



From Draft to Done:
Automate Legal Approvals in Your NBFC

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Are Manual Legal Approvals Costing Your NBFC Crores Every Month?

Non-Banking Financial Companies (NBFCs) process hundreds of loan agreements, vendor contracts and service-level agreements each month. When approvals rely on email chains, printed forms and manual stamps, deals stall. This slows disbursements, frustrates borrowers and eats into interest income.

While top fintechs approve loans in **under 45 minutes**, many NBFCs still rely on manual legal workflows that take **up to 10 days**.



Key Facts for Indian NBFCs



Time-Consuming Process

Manual approvals take 3–10 days per contract.



Proven

~~improvement~~ 22% faster turnaround with CLM.



Regulatory Consequences

71% have faced regulatory fines from missing clauses.

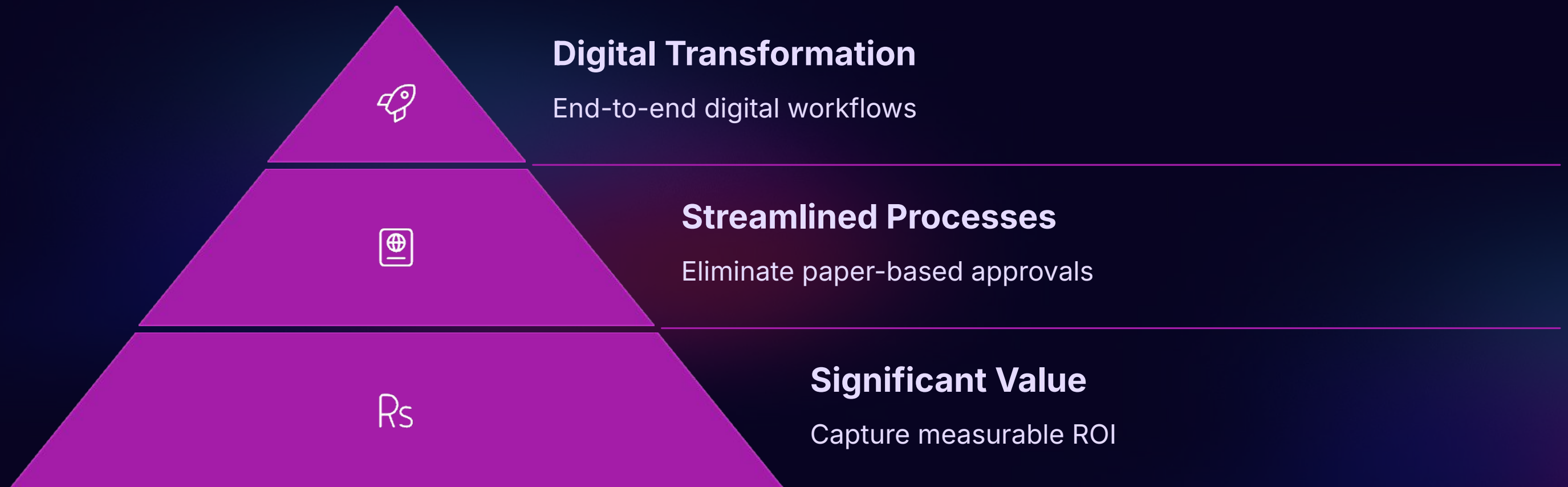


Cost Reduction

68% saw admin costs fall after automation.

With 77% of businesses using automated renewal alerts, the case for digital CLM is clear: speed, savings, and compliance.

SignDesk's CLM Automation Solution



SignDesk's CLM Automation offers a turnkey solution to transition from fragmented, paper-based approvals to streamlined, end-to-end digital workflows. This guide will help you transform your approval processes and capture significant value.

