Corporate Loan Creation
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FINANCIAL SERVICES

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1. Creation of Corporate Loans

1.1 Introduction

The process of creating a corporate loan is initiated when the bank receives a request or an application form along with the relevant documents, from a prospective or existing customer for sanction of credit facilities. The bank captures the customer details and the basic details of the limits requested by the customer.

The bank then undertakes KYC checks and in-principle credit evaluation for the customer simultaneously. Based on these, the bank decides the customer's worthiness for the credit. In case the customer is deemed unfit for receiving the credit, the bank informs the customer of its decision and terminates the process. If the customer is found to be worthy of receiving the credit, the bank hands over the in-principle sanction communication to him. If the customer rejects this offer, the bank terminates the process. If the customer accepts it, the bank completes credit application/proposal and submits the same for corporate credit appraisal.

The bank then performs an elaborate corporate credit appraisal and collateral evaluation (if applicable) and prepares an 'Information Memorandum' for arriving at a credit decision. In case, the bank decides to decline the credit, it informs the customer of its decision and terminates the process. Else, it finalizes the sanction terms. A sanction letter of the credit/facility is then generated and given to the customer.

The bank then obtains the decision of the customer to accept/reject/amend the proposal it offers. If the customer rejects it, the process gets terminated. However, if the customer seeks an amendment in the terms and conditions, the bank checks for the feasibility of the amendment. The bank informs the customer in case an amendment is not feasible and terminates the process. On the other hand, if an amendment is feasible, the bank amends the terms and conditions and sends a revised sanction letter of the credit/facility and obtains the prospect's acceptance of the sanction letter.

On receipt of a customer's acceptance of the sanction letter, the bank identifies the required list of documents to be obtained from the customer and informs the customer accordingly. In case, the list of documents is acceptable to the customer, the bank prepares all the relevant documents which are to be signed by the customer. After validating the documents executed by the customer the bank creates/modifies customer in FLEXCUBE. The bank then undertakes the collateral acquisition process (if applicable) and after successfully acquiring the collateral, updates collateral details and creates limits for the customer. The process ends with the storage of all the original relevant documents.

1.2 Stages in Account Creation

In Oracle FLEXCUBE, the process for creating a corporate loan is governed by several user roles created to perform different tasks. At every stage, the users (with requisite rights) need to acquire the relevant transactions from their task lists and act upon them. Similarly, at different times, the system will make calls to certain web services to process the transaction.

The corporate loan creation comprises the following stages:

- Receive and verify credit application form and other relevant documents
- Input details of application for credit facilities
- Verify the details captured

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- Modify the details captured
- Sub process - Know Your Customer (Corporate) Checks
- Sub process - In-principle Credit Approval
- Generate advice of negative status of sanction of credit facilities
- Deliver/handover the advice of rejection to the customer
- Generate in-principle sanction letter
- Hand over in-principle sanction communication
- Receive customer's response to the offer
- Complete credit application/proposal
- Sub process - Corporate credit appraisal
- Generate advice of negative status of sanction of credit facilities
- Deliver/handover the advice of rejection to the customer
- Sub process - Corporate Collateral Evaluation
- Check for additional/ fresh collateral / offered /lower limit acceptable
- Generate advice of negative status of sanction of credit facilities
- Deliver/handover the advice of rejection to the customer
- Sanction decision for credit facilities
- Generate advice of negative status of sanction of credit facilities
- Deliver/handover the advice of rejection to the customer
- Finalize sanction terms
- Generate sanction letter for corporate loan
- Send sanction letter to customer for acceptance
- Receive customer response
- Check if amendment is feasible
- Generate advice of negative status of sanction of credit facilities
- Deliver/handover the advice of rejection to the customer
- Amend sanction terms
- Generate sanction letter for credit facility
- Obtain acceptance of sanction letter
- Identify list of documents to be signed by the customer
- Generate draft copy of the documents to be signed by the customer
- Apprise customer of list of documents
- Prepare documents
- Obtain customer's signature on the documents
- Validate documents obtained from the customer
- Create customer / modify customer details in FLEXCUBE
- Sub process - Corporate Collateral Acquisition
- Maintain collateral details
- Create Limits
- Sub process - Current account opening
- Sub process -   Corporate Loan account opening
- Store document reference in FLEXCUBE
- Store documents of credit facilities sanctioned

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1.2.1 Saving and Acquiring Tasks

At each stage in the process (parent or sub), after you have specified the details required, you can save the details by clicking the save icon in the toolbar. The following message is displayed.
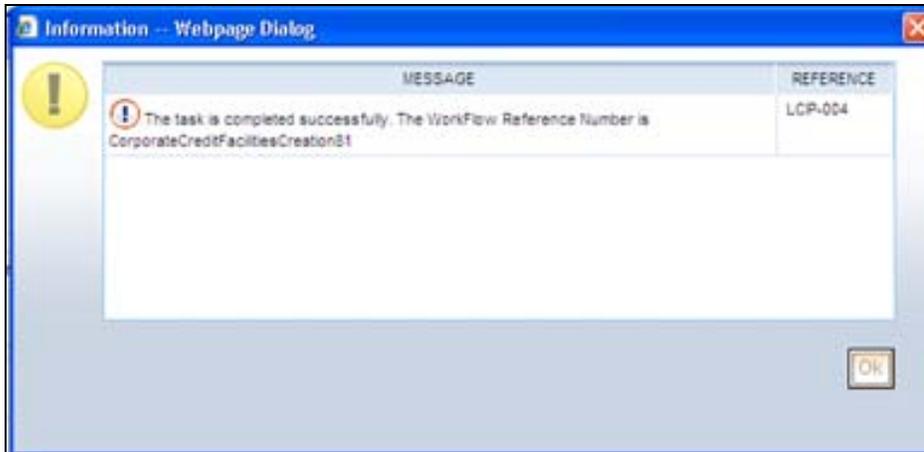
Click 'OK'. You will be taken back to the main screen. Click 'Exit' to exit the screen. On saving the details, based on the roles defined for the user, the system assigns the task. The task is now available in the 'Assigned' queue.

As mentioned earlier, to process a task further, you are required to acquire it. As a user with relevant rights, you can acquire a task by going to the 'Assigned' queue, identifying the required task based on its unique Workflow Reference Number and clicking the 'Acquire' button against it. The following message is displayed.

Click OK. The task is now available in the 'Acquired' queue where you can double-click on it to continue further processing.

1.3 Process Flow Diagram

The following diagram shows the flow and the stages for creating a corporate loan:

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Start

Receive and verify credit application form and other relevent documents

Document missing ?
Yes → Obtain missing documents
No

Input details of application for credit facilities

Verify the details captured

Verification successful ?
No → Modify the details captured
Yes

In-principle Credit Approval

Know Your Customer (Corporate) Checks

Is prospect fit for extending credit ?
No → Generate advice of negative status of sanction of credit facilities → Deliver/handover the advice of rejection to the customer → Terminate
Yes

Generate in-principle sanction letter

Hand over in-principle sanction communication

Receive customer's response to the offer

Customer / prospect's response
Rejects Offer
Accepts Offer

Complete credit application/ proposal

Corporate credit appraisal

Credit worthiness checks passed ?
No → Generate advice of negative status of sanction of credit facilities → Deliver/handover the advice of rejection to the customer → Terminate
Yes

Is collateral involved ?
No
Yes

Corporate collateral evaluation

Fresh additional collaterals offered

Is collateral accepted sufficient ?
No → Check for additional fresh collateral offered /lower limit acceptable → Customer's response ?
Unable to offer fresh additional collaterals /Lower limit not acceptable → Generate advice of negative status of sanction of credit facilities → Deliver/handover the advice of rejection to the customer → Terminate
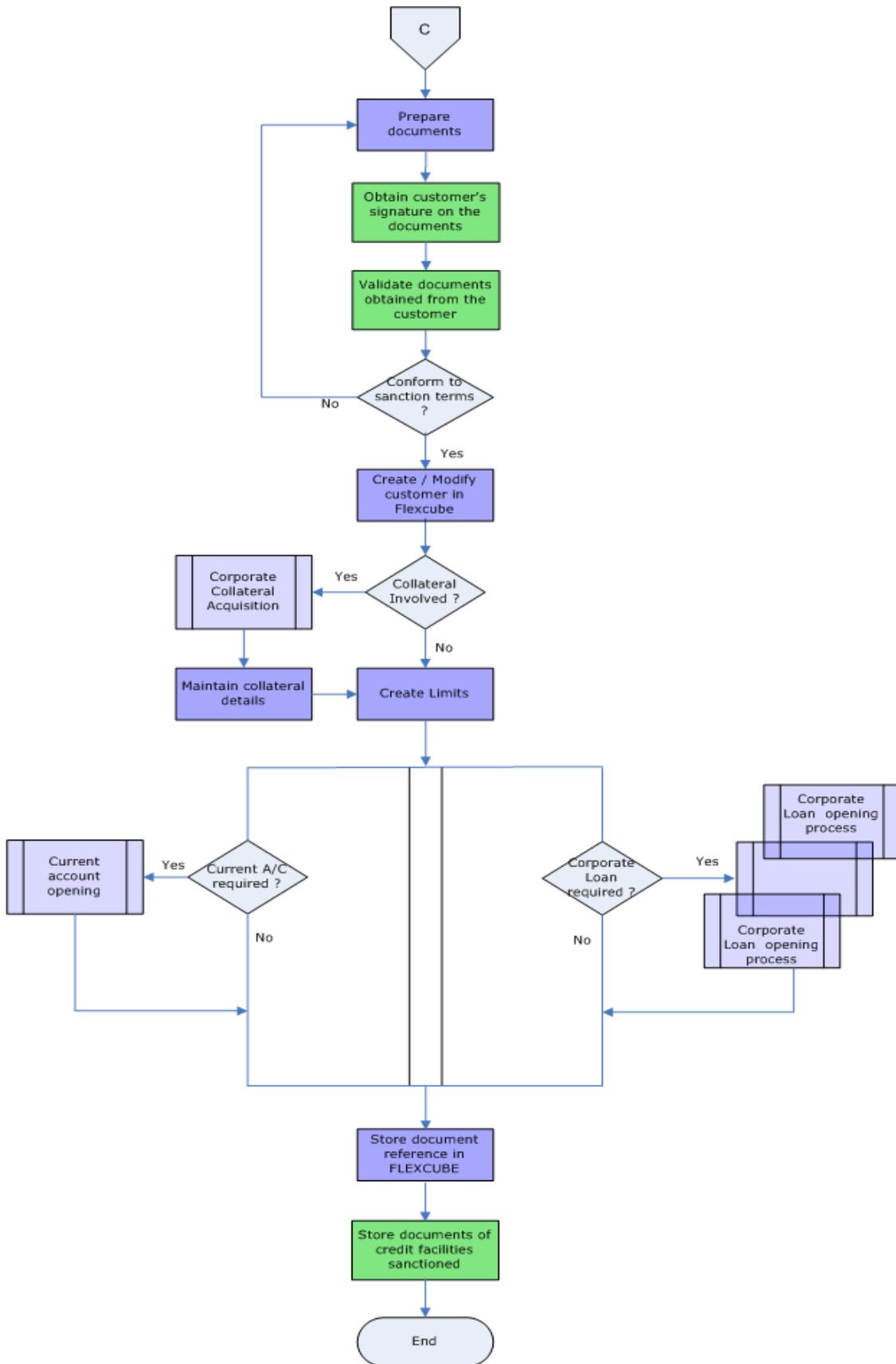Yes

