finance Solution will serve the Microfinance Institutions in maintaining their Member's personal details, Loan Application Details, Loan Sanction Details, Loan follow up and Collection and up to Closure. Apart from this Member's Deposit Account Creation and Maintenance can be done through Universal Micro Finance Solution. An intuitive presentation layer, complete with dashboards, Reports makes Universal Micro Finance Solution an intelligent choice for Micro Finance Institutions, to manage their Member Application and to close more loans in less time and at less cost.

Universal Microfinance Solution

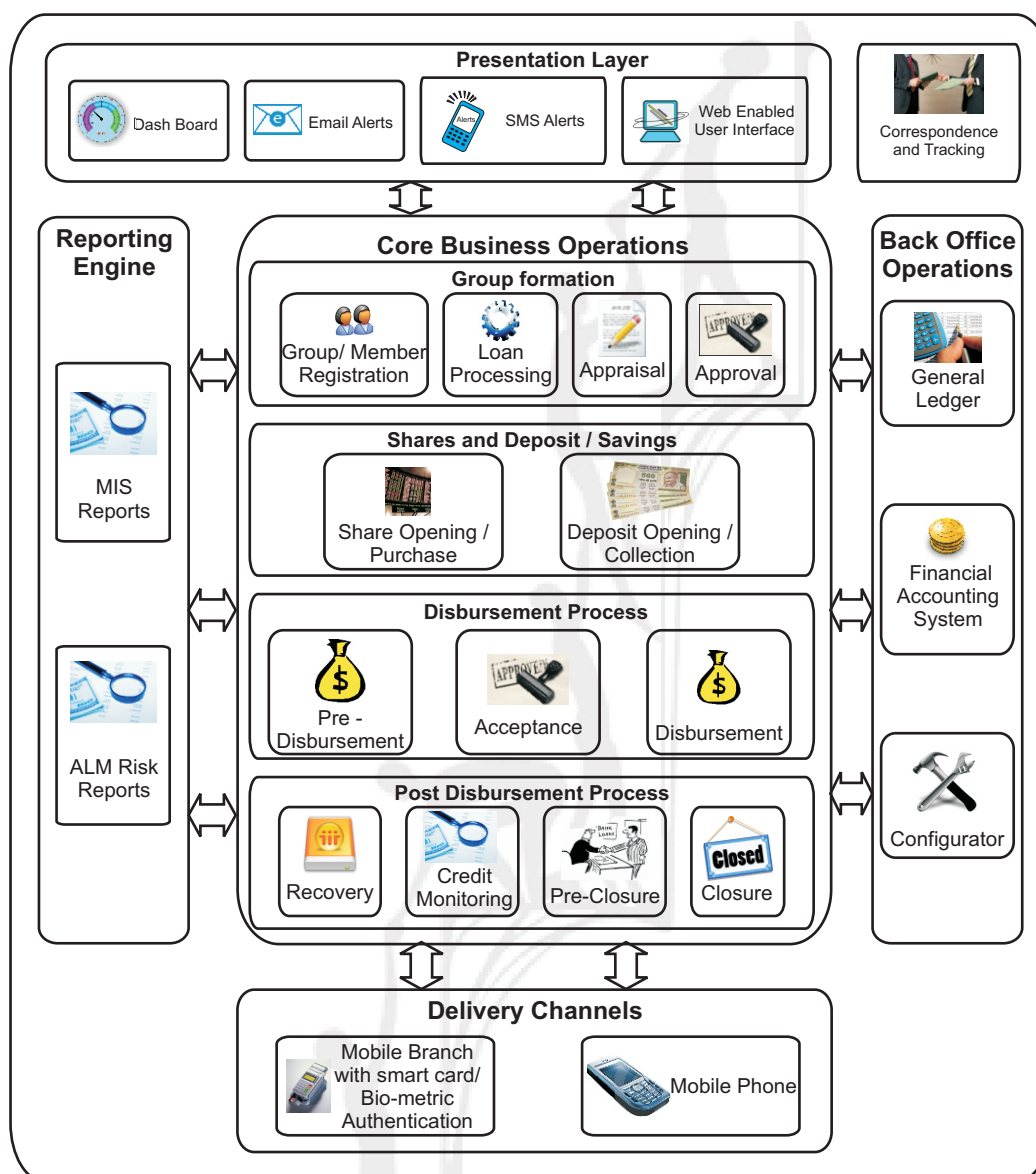
Universal Micro Finance Solution covers all the critical business workflow of a MFI in Processing a Loan. It covers the entire range of operations right from Loan Application Submission till the Loan is getting closed. Universal Micro Finance Solution provides interface to push and pull data from any Mobile Branch Device. Universal Micro Finance Solution comprises of the following Modules

- ☐ Members, Groups, and Centers
- ☐ Loan Products & Loan Accounts
- ☐ Savings Products & Savings Accounts
- ☐ Shares
- ☐ Financial Transactions & Accounting Support
- ☐ System Administration - Setup, Configuration, Security, Access Control & Localization
- ☐ Audit Trails
- ☐ Correspondence & Tracking
- ☐ Reports

Universal Micro Finance Solution comes with a rich user interface with configurable dashboards that allow users to review the Pending Loan Applications. In addition, the software allows the MFI to manage correspondence with Members.

