

SME Loan Right-First-Time Screener

A Web-Based Pre-Screening Application

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The Current Scenario

SME customers applying for loans are required to submit a comprehensive set of documents, including:

- KYC (Know Your Customer) Documents
- Income Proofs (ITR, P&L, Balance Sheets)
- Business Registration Proofs

Currently, the eligibility check happens manually after submission, often leading to delays if even a single document is missing.



The Problem Statement



Partial Submissions

Customers often submit incomplete document sets, not knowing exactly what is mandatory for their specific category.



High Rejection Rate

Applications are automatically rejected or put on hold due to missing basic information, increasing the "bounce" rate.



Wasted Resources

Branch staff spend valuable time screening ineligible applications instead of focusing on viable credit underwriting.

Project Objectives

- **"Right-First-Time" Approach:** Ensure applications are complete before they enter the system.
- **Simple Checklist:** Provide an interactive, easy-to-understand checklist for the customer.
- **Clear Eligibility:** Instantly clarify SME classification and document requirements upfront.
- **Efficiency:** optimize branch time by automating the initial screening phase.



The Solution: Smart Screener

We developed a web-based pre-screening tool that acts as a gatekeeper for the loan process. It performs a three-step verification in real-time:

- SME Classification:** Calculates category based on financial inputs.
- KYC Verification:** Ensures mandatory identity proofs are present.
- Completeness Check:** Validates Income and Business proofs to determine application readiness.

1. Check SME Classification

Plant & Machinery Inv. (₹ Cr)	Annual Turnover (₹ Cr)
₹ 0.0	₹ 0.0

Result

2. Document Verification

Please check off the documents you have currently available.

MANDATORY KYC	INCOME PROOF	BUSINESS PROOF
<input type="checkbox"/> Business PAN	<input type="checkbox"/> P&L (3 Years)	<input checked="" type="checkbox"/> Registration Doc
<input type="checkbox"/> Owners' PAN	<input type="checkbox"/> Bal. Sheet (3 Yrs)	<input type="checkbox"/> CIN (if applicable)
<input type="checkbox"/> Owners' Aadhar	<input type="checkbox"/> ITR (3 Years)	<input type="checkbox"/> Board List (Pvt)
<input type="checkbox"/> Address Proof	<input type="checkbox"/> Bank Stmt	

3. Application Status

CURRENT STATUS

Action Needed

We cannot proceed without KYC documents. Please upload Identity & Address proofs.

Upload KYC Documents

Accepted Document Types:

- Income:** P&L, Balance Sheet, ITR (3 Yrs) or Bank Stmt
- Business:** Registration Cert, CIN, or List of Directors
- KYC:** PAN (Biz/Owner), Aadhar, Address Proof

Logic 1: SME Classification

The system automatically categorizes the enterprise based on Investment in Plant & Machinery and Annual Turnover.

Category	Investment Limit	Turnover Limit
Micro	Does not exceed ₹2.5 Cr	Does not exceed ₹10 Cr
Small	Does not exceed ₹25 Cr	Does not exceed ₹100 Cr
Medium	Does not exceed ₹125 Cr	Does not exceed ₹500 Cr

Logic 2: Application Status Algorithm

Input Conditions

1. Is KYC Missing?
2. Is Income Proof Missing?
3. Is Business Proof Missing?

Derived Status

- **REJECTED:** If KYC is missing.
- **CONDITIONAL:** KYC + Income present.
- **ON HOLD:** KYC + Business Proof present.
- **READY:** All documents present.

Required Document Checklist



Mandatory KYC

- Business PAN
- Owner's PAN
- Aadhar Card
- Address Proof



Income Proof

- P&L Statement (3 Yrs)
- Balance Sheet (3 Yrs)
- ITR (3 Yrs)
- Bank Statement



Business Proof

- Registration
- CIN (if applicable)
- List of Directors

Technical Implementation

Frontend Architecture

The solution is built using standard web technologies to ensure compatibility across all branch devices.

HTML

Semantic structure for the form and cards.

CSS3 & Bootstrap

Responsive design and status-based color coding (Green for success, Red for error).

JavaScript

Client-side logic for real-time calculation and DOM manipulation without server round-trips.

Expected Outcomes

Operational Efficiency

Drastically reduces the manual effort required by branch officers. By filtering out ineligible applicants early, the bank saves significant man-hours.

Customer Experience

Provides immediate feedback to the applicant. They know exactly what is missing and can correct it instantly, leading to a smoother loan journey.

Conclusion

The "Right-First-Time" Screener effectively solves the problem of incomplete loan applications. It acts as a smart bridge between the customer and the bank's underwriting team.

Thank You!