Lower limit acceptable

Sanction decision for credit facilities

Sanction decision ?
Decline → Generate advice of negative status of sanction of credit facilities → Deliver/handover the advice of rejection to the customer → Terminate
Sanction

Finalize sanction terms

Generate sanction letter for corporate loan

Receive customer response

Customer response ?
Rejects sanction letter
Seeks amendment → Check if amendment is feasible
Accepts santion letter

Feasible ?
Yes → Amend sanction terms → Generate sanction letter for credit facility → Obtain acceptance of sanction letter → Sanction letter accepted ?
No → Generate advice of negative status of sanction of credit facilities → Deliver/handover the advice of rejection to the customer → Terminate

Sanction letter accepted ?
Yes
No → Terminate

Identify list of documents to be signed by the customer

Generate draft copy of the documents to be signed by the customer

Apprise customer of list of documents

Documents accepted by customer ?
No
Yes → C

Legend

Computer Aided Human Task

System Task

Human Task

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```
                            ┌─────┐
                            │  C  │
                            └──┬──┘
                               │
                               ▼
                      ┌──────────────────┐
                      │     Prepare      │
                      │    documents     │
                      └────────┬─────────┘
                               │
                               ▼
                      ┌──────────────────┐
                      │ Obtain customer's│
                      │  signature on the│
                      │    documents     │
                      └────────┬─────────┘
                               │
                               ▼
                      ┌──────────────────┐
                      │ Validate documents│
                      │ obtained from the │
                      │     customer      │
                      └────────┬─────────┘
                               │
                               ▼
                         ◇ Conform to ◇
              No        ◇ sanction terms ◇
         ◄─────────────◇       ?        ◇
                         ◇             ◇
                               │ Yes
                               ▼
                      ┌──────────────────┐
                      │   Create / Modify │
                      │   customer in     │
                      │    Flexcube       │
                      └────────┬─────────┘
                               │
                               ▼
  ┌──────────────┐   Yes    ◇ Collateral ◇
  │   Corporate  │◄────────◇  Involved ? ◇
  │  Collateral  │          ◇          ◇
  │  Acquisition │               │ No
  └──────┬───────┘               ▼
         │              ┌──────────────────┐
         ▼              │   Create Limits  │
  ┌──────────────┐      └────────┬─────────┘
  │  Maintain    │───►            │
  │  collateral  │
  │   details    │
  └──────────────┘
```

Current A/C required? — Yes → Current account opening — No

Corporate Loan required? — Yes → Corporate Loan opening process — No