Universal Micro Finance Solution is deployed in a MFI's Head Office as a centrally hosted application from where all the branches can connect to Universal Micro Finance Solution. This is completely a web-based solution and is accessed from a web browser; this eliminates the need to install software component at the branches.

Product Architecture



As depicted in the diagram above, Universal Micro Finance Solution has a component-based architecture to provide the functionality required for managing Member accounts and the follow up.

Presentation Layer

The presentation layer consists of a dashboard that can be configured to display information required for the user. Depending on user privilege and access rights, the appropriate reports and screens may be configured in the dashboard. Users may subscribe to standard reports which display the Repayment Schedule report, Ledger Report etc. These may be viewed based on Member account, product type or for a time period. Universal Micro Finance Solution captures the information required to process a Loan Application. It is inevitable for any software to maintain master data and Universal Micro Finance Solution enables user the provision to capture and maintain the Master Data.

Correspondence and Tracking

The correspondence tracking feature in Universal Micro Finance Solution allows users to send out letters to Applicant on their account status and track responses. Pre-defined correspondence templates are used to merge data from the database and send out letters to clients. Documents to be executed can be taken printout with all particulars as per the MFI's prescribed format.

Group / Member Registration

In case MFI being a Co-Operative Society, it is mandatory for the Member to be a share holder. Universal Micro Finance Solution facilitates the user to open a Share account, purchase of additional Shares and Closure of the Shares.

Universal Micro Finance Solution provides user the facility to capture the Member Personal Details and also facilitates the user to register a Group who is in need of a Loan from MFI. Also 'n' number of members can be registered under the Group Created.

Shares / Deposit Creation

Universal Micro Finance Solution facilitates the user to create a Share/Deposit account for each member of the group. In case of share Product allows the user to buy additional shares and based on the requirement Share Ledger report can be generated.

In case of Deposit/Savings Collection details of each member of the group is posted and this affects the Financial Accounting system. System facilitates the user to withdraw the amount from their account. Interest will be calculated for the amount accumulated in the member's saving/deposit account and capitalized to the account.

Loan Processing

Followed by Group/Member registration Loan Processing Flow starts. It covers the entire range of operations right from Loan Application Submission till the Loan sanction order is approved. It's a workflow engine to control and monitor various work steps in a loan application process, appraisal and approval with the use of digital imaging technology to reduce the delays and inefficiencies in handling associated documents.

Loan Eligibility Check

Universal Micro Finance Solution provides the facility to check whether the applicant is eligible for the loan through various criteria. This part is customizable based on the requirement of the client since the Loan Eligibility Criteria varies from one Institution to the other.

Loan Disbursement

When a new loan is disbursed, the corresponding transaction id is created. The transaction id will be approved by the appropriate role. Modification of transaction details is possible before approval of the transaction. Loan disbursement can be one time or in stages. While disbursing the final installment, the demand-raised details will be entered.

Loan Collection

Using Universal Micro Finance Solution Loan Collection can be made. Charges and other Fees will be calculated and displayed in the screen dynamically by the system.

Credit Monitoring

This is a full-functionality credit management solution that allows MFI's to track and monitor credit performance of their assets, obtain early alerts on potential default of Member accounts, manage non-performing assets and suit-filed accounts.

Loan Closure

In order to close the Loan account, user has to access the Loan Closure screen. Product facilitates the user to close the loan even before the date of expiry of the loan. On Preclosure of the loan system calculates the applicable interests for the Rate of Interest specified.

Management Information System

Management information system is basically concerned with processing data into information which is then communicated to the loan department for appropriate decision making. Universal Micro Finance Solution provides the following reports in MIS module. The reports can be generated based on the inputs given and printed.

- Monthly DCB Statement
- Over Due Report
- Monthly Statement on Credit
- Monthly Statement on Deposit
- Reversal Transactions

Asset Liability Management

The following are the reports that can be generated in ALM Module.

- Interest Rate wise report
- Residual Maturity for Time Bucket
- Residual Maturity for Interest Rate and Time Bucket

Financial Accounting System

The essential feature of the FAS module is reports. Various business reports are made available in this module. Some reports are generated as on date and some are generated for a specified period. Some reports are generated for a given month and year. Universal Micro Finance Solution provides P & L report, Balance Sheet report, Trial Balance Report in FAS Module.

Interface with Handheld Device

Handheld Device facilitates the people to access and make transactions in their account at their door step. Universal Micro Finance Solution provides Interface to push and pull data from any Hand Held Device.

The following operations can be done through Handheld Device

- Customer / Group registration – Customers can be registered with the bank either as individuals or as part of a group.
- Micro-loan Application processing – The Hand Held Device may be used to process an application for a loan.
- Micro-loan disbursement – On approval of the loan, the loan is disbursed to the Member / group and the transaction is recorded using the Hand Held Device.
- Micro-loan recovery – Loan installments and recovery transactions are recorded using the Hand Held device.
- Balance Enquiry – Group/Member balance details can be printed and delivered using the Hand Held Device
- Mini Statement – Statement of account can be printed and delivered to the Member using the Hand Held Device.