Understanding the Current State of NBFC Approvals

Market Pressures

Increasing competition from digital-first lenders demands faster processing

Customer Expectations

Today's borrowers expect near-instant decisions and disbursements

Regulatory Environment

Regulators continue to emphasize documentation compliance

Operating Costs

Traditional processes consume disproportionate resources and limit scalability

Technology Adoption

Leading NBFCs are already implementing automated workflows

Research reveals that NBFCs still relying on manual approval processes are losing significant market share to more agile competitors. The average disbursal time difference between digital and traditional processes now exceeds 72 hours, a critical competitive disadvantage.

The Bottleneck You Can't Ignore



Average Approval Time

3–10 days for multi-level legal approvals due to manual routing



Opportunity Cost

Delays push disbursement cycles out by 5–7 days, impacting interest income



Abandonment Rate

15-20% of applicants abandon the process due to delays

Days to Deal: Time is Money

Market Share Impact: NBFCs with delayed processes lose an estimated 2-5% market share annually

Staff Productivity: Processing delays create uneven workloads and inefficient resource utilization

For an NBFC processing 5,000 loan agreements monthly, even a one-day reduction in processing time can yield ₹25-30 lakhs in additional monthly revenue.



Compliance & Legal Exposure



Regulatory Risks

Missing key RBI-mandated clauses can result in penalties up to ₹5 lakhs per violation



Audit Challenges

Version mismatches and lost paper trails complicate audits, increasing costs by up to 20% of legal budget



Documentation Inconsistencies

Manual processing leads to 5-8% error rates in critical documentation



Omission Risks

Approximately 12% of manually processed agreements contain missing clauses or signatures

Regulatory Change Management: Manual systems struggle to keep pace with evolving RBI guidelines

Manual approval processes create unnecessary exposure to regulatory action, reputational damage, and financial penalties that can significantly impact profitability.

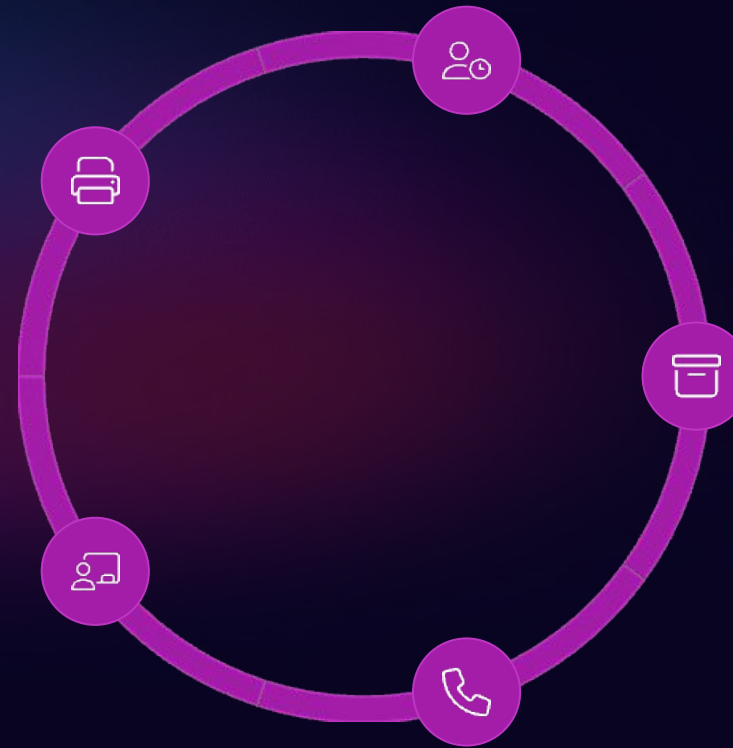
Administrative Overheads

Courier & Paper Costs

₹500–₹1,000 per document cycle in printing, courier, and stamping fees

Training Costs

Complex manual processes require extensive training for new employees



Headcount Drain

Legal teams spend 30–40% of their time on routing and follow-ups instead of strategic advisory

Physical Storage Requirements

Document retention policies require secure physical storage, adding ₹10–15 lakhs in annual overhead

Follow-up Administration

Staff dedicate 15–20 hours weekly to status inquiries and escalations

Administrative costs represent valuable resources that could be redirected toward customer acquisition, product development, or enhanced risk management rather than being viewed as mere overhead.