```
                      ┌──────────────────┐
                      │  Store document  │
                      │  reference in    │
                      │    FLEXCUBE      │
                      └────────┬─────────┘
                               │
                               ▼
                      ┌──────────────────┐
                      │ Store documents of│
                      │  credit facilities│
                      │    sanctioned     │
                      └────────┬─────────┘
                               │
                               ▼
                          ┌─────────┐
                          │   End   │
                          └─────────┘
```

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Step 1. Receive and Verify Credit Application Form and Other Relevant Documents

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities.The bank receives an application for sanction of credit limits along with other documents from the customer. If the customer does not have an account, but wishes to open one, the bank also receives the account opening form with its associated documents. The documents are verified against the checklist, which the system defaults, for the respective products.

In this stage, you can:

- Capture basic details like customer information, customer contact information, credit facilities requested by the customer, the list of documents obtained from the customer
- Upload the documents, request etc received from the customer into the system

You can capture the initial details in the 'Facility Creation – Receive and Verify' screen. You can invoke this screen by typing 'LMDCF001' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button. The following screen is displayed:

Specify the following basic details in this screen:

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Workflow Reference

The workflow reference number is generated and remains unique till the last stage.

Priority

Select the priority for the creating the loan from the adjoining drop-down list. This list displays the following options:

- Low
- Medium
- High

The priority selected here is displayed in the Task List screens for all the further stages of the account creation. You can set the preference to list the task according to the priority. For instance, if you prefer to list the tasks in the order of High to Low priority, click the 'Priority' column in the Task List screen. A second attempt of the same would list in the reverse order.

Customer Information

Capture the basic details for the customer here:

Liability ID

Specify the Liability ID of the customer requesting the credit. You can also select the appropriate Liability ID from the adjoining option list. The list displays all the valid Liability IDs maintained in the system.

Customer ID

Specify the Customer ID. You can also select the appropriate Customer ID from the adjoining option list. The list displays all the valid Customer IDs maintained for the Liability ID you have selected.

Customer Name

The customer name is displayed.

Line Details

Capture the basic details of the credit requested by the customer here:

Line Currency

Specify the currency for the requested line. You can also select the appropriate currency from the adjoining option list. The list displays all the valid currencies maintained in the system.

Expected Limit Amount

Specify the amount of credit requested by the customer.

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Purpose

Specify the purpose for which the customer requires the credit.

<u>**Account Details**</u>

Capture the basic account details required for creating a current account for the customer:

Account Currency

Specify the currency of the account. You can also select the appropriate currency from the adjoining option list. The list displays all the valid currencies maintained in the system.

Account Class

Specify the account class to be used by the account. You can also select the appropriate account class from the adjoining option list. The list displays all the valid account classes which are maintained in the system and for which the ATM facility is not enabled.

<u>**Loan Account Details**</u>

You can maintain the different loans for the customer here. The values that you maintain here are defaulted to the 'Loans' tab where you can change them, if required

Product Code

Specify the code for the loan product. The adjoining option list contains all the loan products maintained in the system. Select the required one.

The system displays the Value Date and Maturity Date based on your choice of product.

Currency

Specify the currency for the loan product. The adjoining option list contains all the currency codes maintained in the system. Select the required one.

Amount Financed

Specify the amount that will be financed by the loan.

Interest Rate

Specify the interest rate to be applied for the loan.

1.1. Capturing Customer Details

Click 'Customer Information' button to capture customer details. The following screen is displayed:

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Here you can maintain the following details:

Customer Information

In this section, maintain the following basic customer details:

Customer No

The customer number is displayed here.

Full Name

Specify the full name of the customer.

Short Name

Specify the short name of the customer.

Existing Customer

Check this option, if the selected customer is an existing customer. You can click 'P' button to display the customer details in the 'Customer Details' screen.

Country

Specify the country in which the customer resides.

Nationality

Specify the nationality of the customer.

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Language

As part of maintaining customer accounts and transacting on behalf of your customer, you will need to send periodic updates to your customers in the form of advices, statement of accounts and so on.

Indicate the language in which your customer wants the statements and advices to be generated. The option list positioned next to the language field contains all the language codes maintained in the SMS module. Select the appropriate language.

Customer Category

Specify the category in which the customer belongs. Each customer that you maintain can be categorized under any one of the categories that you have maintained in the system. Select from the option list and indicate the category under which the particular customer is to be categorized.

Contact Person Details

In this section, indicate the contact person's details of the loan being created. Specify the following details:

- Name
- Telephone
- E-mail
- Address

1.2. Capturing Document Details

Click 'Documents' button to upload the documents. The following screen is displayed:

Based on the check list maintained in the 'Document Checklist Maintenance' screen for opening a loan, the document category and document type is defaulted here.

Specify the following details:

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Document Path

Specify the directory location from where the document has to be uploaded.

Upload

After specifying the document path, click 'Upload' button to upload documents.

Once the documents are uploaded, click 'OK' button. You will be taken back to the main screen.

Document Ref Number

The system generates the document reference number on successfully uploading the document. The uploaded documents are stored in document management system.

The system checks the documents uploaded against the existing checklist of documents required for the product. If any is missing, the system displays the appropriate message (error or override) and unless these are addressed, you cannot proceed to the next stage.

You can choose the 'Documents Missing' outcome to indicate that certain documents (or details) that are required are not available. In this case, you are required to specify appropriate remarks. If the required documents have been uploaded, select the outcome 'Proceed'. The task will move to the 'Input Details of Application for Credit Facilities' stage.

If you want to delete any irrelevant documents which are not uploaded in this stage, then select the document category/type which you want to delete and click '-' button. The entire row will be deleted.

Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 2. Input Details for Application for Credit Facilities

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform these activities. In this stage, you can enter the complete details of the credit facilities being sought by the customer, in the 'Facility Creation' screen. This would include:

- Type of facilities requested
- Financial details of the customer
- Collateral Details
- Information on Credit Evaluation
- Information for KYC checks

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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Here, capture the following information for limits:

Line Details

Capture the following details for the line:

Line Code

Specify the code of the Line to which you are linking the liability code. You can then proceed to allocate credit limits for the Line-Liability combination.

Line Serial

Each time you specify a Liability ID - Line Code combination, Oracle FLEXCUBE assigns a unique serial number to the combination.

Main Line Code

Credit lines can be classified into Main lines and Sub-lines. Specify the Main Line Code, if the line you are creating now is a sub-line. You can track your exposure to the credit facilities granted to a customer either at the Main or Sub-line level.

As sub-lines fall under the umbrella of a Main line, they report to the Main line. A transaction with the customer linked to a Credit Line may utilize the Main or the Sub-line limit. Therefore, the utilization of a sub-line is also taken as a utilization of the Main Line to which it is linked.

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You should first define a Main line; thereafter you can specify details for a sub-line for the Main line. You define a sub-line just as you would a main line; the only difference being that for a sub-line you will have to specify the Main line to which you want to have it linked. A credit line becomes a sub-line only when you link it to a Main Line.

Line Currency

Specify the currency in which the Limit is defined. The currency that you select will have the following implications:

- The limit amounts that you specify for this Line-Liability combination are taken to be in this currency (line currency)
- The line that you are defining will be available for Utilization only in the line currency, unless you specify otherwise under Currency Restrictions in this screen

If the limit allotted to this Line-Liability combination can be utilized by accounts and transactions in currencies other than the limit currency, the limit utilization will be arrived at by using the mid rate for the currency pair as of that day.

 You can open a sub-line in a currency other than the currency of the main line to which it is linked. The transaction amounts are converted using the mid rate from the currency table as of the transaction date of the contract

Expected Limit Amount

Specify the amount expected by the customer under this facility.

Purpose

Specify the reason for which the facility has been created.

Currency Restrictions