Information Storage in Smart Cards

- Group geographic and account information maintenance.
- Loan Repayment Collection
- Balance Updation
- History of the Transaction
- Opening Deposits / Savings Account
- Deposit Collection
- Deposit Withdrawal

Mobile Phone Interface

The other important delivery channel, from a MFI's perspective, is Mobile Phone. The adoption of Mobile Phone by the Members is important since the costs per transaction are even lower. Mobile Phone has the following features.

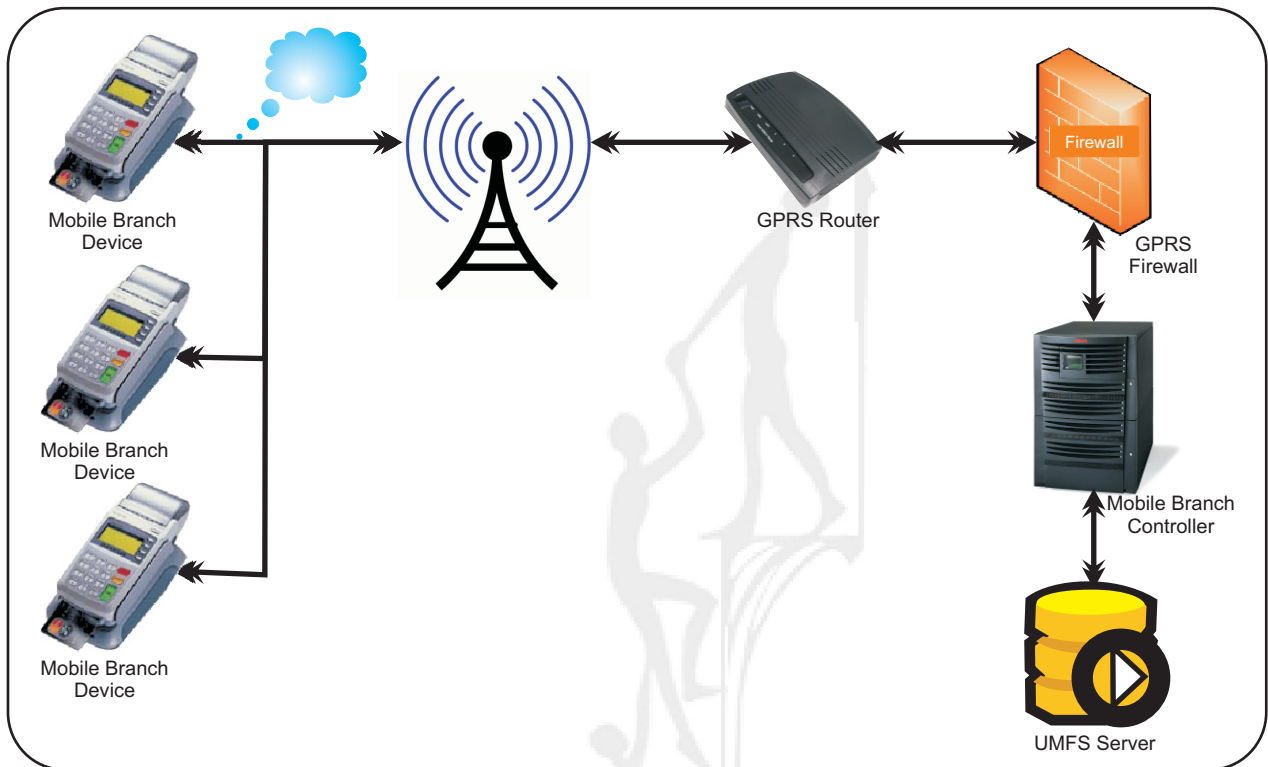
- Balance Enquiry
- Mini Statement
- Fund Transfer

Universal Micro Finance Solutions Configurator

Universal Micro Finance Solution Configurator allows all components of the product to be configured based on specific user requirement. The configurator offers the following capability:

- Multi Lingual Support: This Configurator provides the facility to choose our own language. Provides user the facility to view the application in the language they are comfortable with and benefits the user across the globe.
- Product configuration: This Configurator provides the facility to create the new product through the system and make it workable from the day one the product is launched.

Deployment Architecture



Security

- Single sign-on access to the application
- User access restricted to roles and responsibilities
- Separate Security Gates / Layer with advanced Authentication for External and Internal Users.
- Encrypted SSL enabled communication

Technology

Development Platform	ASP.NET
Script	VB Script, Java Script
Database	SQL Server 2005
Data Handling Interface	ADO.NET
User Interface	Web Browser – Internet Explorer 5.5 and above
Web Host Server	IIS 6.0
Reporting Technology	Reporting Services

- Three Tier Browser Based front end Architecture
- Component Based Functional Architecture
- Ajax technology implemented for the Front end user layer
- Deployment on a centralized architecture
- Scalable Architecture and can handle huge volumes including Offline Data Upload From Hand Held Devices and Excel sheets