India's Move to Digital CLM

73%

Digital Adoption

Medium and large companies adopted digital CLM by 2023

62%

Faster Turnaround

NBFCs see contract turnaround cut by more than half

54%

Real-time Tracking

Track approvals and renewals in real time

80%

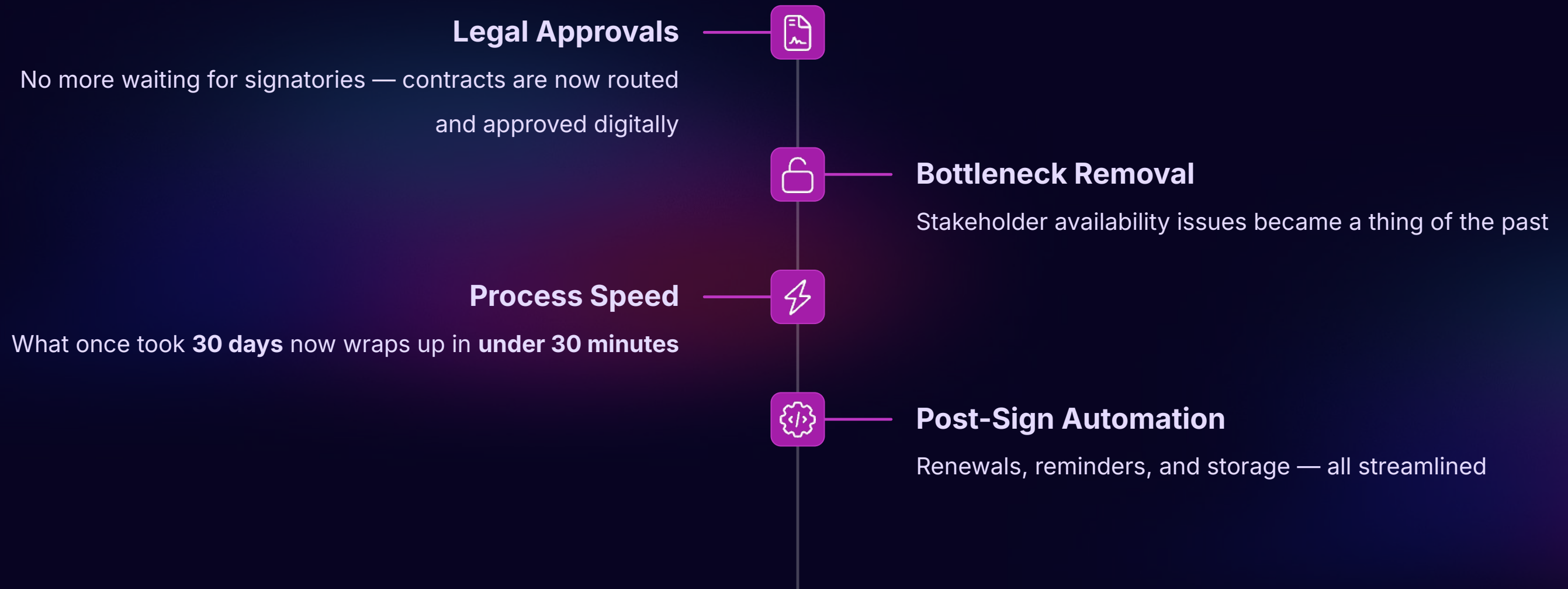
Clause Compliance

Use platform analytics to catch missing clauses before execution

Value drivers include

- 1 Cycle Time Reduction:**
Approval cycles shrink from 5–7 days to under 1 hour
- 2 Headcount Efficiency:**
Reallocate 20% of legal time to high-value tasks
- 3 Error Reduction:**
Standard clause libraries cut compliance exceptions by 75%
- 4 Operational Transparency:**
Real-time dashboards reduce audit prep time by 50%
- 5 Volume Scalability:**
Automated systems handle 3x volume increases without additional staffing
- 6 Cross-Department Coordination:** Automated workflows eliminate handoff delays between teams