Check this option to indicate that only accounts and transactions in the line currency can utilize the limit. If you make the line available in all currencies i.e., you do not check currency restrictions for it, the accounts or transactions linked to this line can utilize it irrespective of the currencies they involve.

Revolving Line

A revolving credit line indicates that a repayment of the utilized credit should increase the credit limit of the customer by the same amount.

Effective Line Amount Basis

Define the drawing power of line and the basis for the effective line amount calculation, from the adjoining drop-down list. The options are:

- Limit Amount + Collateral
- Limit Amount
- Min of Limit Amount & Collateral

Internal Remarks

Specify remarks that you wish to associate with this line.

Amount Details

Capture the following amount details here:

Line Amount

Specify the credit limit that is available for the customer, under this line. This is in order to limit your exposure to a customer linked to a line code and is taken to be in the currency you specified as the Line Currency.

If you are specifying limits for a main line the limit amount should be less than or equal to the overall credit limit specified for the Liability code. If you are specifying a limit for a sub-line, the sum of all the limits set for the sub-lines can exceed the limit set for the main line to which they are linked. However at any point in time, the utilization of the sub-lines should not exceed the limit set for the main line.

Collateral Amount

The collateral amount is displayed by the system based on the collateral pools linked for this Line-Liability ID combination

Effective Line Amount

The effective line amount is calculated based on the effective line amount basis. For example, if the effective line amount basis is Limit Amount+ Collateral contribution, then the sum of the limit amount entered and the collateral contribution is taken to arrive at the effective line amount.

Availability Details

Capture the following availability details here:

Start Date

Specify the date on which the line becomes effective. You can make the line you are defining available for a specific period by defining a start and expiry date of this period. Today's date is defaulted; however you can specify the start date to be a date in the past or future.

Expiry Date

Specify the date from which the line ceases to be effective and therefore cannot be used. Accounts and contracts linked to this line can use it only up to one day before the expiry date.

🛑 The date you enter should be later than or equal to the start date specified for the line.

Last Available Date

You can disallow fresh utilization under this credit line after the Last Available Date.

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This implies that the customer(s) linked to a credit line have to utilize the limit assigned to it before this date. After this date, the credit line becomes unavailable even if there is a balance left unutilized. After the last date that you specify for a credit line, the line code will not appear in any of the option list of the contract screens; indicating that the line is not available for utilization.

Tenor Restriction Details

Capture the following details here:

Tenor

Specify the tenor restriction.

Days

Specify the number of days the limit should be available to the customer.

Limit

Specify the limit for the duration.

Utilization

The system displays the utilization for the Tenor specified.

To capture pool and collateral details for the customer, click 'Pool' tab.

Capture the following details here:

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Pool Details

Capture the following pool details for the customer:

Pool Code

Specify a unique name/code to the Collateral pool being created.

Pool Description

Specify a relevant description for the pool.

Pool Currency

Select the currency for the pool from the adjoining option list. The list displays all the currencies maintained in the system.

Pool Amount

Specify the pool amount.

Collateral Linkage Details

Capture the following collateral details for the customer:

Type

For non-marketable collaterals, select the type of security that your bank is accepting as collateral. For marketable collaterals, the type is defaulted once the security code is chosen

Collateral Code

Specify the code of the collateral for which you are maintaining details.

Description

Enter a detailed description of the collateral here. This description is only for the internal reference of your bank and will be retrieved each time you seek details of this Collateral Code.

Collateral Type

Select the collateral type to indicate whether the collateral is a deposit, account, export LC or guarantee or any other type of collateral.

Currency

In addition to specifying the linked amount you also have to indicate the currency of the pool. This is essential because the collaterals linked to a pool can be in different currencies.

Collateral Amount

Specify the value of the collateral you are linking.

Offset Margin (%)

Offset margin maintained at the Collateral type level will be defaulted at the Collateral maintenance level based on the Collateral type selection. However the defaulted value for Offset margin can be changed.

Lendable Margin (%)

Lendable margin maintained at the Collateral type level will be defaulted at the Collateral maintenance level based on the Collateral type selection.

However the default value for Lendable margin can be changed. On input of Lendable margin, Offset margin will automatically be calculated as 100 - lendable margin and vice versa. What ever is input last will force the final calculation of the other margin as well as the collateral contribution

Limit Contribution

Based on the lendable margin and offset margin percentages specified, the contribution of this collateral to the credit limit is automatically calculated by the system and displayed here.

Linked Amount

You have to indicate whether the pool contribution amount is less than or equal to the collateral amount. Hence, for every collateral that you choose to include in the pool, you can indicate whether the entire collateral amount or only a part it should contribute towards the pool amount.

Linked Percentage Number

Specify the percentage contribution of a collateral towards the pool. It can add up to a maximum of 100%. However, if you specify a percentage value more than the available percentage of the collateral (in case the same collateral is used in some other pool), then system will display an error message.

Based on this percentage contribution the system calculates and displays the linked amount. Alternatively, if you specify the linked amount then the system will derive and display the linked percentage.

Start Date

You may want to consider a security as collateral for a particular period. The collateral is considered effective during this period. Specify the start date of this period.

End Date

The end date that you specify indicates the date on which the collateral ceases to exist. On the expiry date that you specify for a collateral, the credit limit under the line which the collateral backs will be reduced by the amount that the collateral contribution to the line.

Revision Date

Specify the date on or before which you want to revise the details specified for the collateral code. Fixing this date will enable you to evaluate the collateral on a periodic basis.

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The details that you specify for a collateral code will continue to remain effective after this date if you do not revise them on the day it is due.

To capture details for credit scores, click 'Credit Score' tab. You are required to maintain categories, rules and link them to the CL process flows to facilitate the capturing of data in this screen. The maintenances, which are explained later in this manual, are:

- Creation of Credit Rating Categories
- Definition of Credit Rating Rules
- Linkage of Processes and Rules

You can capture the following details here:

Rule Details

Specify the following rule details:

Rule ID

Specify the Rule ID that you wish to link for the facility. The adjoining option list contains all the rules maintained in the system. Select the required one.

Rule Description

The system displays the rule description.

Credit Score Details

Specify the following details to calculate the credit score

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Category

Specify the Category for which you require questions. The adjoining option list contains all the categories maintained in the system. Select the required one.

Question

Specify the question to be answered. You can also select it from the adjoining option list for the category selected.

Answer

Specify the answer to the question.

To capture the data required for evaluation of the customer's debt, click 'Debt Evaluation' tab. The details of this tab provide information to analyze the financial strength of the customer.

You can capture the following details here:

Context

Specify the purpose for which the debt evaluation details are required.

Currency

Specify the currency for the financial details.

Asset Details

Specify the following asset details for the customer:

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- Fixed Assets
- Intangible Assets
- Non Current Assets
- Current Assets

Reserves

Specify the following reserves, if any, that the customer holds:

- Subsidy from Govt
- General Reserves

Liabilities

Specify the liabilities for the customer:

- Term Liabilities
- Current Liabilities

Capital

Specify the details of capital for the customer

- Issued Capital
- Paid-up Capital

Surplus Details

Credit Balance in P/L Account

Cash Flow Details

Specify the cash flows used for the following:

- Operations Activities
- Investing Activities
- Financing Activities

To capture additional details for the credit application, click 'Credit Application' tab.

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Context

Specify the purpose for which the debt evaluation details are required.

You can enter any of the following details that you wish to maintain for the customer here:

- Borrower Profile
- Financial Performance
- Borrower Market Position
- Risk and Mitigants
- Risk Department Assessment
- Facilities Proposed
- Approved Facilities
- Recommendations
- Terms and Conditions

To capture details of the loan, click 'Loans' tab.

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The details you captured in the ' Facility Creation – Receive and Verify' stage are displayed here. The data is also displayed at the time of creating a corporate loan.

To capture account details, click 'Account' tab. These details pertain to current account for the customer and are displayed at the time of creating a current account.

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You can capture the following details here:

<u>**Account Details**</u>

Account Currency

Select the currency for the account. The adjoining option list contains all the account currencies maintained in the system. Select the required one.

Account Class

Specify the account class.

You can capture detailed data relating to the customer in the 'Customer Details' screen. To invoke this, click the 'Customer' button.

2.1. Capturing Customer Details

Click the 'Customer' button to invoke the 'Customer Details' screen. The screen is displayed below:

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In this screen maintain the following customer details:

Customer Information

In this section, specify the basic information of the customer.

Customer No

Specify the customer number for whom the facility is being created. You can also select the appropriate customer from the adjacent option list. The list displays all the valid and authorized customers maintained in the system.

Full name

The full name of the selected customer is displayed.

Short Name

Along with the Customer Code you have to capture the customer's abbreviated name. The description that you capture is unique for each customer. It helps in conducting a quick alpha-search or generating queries regarding the customer.

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Existing Customer

If the customer is the existing customer, then this field is checked and you cannot edit the same.

Country

Specify the country in which the customer resides. You can also select the appropriate country from the adjacent option list. The list displays a list of countries maintained in the system.

Nationality

Specify the nationality of the customer. You can also select the nationality of the customer from the adjacent option list. The list displays a list of countries maintained in the system.

Language

As part of maintaining customer accounts and transacting on behalf of your customer, you will need to send periodic updates to your customers in the form of advices, statement of accounts and so on.

Indicate the language in which your customer wants the statements and advices to be generated.

Customer Category

Specify the category in which the customer belongs. You can also select the appropriate customer category from the adjacent option list and indicate the category under which the particular customer is categorized. Each customer that you maintain can be categorized under any one of the categories that you have maintained in the system.

Click 'Main' tab to input the following contact details of the customer:

- Name
- Telephone Number
- Email ID
- Address

Existing Bank Account Details

If the customer is an existing bank customer, then specify the following details:

Bank Name

Specify the name of the bank in which the customer is holding an account.

Branch

Indicate the name of the bank's branch in which the customer is holding an account.

Account Type

Specify the type of account the customer is holding.

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Account No

Specify the existing account number of the customer.

Visiting Frequency

Specify the number of times the customer visits or transacts with the existing bank.

If the customer is a corporate customer, then click 'Corporate' tab. The following screen is displayed:

Here, specify the following details of the corporate:

Registration Address

Specify the registration address details of the corporate.

Country

Specify the country where the corporate is registered. You can also select the appropriate country from the adjacent option list. The list displays all the valid countries maintained in the system.

Name

Specify the full name of the main office of the Corporate/Bank customer.

National ID

Specify the corporate National Identification Number of this customer, in other words the registration number of your customer organization.

Description of Business

Specify the nature of the business and the business activities carried out by the customer organization.

<u>Incorporation</u>

Specify the following incorporation details of the corporate:

Date

Specify the date on which the customer's company was registered as an organization.

Capital

Specify the capital of the corporate.

Net Worth

Specify the net worth of the corporate.

Currency of Amounts

Specify the currency in which you specify the particular customer's various financial details like the Net worth of the customer organization, the total Paid Up capital etc.

Country

Specify the country in which the corporate is incorporated.

If the customer is a corporate, then maintain the director details. Click the 'Directors' tab. The following screen is displayed:

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Here, you can maintain the following details of the directors:

- Director's Name
- Telephone Number
- Tax ID
- Mobile Number
- E-mail
- Permanent address details
- Correspondence address details

2.2. Capturing Signatory Details

Click 'Account Signatory' button to invoke the 'Customer Signatory Details' screen.

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Customer Signatory Details -- Webpage Dialog

Signature

| Customer No * | 001000104 | Branch Code | 001000104 |
| Name | | | |

1 of 1   Go to Page

Customer Signatory Details

Signature ID *	Signature Title

Image

Exit
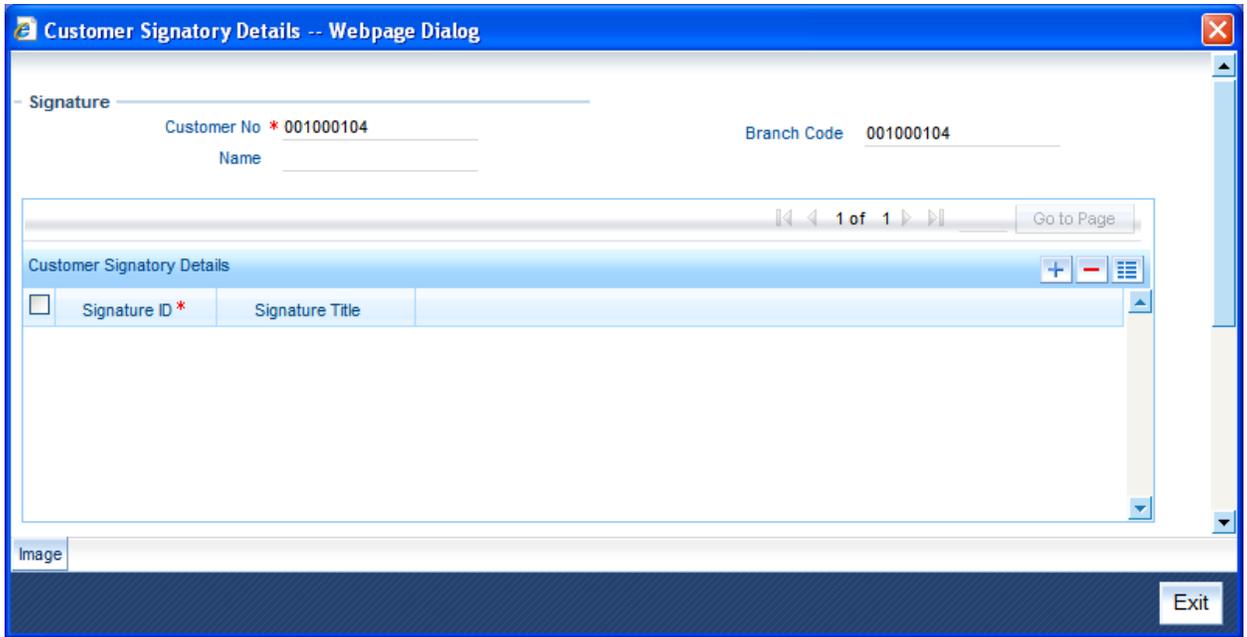
Refer the 'Signature Verify' User Manual for further details.

The system performs all the necessary checks and allows you to the next stage only when all errors (or warnings) have been resolved. You can go to the next stage by selecting the outcome 'Proceed'.

Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 3. Verify the Details Captured

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities.In this stage, you can check all the data that you have collected in the previous stage and update remarks, if required.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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Select the outcome 'Approved' to indicate that the information is accurate and proceed to the 'In-principle Credit Approval' and 'Know Your Customer (corporate) Checks' stage. In case changes are required, select 'Rejected' and the task will move to the 'Modify the Details Captured' stage.

Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 4. Modify the Details Captured

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform these activities. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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The system performs the usual validations and allows you to proceed only if all the errors/warnings have been resolved. You can modify all the editable fields and update the remarks, if required. To go to the next stage, select 'Proceed' as the outcome.

Click the save icon in the tool bar to save the details. The task moves to the 'Verify the Details Captured' stage.

4.1. Sub process: Know Your Customer (Corporate) Checks

After verification of the facility creation details, the KYC sub-process is carried out for both existing and prospective customers. In case of the former, a check is carried out only if the modifications are significant. Any failure in the process leads to the concerned regulatory authorities being informed. The sub-process also passes on the result of the checks ('Passed/Failed') to the parent process which then decides on further processing.

Refer the Current Account Creation User Manual for details about the process

4.2. Sub Process: In-principle Credit Approval

After verification of the facility creation details, the In-principle Credit Approval sub-process is carried out. It involves performing high level project / business viability analysis, financial analysis and also credit risk grading for the corporate customer in order to take an in-principle credit approval decision for the proposal of the corporate customer.

The Process Flow is given below:

ORACLE
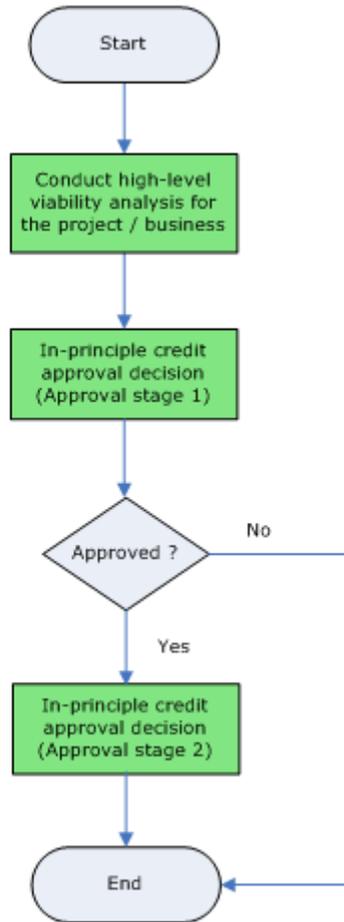
The process comprises the following stages:

- High-level viability analysis for the project / business
- In-principle credit approval decision (Approval stage 1)
- In-principle credit approval decision (Approval stage 2)

These are explained in detail below:

4.2.1.Conduct High-level Viability Analysis for the Project / Business

Users belonging to the user role 'CAMROLE' (Credit Appraisal Manager) can perform these activities.

The bank conducts high-level viability analysis for the project / business. This involves assessing all the financial and legal aspects of the project/ business for which the funds have been requested by the corporate client. This means assessing the project based on technical feasibility and economic viability.

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The bank also analyzes the financial details of the borrower as part of this activity. High level analysis of the financial statements including the balance sheet is undertaken to verify / assess the loan requirements of the customer. The bank arrives at the credit grade, computed on the basis of all the information collected from the analysis. The credit risk-grading matrix allows the bank to have a common standardized approach to assess the credit requirements of a corporate borrower.

The bank prepares a note for submission to appropriate authorities indicating the details such as whether to lend or not, the lending price, the extent of exposure, the appropriate credit facility, the various facilities the various risk mitigation tools to put a cap on the risk level, etc.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

In this screen, as a user, you will be able to view all the data that has been collected to conduct the high-level viability analysis and enter any remarks that you think necessary. Select 'Proceed' to move to the next stage.

Click the save icon in the tool bar to save the details. The task is moved to the next stage.

4.2.2.In-principle Credit Approval Decision (Approval stage 1)

Users belonging to the user role 'CAMROLE' (Credit Appraisal Manager) can perform these activities. Based on the project / business viability analysis, financial analysis and the credit risk grading for the customer, the bank will take an in-principle decision for considering the proposal.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

Here, you can view the data available , update comments and indicate your decision by choosing 'Approved' to move to the 'In-principle Credit Approval Decision (Approval Stage 2) or 'Rejected' where the result is passed on to the main process for further processing.

Click the save icon in the tool bar to save the details. The task is moved to the next stage.

4.2.3.In-principle Credit Approval Decision (Approval stage 2)

Users belonging to the user role 'RCHROLE' (Risk and Control Head) can perform these activities.Based on the approval decision (Approval stage 1) and also based on the project / business viability analysis, financial analysis and the credit risk grading for the customer, the bank will take an in-principle decision (Approval stage 2) for considering the proposal.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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In this stage too, you can view the data available , update comments and indicate your decision by choosing 'Approved' (to move the process on to the next stage) or 'Rejected' (to indicate rejection of the proposal). This result is passed on to the parent process for further processing.

Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 5. Generate Advice of Negative Status of Sanction of Credit Facilities