TTK Prestige Transforms Legal Approvals with CLM



"Contracting is no longer a roadblock. SignDesk made legal approvals a value driver." — G. Ramesh Babu, Senior DGM – Legal, TTK Prestige

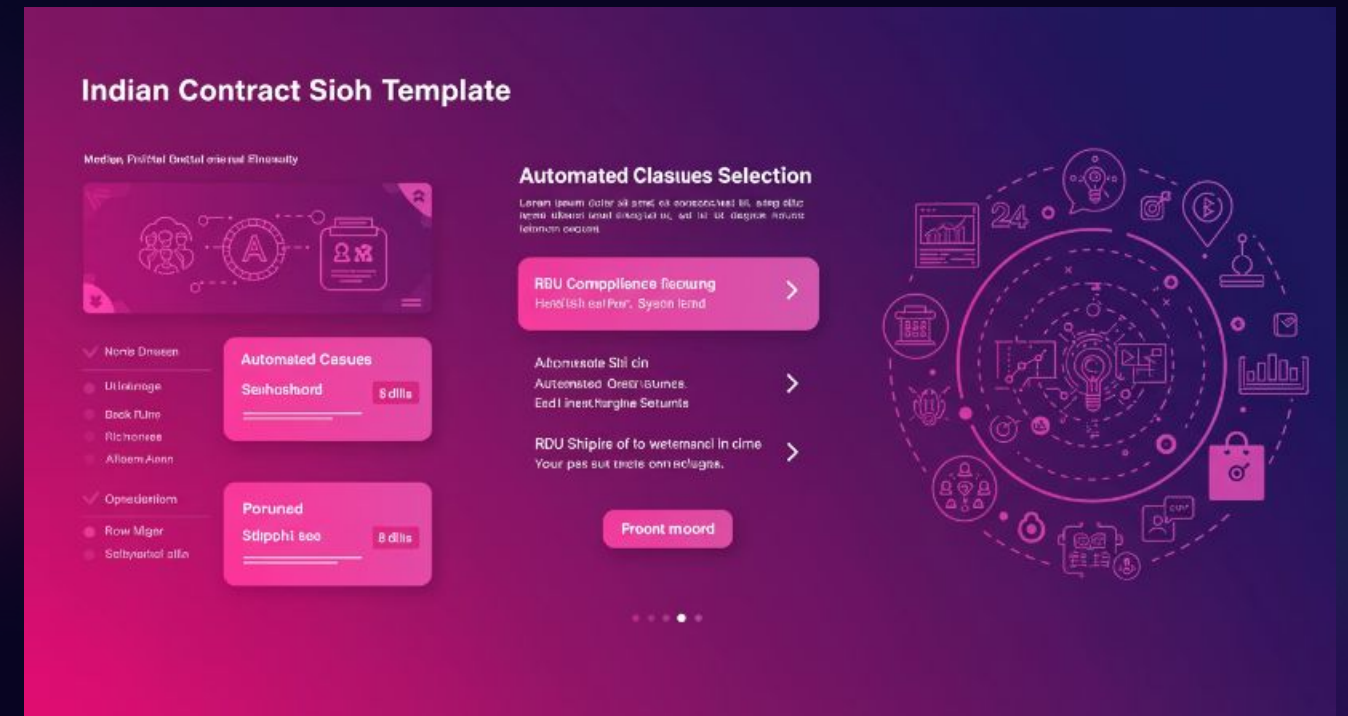
Understanding How Digital Approval Works

Automated Template Selection

The system eliminates manual drafting by instantly selecting RBI-compliant templates tailored to loan parameters (amount, tenure, product type). Pre-built clause libraries ensure all regulatory requirements are met, while dynamic fields auto-fill customer data from existing databases.

Key Features:

- Conditional logic adapts clauses to specific loan scenarios
- Real-time compliance checks for RBI guidelines



Parallel Approval Workflows



Multiple Stakeholders

Legal, risk, operations review simultaneously



Automated Routing

Agreements sent to right teams based on rules



Real-time Alerts

SMS/email notifications to approvers



Escalation Paths

Overdue approvals automatically escalated

Multiple stakeholders (legal, risk, operations) review documents simultaneously instead of waiting for sequential sign-offs. Automated routing sends agreements to the right teams based on predefined rules (e.g., loans over ₹50L routed to senior managers).

Digital Execution



E-Signatures

Legally binding electronic signatures replace physical paperwork

Key Features:

- Aadhaar-based authentication for fraud prevention
- Unified dashboard tracks stamp duty payments



E-Stamping

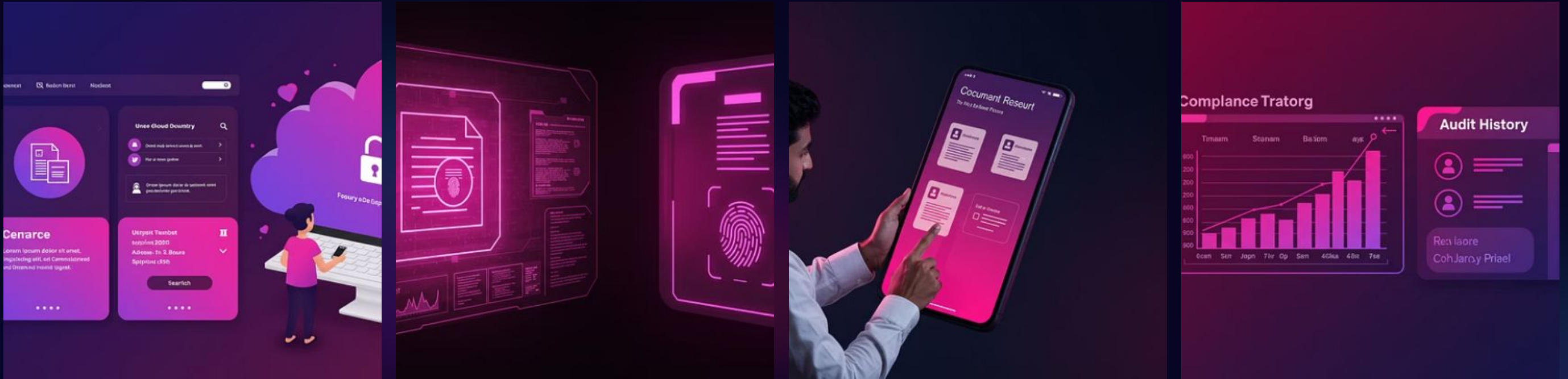
State-specific electronic stamping for full legal compliance



Biometric Verification

Secure authentication prevents fraud and ensures legitimacy

Document Storage & Retrieval



A centralized cloud repository stores executed agreements with military-grade encryption. Advanced search finds documents in seconds using keywords (customer name, loan ID), while automated retention policies delete files per RBI timelines.

Key Features:

- Role-based access (e.g., branch managers view only their region's contracts)
- Audit trails with timestamped user actions

Result: NBFCs reduce approval cycles from 10 days to 45 minutes while ensuring 100% audit readiness.



Diagnostic Checklist: Spot Approval Bottlenecks

Use this 10-point checklist to pinpoint where manual approvals are costing you time and money. Each "NO" flags a potential crores-sized leak.

Diagnostic Criteria	Yes	No
Template Standardization: Do you maintain a central clause library for RBI-mandated terms?		
Automated Routing: Are multi-level approvals routed automatically based on value and risk?		
Digital Stamping & eSign: Can stakeholders sign and legally stamp documents online?		
Mobile Accessibility: Can signatories approve from any location on mobile?		
Real-Time Visibility: Do managers have a dashboard of pending approvals?		