Based on the KYC checks and In-principle credit approval results, if the customer is not found fit for the credit he has requested, the bank generates advice of rejection of request for sanction of credit facilities for the customer. This contains the reasons for rejection of the request. The generation of this advice is done by a system task which calls a report generator web service and passes the data necessary for generation of advice to it.

Step 6. Deliver/Handover Advice of Rejection to the Customer

Users belonging to the user role 'COMROLE' (Corporate Operations Manager) can perform these activities.After the advice of rejection is generated, the bank delivers it to the customer and terminates the process.

Step 7. Generate In-principle Sanction Letter

Based on the results of the KYC Checks and the In-principle Credit Approval stages, if the customer is found to be fit for credit sanction, the bank generates the in-principle sanction letter, if the customer proposal is found acceptable. The generation of this advice is done by a system task which calls a report generator web service and passes the data necessary for generation of advice to it.

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Step 8. Hand over In-principle Sanction Communication

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. In this stage, the bank gives the in-principle sanction generated in the previous stage to the customer.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

In this screen, select 'Proceed' as the outcome to continue with the process. Click the save icon in the tool bar to save the details. The task now moves to the 'Receive Customer Response to the Offer' stage.

Step 9. Receive Customer Response to the Offer

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities.In this stage, the bank acknowledges the response received from the customer to the terms of credit offered to him by the bank.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

Here, you can capture additional remarks, if any are required. Select the outcome 'Accepted' to indicate a customer acceptance for the terms set by the bank and move to the 'Complete Credit Application/Proposal' stage. Select 'Rejected' to terminate the credit sanction process for the customer.

Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 10.Complete Credit Application/Proposal

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. In this stage, if the customer has accepted the bank's terms for the credit proposal, you can complete the details of the proposal and sends it for credit assessment.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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Here, you can input data remarks that you wish to maintain. Select the outcome 'Proceed' . Click the save icon in the tool bar to save the details and go on to the next stage which is Corporate Credit Appraisal.

10.1. Sub Process: Corporate Credit Appraisal

After completing the credit application, the system carries out a corporate credit appraisal. This sub-process involves assessing all the aspects of the creditworthiness of a corporate customer. These consist of the assessing the customer on the following parameters:

- The character of the customer i.e. past credit history
- The capacity of the customer i.e. repayment capability based on all forms of income
- The net worth of the customer

If the customer is found to be creditworthy, a decision to grant the required credit is taken. If not, the application is rejected. This process also includes the pricing of the corporate loan.

The Process Flow is given below:

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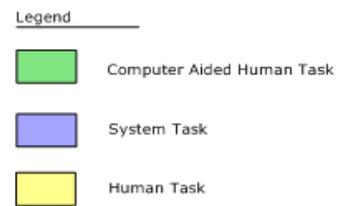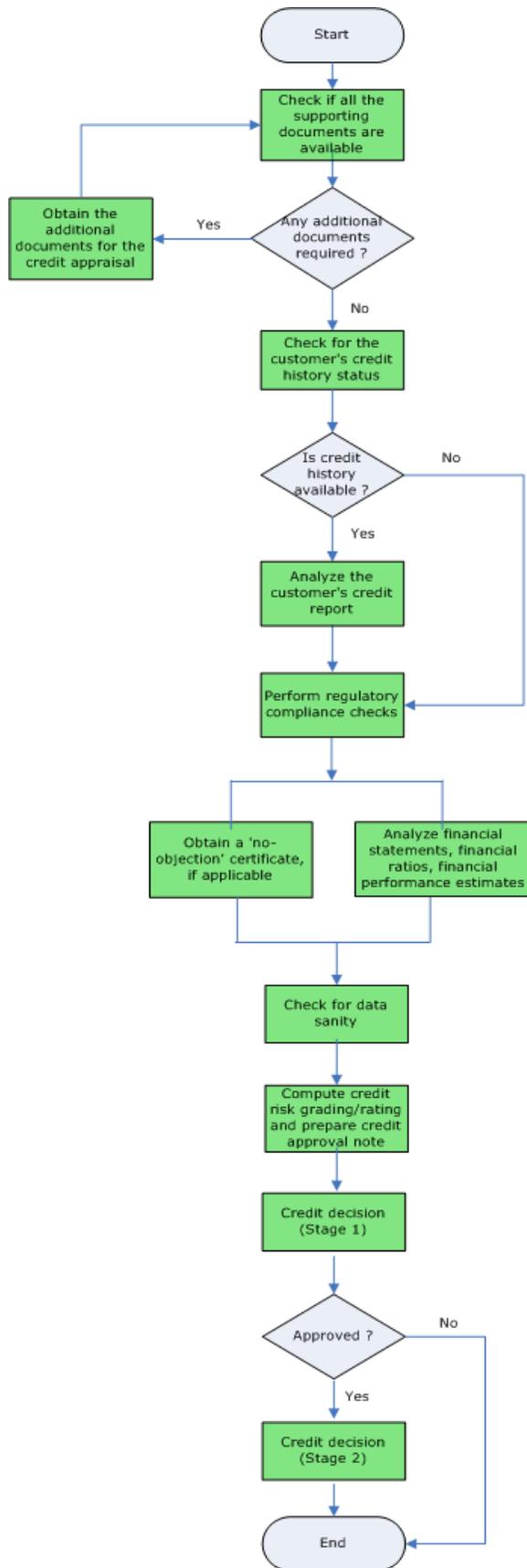
The Corporate Credit Appraisal sub process has the following stages

- Check if all the supporting documents are available
- Obtain the additional documents for the credit appraisal
- Check for the customer's credit history status
- Analyze the customer's credit report
- Perform regulatory compliance checks
- Analyze financial statements, financial ratios, financial performance estimates
- Obtain a 'no-objection' certificate, if applicable
- Check for data sanity
- Compute credit risk grading/rating and prepare credit approval note
- Credit decision (Stage 1)
- Credit decision (Stage 2)

These are explained in detail below:

10.1.1. Check if all the Supporting Documents are Available

Users belonging to the user role 'CAMROLE' (Credit Appraisal Manager) can perform these activities. In this stage, you can view and verify all details relating to credit facility, collateral, customer, credit evaluation and document details. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can specify additional remarks that you require. If all supporting documents are available and in order, select the outcome 'Proceed' else select 'Document Missing'. Click the save icon in the tool bar to save the details.

The system checks if any additional documents are required. If yes, it will proceed to the 'Obtain additional documents for credit appraisal' stage else it will proceed to 'Check for the customer's credit history status' stage.

10.1.2. Obtain Additional Documents for Credit Appraisal

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. As part of this stage, you can obtain additional (or missing) documents that you require from the customer to aid the credit appraisal process.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:
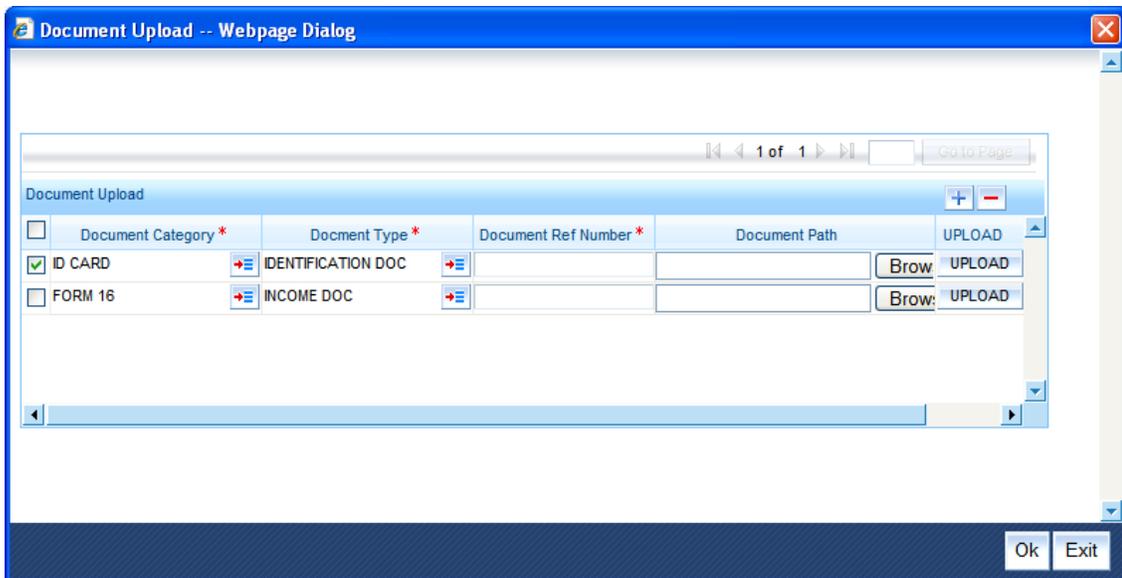
Refer the details specified in Capturing Document Details stage for details about the screen

After uploading the requisite documents, select the outcome 'Proceed' . Click the save icon in the tool bar to save the details. The system checks if all supporting and additional documents are in order. If they are, the task is moved to the next stage.

10.1.3. Check for the Customer's Credit History Status

Users belonging to the user role 'CAMROLE' (Credit Appraisal Manager) can perform these activities. The analysis pertaining to the past credit history of the customer is carried out in this stage. If the customer has mentioned a past credit history in his application, the bank gets these details from a third party agency/credit information bureau.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view and verify all data relating to credit facility, collateral, customer, credit evaluation and document details.You can also capture the requisite comments that you wish to maintain. To proceed to the next stage, select the outcome 'Available'. The process moves to 'Analyze the customer's credit report' stage. If you select 'Unavailable', the process moves to the 'Perform regulatory compliance checks' stage. Click the save icon in the tool bar to save the details. The task is moved to the one of the stages mentioned above.

10.1.4. Analyze the Customer's Credit Report

Users belonging to the user role 'CAMROLE' (Credit Appraisal Manager) can perform these activities. The bank compares the credit summary provided by the customer with the report provided by the credit bureau to see if the two match. It also analyzes the past history for the customer for debt repayments and in case the proposal is meant for an existing customer, it also can study the relationship history.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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Credit Appraisal- Analyze Credit Report -- Webpage Dialog

Workflow Reference # CorporateCreditFacilitiesCreation241   Priority Low

Customer No CHO001281
Customer Name BARCLAYS

Credit Score | Debt Evaluation | Credit Application

Rule Details — Grade Details

Rule ID CORPORATE1   Grade
Default   Final Score
Context * HOME LOAN

1 of 1

Credit Score Details

	Category	Question	Answer	Score	
☑	SALARY	SALARY	400000	10	
☐	INCOME TAX	INCOME TAX	400000	10	

Documents

Prev Remarks   Remarks   Audit   Outcome PROCEED   Exit

You can view and verify all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

10.1.5. Perform Regulatory Compliance Checks

Users belonging to the user role 'CMROLE' (Compliance Manager) can perform these activities. In this stage, analysis is done to see if the customer meets internal and regulatory guidelines. The parameters that could be assessed are:

- Borrower/Corporate group limits
- Sector lending caps
- Discouraged business segments
- Facility parameters such as maximum size, tenor

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view and verify all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed'. The bank analyzes the financial data in the 'Analyze financial statements, financial ratios, financial performance estimates' stage and if necessary, gets a no-objection certificate in the 'Obtain a No-objection certificate' stage.

Click the save icon in the tool bar to save the details. The task is moved to the next stage.

10.1.6. Analyze Financial Statements, Financial Ratios, Financial Performance Estimates

Users belonging to the user role 'CAMROLE' (Credit Appraisal Manager) can perform these activities. In this stage, an in-depth analysis of the customer's financial data for the previous three years is carried out. The statements that are analysed are:

- Balance Sheets – the extent of capital and reserves, the amount of fixed assets, investments, major liabilities especially those where assets have been offered as collateral
- Profit/Loss Statements – earnings, current assets – cash, stock etc, inventory analysis, account receivables
- Cash Flow Statements – sources and uses of cash and debt-servicing capability

As part of ratio analysis, the following ratios are considered:

- Debt service coverage

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- Current & Quick
- Return on Assets

Apart from this, the projected financial statement can also be compared with the existing financials to determine the consistency of past data and as part of the specific assessment of the project for which funds have been requested, the bank performs the following analysis:

- Technical feasibility
- Economic viability
- Business risk analysis
- Industry risk analysis
- Supplier / buyer analysis
- Guarantor analysis

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view and verify all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the 'Data sanity' stage.

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10.1.7. Obtain a 'No-objection' Certificate, if applicable

Users belonging to the user role 'CAEROLE' (Credit Appraisal Executive) can perform these activities. In this stage, a 'no-objection' certificate is sought from the other existing bankers for the customer. This is to ensure that they do not have any objection to the bank extending/ sanctioning credit to the customer.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view and verify all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the 'Data sanity' stage.

10.1.8. Check for Data Sanity

Users belonging to the user role 'CAMROLE' (Credit Appraisal Manager) can perform these activities. This stage is used to detect obvious inconsistency in the data captured for credit appraisal for instance, if the credit history data from an independent bureau does not match the details obtained from the client. This would imply that extra care should be taken before sanctioning the limit.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view and verify all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

10.1.9. Compute Credit Risk Grading/Rating and Prepare Credit Approval Note

Users belonging to the user role 'CAMROLE' (Credit Appraisal Manager) can perform these activities. In this stage, based on the information available, the bank derives the credit rating score for the customer. The bank then prepares a credit note (Information Memorandum in case of syndicated loans) for submission to the appropriate authorities. Among other things, the note can contain the following details:

- Decision on lending
- Lending price
- Extent of exposure
- Facilities offered
- Tools for risk mitigation

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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Apart from the data relating to credit facility, collateral, customer, credit evaluation and document details, you can view the following values in the Credit Score tab:

- Grade
- Final Score

And in the 'Debt Evaluation' tab, you will be able to view the debt ratio derived by the system. You can update remarks, if you wish. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

10.1.10. Credit Decision (Stage 1)

Users belonging to the user role 'CAMROLE' (Credit Appraisal Manager) can perform these activities. In this stage the bank weighs the data in hand for the customer (risk grading, the certificate provided by the other bankers) and the revenue that the customer would generate for the bank before deciding on the loan.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view and verify all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Approved' if you wish to carry the process forward, else select 'Rejected'. In case of approval, the task moves to the 'Credit Decision (Stage 2)' or else the Corporate Credit Appraisal sub process passes the result to the parent process.

Click the save icon in the tool bar to save the details. The task is moved to the corresponding stage.

10.1.11. Credit Decision (Stage 2)

Users belonging to the user role 'RCHROLE' (Risk and Control Head) can perform these activities. The bank decides whether sanction ought to be given to the customer or not.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view and verify all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Approved' if you wish to carry the process forward, else select 'Rejected'. Click the save icon in the tool bar to save the details. The result is sent to the parent process for further processing.

Step 11. Generate Advice of Negative Status of Sanction of Credit Facilities

If the customer has not passed the corporate credit appraisal, the bank generates advice of rejection of request for sanction of credit facilities for the customer which contains the reasons for rejection of the request. The generation of this advice is done by a system task which calls a report generator web service and passes the data necessary for generation of advice to it.

Step 12. Deliver/Handover Advice of Rejection to the Customer

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. In this stage, after the advice of rejection is generated, the bank delivers it to the customer and terminates the process. The system performs all the necessary validations.

The task is moved to the 'Corporate collateral evaluation' sub-process.

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12.1.   Sub Process:Corporate Collateral Evaluation

If the customer is found to be creditworthy, the bank checks whether collateral is required for the loan amount requested. If so, the collateral offered by the client is assessed during this process. The criteria for the assessment are:

- Clear ownership of collateral
- Current market value and re-sale value
- Safety – kind of asset (physical/dematerialized), insurance

If the collateral is found to be sub-standard, it is immediately rejected. If the collateral is acceptable but the value is lower than the credit requested, the bank may reduce the amount of finance for the project. If the collateral is valued higher than the credit requested, it is accepted.
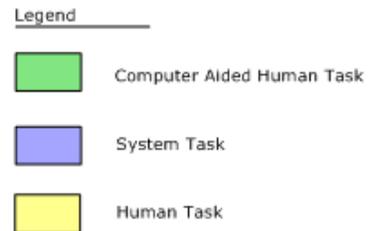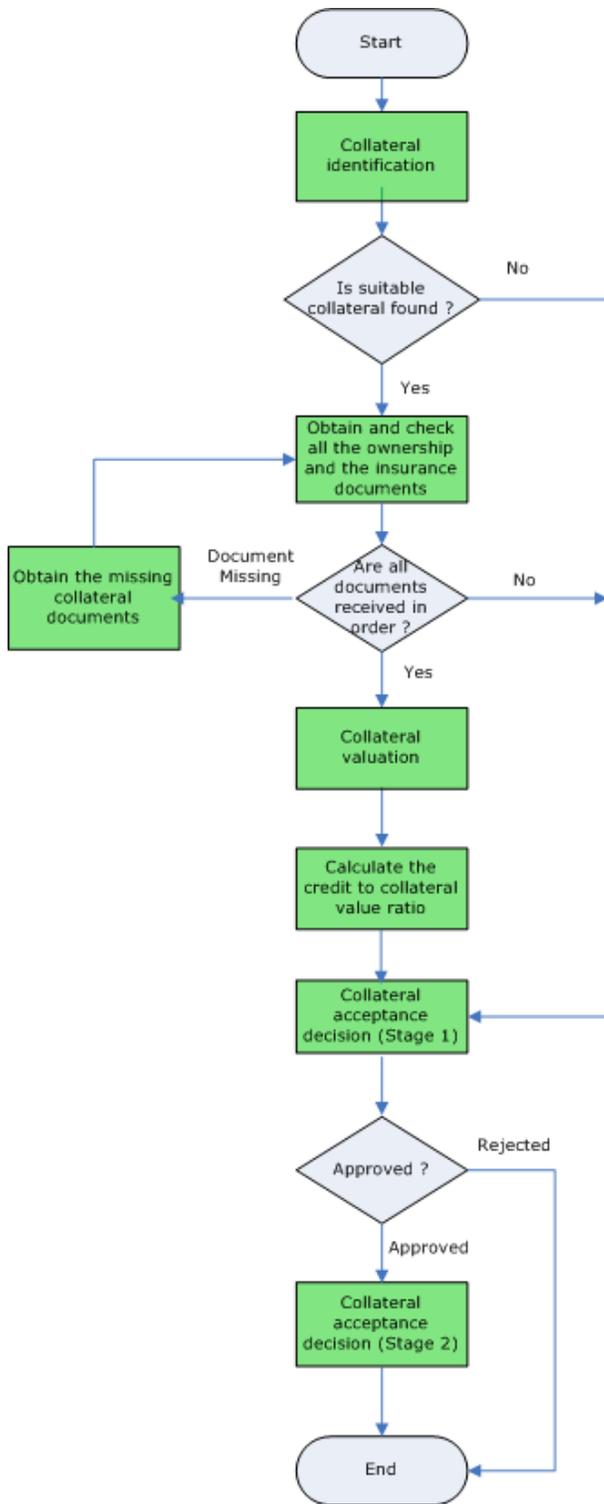
The process consists of the following stages:

- Collateral identification
- Obtain and check all the ownership and the insurance documents
- Obtain the missing collateral documents
- Collateral valuation
- Calculate the credit to collateral value ratio
- Collateral acceptance decision (Stage 1)
- Collateral acceptance decision (Stage 2)

These are explained in detail below:

12.1.1. Collateral Identification

Users belonging to the user role 'CEEROLE' (Collateral Evaluation Executive) can perform these activities. In this stage, if the customer has specified the collateral type and details, the bank picks up this collateral for evaluation.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Collateral Found' if the details for it are available; else select 'Collateral Not Found'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

If the collateral is found suitable, the bank will request for all related documents in the 'Obtain and check all the ownership and insurance documents' stage.

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If collateral is not found suitable, then the task is moved to the 'Collateral acceptance decision (Stage 1).

12.1.2. Obtain and Check all the Ownership and the Insurance Documents

Users belonging to the user role 'CEEROLE' (Collateral Evaluation Executive) can perform these activities. In this stage, the proof of clear ownership is required from the customer for example sale deeds from previous owner, insurance papers. Based on these, the bank may accept or reject the collateral. The bank may ask for the original documents for the collateral for reference sake and also ask for those documents which are not available.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

If everything is found in order; the task moves to the 'Collateral valuation' stage. If you select 'Document missing' or 'Not in order', the task moves to 'Obtain the missing documents' stage.

12.1.3. Obtain the Missing Collateral Documents

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. All missing documents are obtained during this stage. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can obtain further documents through the 'Document Upload' screen by clicking 'Document Upload'.

Refer the details specified in Capturing Document Details stage for details about the screen

After the requisite documents have been obtained, select the outcome 'Proceed'. Click the save icon in the tool bar to save the details.

The task is moved to the 'Obtain and check all the ownership and all the insurance documents' stage.

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12.1.4. Collateral Valuation

Users belonging to the user role 'CEEROLE' (Collateral Evaluation Executive) can perform these activities. In this stage, once all documents are found in order, the bank outsources the assessment of the collateral to a specialist, if the collateral is a physical asset. The specialist provides information on the market value, ease in selling the collateral and other related details. Other than this, the bank also gets a legal opinion on whether the property can be accepted or not.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed' and click the save icon in the tool bar to save the details. The task is moved to the next stage.

12.1.5. Calculate the Credit to Collateral Value Ratio

Users belonging to the user role 'CEMROLE' (Collateral Evaluation Manager) can perform these activities. In this stage, based on the inputs received from the assessor regarding the value of the collateral, the bank applies its own haircut percentage and derives the credit to value ratio. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed' and click the save icon in the tool bar to save the details. The task is moved to the next stage.

12.1.6. Collateral Acceptance Decision (Stage 1)

Users belonging to the user role 'CEMROLE' (Collateral Evaluation Manager) can perform these activities. In this stage, the bank decides on whether to accept the collateral or not. This depends, as specified earlier, on whether the collateral is acceptable or not; if acceptable, whether it is sufficient for the credit required or not.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Accepted' if the collateral offered by the customer is as per requirements. The task moves to the 'Collateral acceptance decision (Stage 2)'. If you select 'Not Accepted' , the 'Corporate Collateral Evaluation' sub-process is terminated and the result passed to the parent process for further processing.

Click the save icon in the tool bar to save the details.

12.1.7. Collateral Acceptance Decision (Stage 2)

Users belonging to the user role 'CEMROLE' (Collateral Evaluation Manager) can perform these activities. In this stage, the bank takes the second level decision. The decision taken here is passed on to the main process and the sanctioning of credit is decided accordingly. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Accepted' if the collateral offered by the customer is as per requirements, else select 'Not Accepted'. This result is passed to the parent process for further processing. Click the save icon in the tool bar to save the details.

Step 13.Check for Additional/ Fresh Collateral/ Offered /Lower Limit Acceptable

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. In this stage, the bank checks, where the accepted collateral is insufficient, if the customer is amenable to offering fresh or more collateral for the amount of credit he has requested or is willing to accept a lower limit. The customer can respond by offering fresh/more collateral or refuse to increase the collateral offered or accept the lower limit.

In the first case, the bank will carry out a collateral evaluation of the new/additional collateral and re-evaluate the existing ones (if they are based on market value). In the second case, the credit request will be rejected by the bank and in the third case, the process will be carried forward.

Step 14.Generate Advice of Negative Status of Sanction of Credit Facilities

If the customer is unable to offer more collateral or the lower limit is not acceptable to him, the bank generates advice of negative status of request for sanction of credit facilities. This contains the reasons for rejection of the request. The generation of this advice is done by a system task which calls a report generator web service and passes the data necessary for generation of advice to it.

Step 15. Deliver/Handover Advice of Rejection to the Customer

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. After the advice of rejection is generated, the bank delivers it to the customer and terminates the process.

Step 16. Sanction Decision for Credit Facilities

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. In this stage depending on the information available for collateral evaluation (if the collateral offered by the customer is found sufficient), the bank decides if the customer should be sanctioned the credit amount.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

Indicate your approval for the loan by selecting the outcome 'Sanctioned'. If you wish to reject the proposal, select 'Rejected'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 17. Generate Advice of Negative Status of Sanction of Credit Facilities