Diagnostic Checklist (Continued)

Diagnostic Criteria	Yes	No
Escalation Mechanisms: Are overdue requests auto-escalated to next approver?		
Audit Trail: Is every action logged with user, timestamp, and reason?		
Reminder Alerts: Are automatic reminders set for pending approvals?		
Compliance Validation: Does the system auto-check for required regulatory clauses?		
Performance Metrics: Are you tracking average approval times and bottleneck causes?		

What This Means for



Slash loan disbursement timelines by 90%, speed up revenue realization



CTO

Seamless integration, no-code deployment



Business Head

Cut churn, boost NPS, scale faster



Legal/GC

Ensure clause compliance, reduce manual errors



NBFC Process Gains

A properly implemented legal automation solution delivers measurable improvements:

Approval Timeline: Manual (3–10 days) → Automated (30–45 mins)

Cost Reduction: ₹80 lakhs/year in operational savings

ROI Performance: 360% ROI over 3 years, payback in just 6 months

Don't Let Another ₹30 Lakhs Slip Through

"NBFCs using SignDesk's digital legal workflow saw 2x faster market expansion and 3x higher customer retention."

Future-Proofing Your NBFC

Adaptability to Regulatory Changes

Stay ahead of RBI updates with agile systems that let you revise compliance templates in minutes. Changes automatically apply to all active and pending documents, eliminating manual rework.

Key Advantages:

- One-click rollout of updated clauses across your portfolio
- Version control ensures audit-ready document histories

Data-Driven Decision Making

Turn approval workflows into strategic assets. Analytics uncover bottlenecks (e.g., 60% delays in tier-3 city approvals) and highlight process gaps.

Key Tools:

- Real-time dashboards tracking cycle times and SLA breaches
- AI-powered insights to optimize workflows quarterly

Competitive Differentiation & Scalability

Competitive Differentiation

Outpace traditional lenders and fintechs by offering same-day loan disbursements. Simplify customer journeys—applicants complete 80% fewer steps versus manual processes.

Key Outcomes:

- 45-minute approvals vs. industry average of 3–7 days
- Reallocate 30% of staff time to cross-selling/innovation

Result: NBFCs using digital approval systems reduce compliance risks by 90% while scaling operations 2x faster than peers.

Scalability for Growth

Support business expansion without process overhauls. Handle monsoon-season loan spikes or launch gold loans in new states with existing systems.

Key Features:

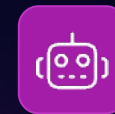
- 3x volume capacity without additional hiring
- Pre-built workflows for new products (e.g., EV loans)

Why SignDesk for Enterprises



India-First Features

GST, e-Stamping, and DPDP Act compliance out-of-the-box.



AI for Indian Contracts

Detects missing clauses in Hindi/English; local risk scoring.



Cost Savings

Recover 7–9% lost revenue; slash contract costs by 60%.



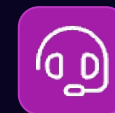
No-Code Workflows

Build approval chains without IT support.



Security

Aadhaar eSign, biometric auth, ISO 27001-certified hosting.



Local Support

24/7 teams in Bengaluru, Mumbai, and Delhi.

What Digital Legal Workflows Deliver in 30 Days

Template Automation

Pre-approved templates with dynamic fields for faster document creation

Integrated eSign

Legally binding electronic signatures with Aadhaar verification

Mobile Approvals

Review and approve documents from any device, anywhere

Centralized Clause Library

RBI-compliant clauses maintained in a single repository

Automated Workflows

Intelligent routing based on loan parameters and business rules

Real-time Audit Trail

Complete visibility into every action for compliance and reporting

Outcome? Loan approval times drop from 10 days to **<45 minutes** ₹80 lakhs saved in operational costs 360% ROI in 6 months

Ready to Move from Draft to Disbursed?

Schedule a Live Demo

See SignDesk's no-code workflows, e-sign, and clause library in action

Customize Your Solution

Tailor the platform to your specific NBFC requirements

Implement and Transform

Transition from manual bottlenecks to digital efficiency

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