If the outcome in the 'Sanction decision for credit facilities' stage is 'Rejected', the bank generates advice of rejection of request for sanction of credit facilities for the customer which contains the reasons for rejection of the request. The generation of this advice is done by a system task which calls a report generator web service and passes the data necessary for generation of advice to it.

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Step 18.Deliver/Handover Advice of Rejection to the Customer

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. In this stage, after the advice of rejection is generated, the bank delivers it to the customer and terminates the process.

Step 19.Finalize sanction terms

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. In this stage, if the bank has decided to sanction the credit, the bank determines the interest, charges and commission for the sanctioned credit. It can also decide whether the customer can be offered a special rate based on the balances he maintains or the relationship maintained so far, if he is an existing customer.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view the complete information that has been gathered for the customer and add your remarks, if required.

Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 20.Generate Sanction Letter for Corporate Loan

In this stage, the bank generates the sanction letter for the customer loan. The generation of this advice is done by a system task which calls a report generator web service and passes the data necessary for generation of letter to it.

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You can view all the details for the customer and capture any additional remarks you wish. You need to indicate if the customer has accepted the bank's offer, asked for an amendment or rejected the offer by selecting the appropriate outcome. The options are:

- Accepted
- Seeks Amendment
- Rejected

Click the save icon in the tool bar to save the details. The task is moved to the next stage. If the customer accepts the offer, the task moves to 'Identify list of documents to be signed by the customer'; in case he seeks amendment, it moves to 'Check if amendment is feasible' stage; if he rejects the offer, the process for sanctioning credit for the customer is terminated.

Step 23.Check if Amendment is Feasible

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. In case the customer has sought an amendment, the bank checks, if the customer request can be accommodated. It may decide to amend the non-credit terms of the proposal.

If the amendment is feasible, the task is moved to the ''Amend sanction terms' stage else it is moved to the 'Generate Advice of Negative Status of Sanction of Credit Facilities' stage.

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Step 24.Generate Advice of Negative Status of Sanction of Credit Facilities

If the customer request for amendment of sanction terms is not found feasible, the bank generates advice of rejection. This advice contains the reasons for rejection of the request. The generation of this advice is done by a system task which calls a report generator web service and passes the data necessary for generation of advice to it.

Step 25.Deliver/Handover the Advice of Rejection to the Customer

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. The bank delivers/hands over the advice of rejection of the request for amendment of terms of sanction letter and terminates the process.

Step 26.Amend Sanction Terms

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. If the amendment requested by the customer is acceptable to the bank, in this stage, the bank amends some or all non-credit terms of the sanctioned credit facility.

Step 27.Generate Sanction Letter for Credit Facility

In this stage, the bank generates the sanction letter, with the modified terms for the customer loan. The generation of this advice is done by a system task which calls a report generator web service and passes the data necessary for generation of letter to it.

Step 28.Obtain Acceptance of Sanction Letter

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. In this stage, the bank gets the acceptance letter to the revised sanction terms from the customer. If the customer requires a current account, the required documents pertaining to this are also collected.

If the bank obtains the acceptance letter, the task moves to 'Identify list of documents to be signed by the customer' else the task of sanctioning credit for the customer is terminated.

Step 29.Identify List of Documents to be Signed by the Customer

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. After the bank receives the acceptance of sanction letter from the customer, it determines the documents that need to be signed by the customer – based either on an existing list or based on advice from the legal department. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view the information captured for facility creation in this screen, identify the documents and update remarks, if any. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 30. Generate Draft Copy of the Documents to be Signed by the Customer

A draft copy of all the necessary documents, based on the list identified earlier, is prepared to apprise the customer and get his acceptance. A system task is created which calls a report generator web service to generate sanction letter for credit facility.

Step 31. Apprise Customer of List of Documents

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform these activities. Once the draft copies of documents are generated, the customer is given the documents and his acceptance is obtained. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view all the information for the customer and record his acceptance by selecting the outcome 'Accepted' else select 'Rejected'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

If the customer accepts the documents, the task moves on to 'Prepare Documents' stage; if he rejects the documents, it goes back to the 'Identify list of documents to be signed by the customer' stage for fresh review of documents list.

Step 32.Prepare Documents

The final set of documents that need to be signed by the customer are readied by the bank. A system task is created which calls a report generator web service to prepare the documents.

Step 33.Obtain Customer's Signature on the Documents

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform this activity. In this stage, the bank obtains the signature of the customer on all the necessary documents. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view all the information for the customer and select the outcome 'Proceed' to indicate that the required signatures have been obtained. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 34. Validate Documents Obtained from the Customer

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform this activity. In this stage, the bank will check if the documents are legally in order and the executants are legally qualified for the same. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

All information captured for facility creation is displayed. If the documents are in accordance with the sanction terms, select the outcome 'Accepted' and the task moves to customer creation in the 'Create customer/modify customer details in FLEXCUBE' stage. If not, select 'Rejected' to go back to the 'Prepare documents' stage. Click the save icon in the tool bar to save the details.

# Step 35.Create Customer / Modify Customer Details in FLEXCUBE

In this stage, a new record is created in the system if the customer is a new one. In case of existing customers, the details are updated. This is done through a system task based on the data captured as part of the facility creation input stage. A human task will be created if there are business errors in this process.

After creating the customer record, the system will check if collateral has been offered by the customer. If so, it creates the required charges on the collateral in the 'Corporate Collateral Acquisition' sub-process. If there is no collateral involved, the process moves to the 'Create limits' stage.

35.1.   Sub Process: Corporate Collateral Acquisition

After customer details have been created or modified, in this sub-process, the bank gets the original collateral documents from the customer. It initiates the process for registration (or charge creation), after satisfying itself of the authenticity of the documents. On initiation, the customer is informed and all the documents he provided are stored.

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The process flow is given below:
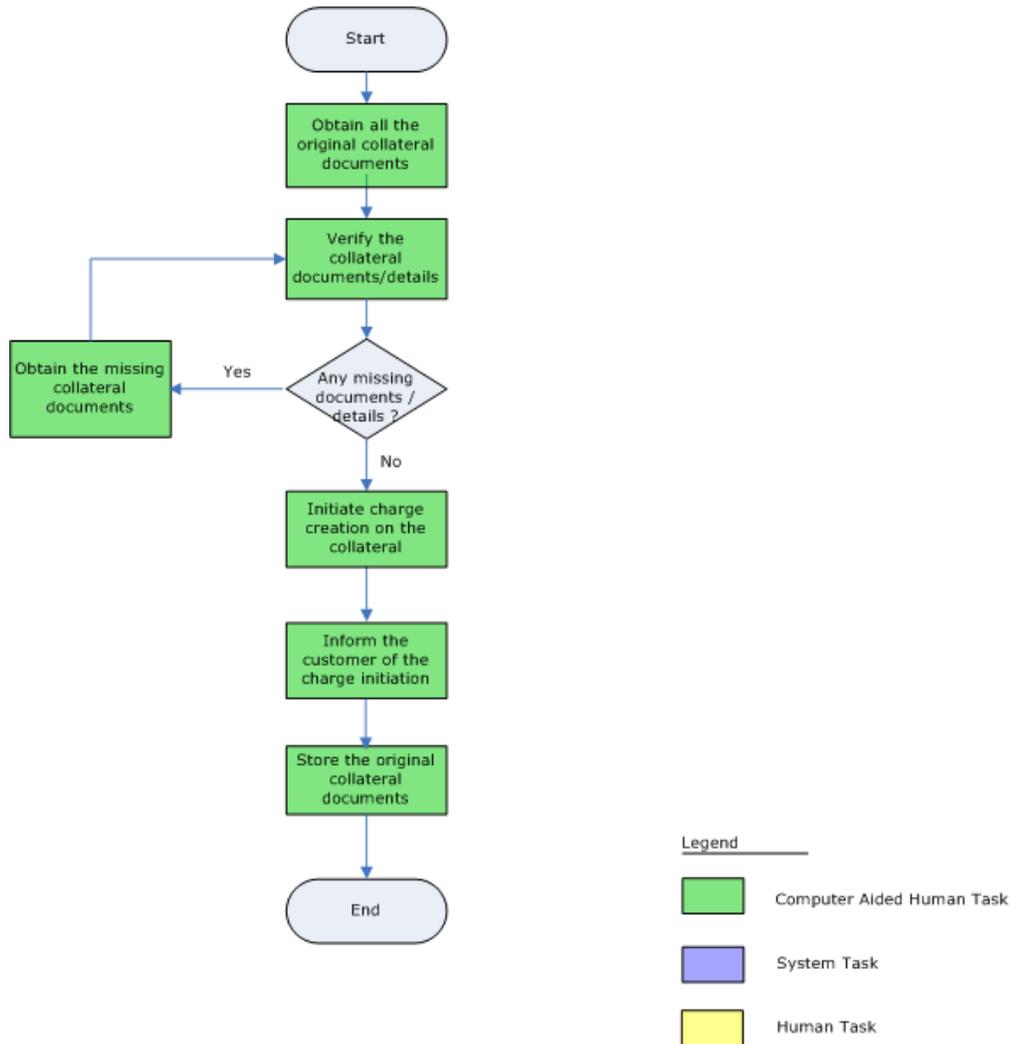
This process comprises the following stages:

- Obtain all the original collateral documents
- Verify the collateral documents/details
- Obtain the missing collateral documents
- Initiate charge creation on the collateral
- Inform the customer of the charge initiation
- Store the original collateral documents

These stages are explained in detail below:

35.1.1. Obtain all the Original Collateral Documents

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform this activity. In this stage, the bank obtains the following documents:

- Title deeds, possession and non-encumbrance certificates (in case of a property)

- Certificates of investment (in case of deposits, shares, bonds)
- Insurance policies (for life and non-life coverage)
- Stock statements and a list of debtors (for stock in trade and book debts)

If the customer is unable to submit the documents, he may submit these within the time period allowed to him by the bank and the bank may require him to submit an undertaking in this regard. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

35.1.2. Verify the Collateral Documents/Details

Users belonging to the user role 'CEEROLE' (Collateral Evaluation Executive) can perform this activity. Here, the original details and documents obtained in the previous stage are scrutinized and verified and the bank also decides on the type of charge to be created based on the collateral type. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed' if everything is in order; if there are documents that are required, select 'Document Missing'. If the documents are in order, the process will move to the 'Initiate charge creation on the collateral' stage. If documents are missing, they are obtained in the 'Obtain the missing collateral documents' stage.

Click the save icon in the tool bar to save the details. The task is moved to the next stage.

35.1.3. Obtain the Missing Collateral Documents

Users belonging to the user role 'CORMROLE' (Corporate Relationship Manager) can perform this activity. In this stage, the bank gets missing collateral documents or details from the customer. If the customer is unable to provide the required document as mentioned in the sanction terms, the bank will terminate the process. This decision is passed to the customer through the parent process.

As a user with the required rights, you can acquire this task from your task list and process it further. You can obtain further documents through the 'Document Upload' screen by clicking 'Document'.

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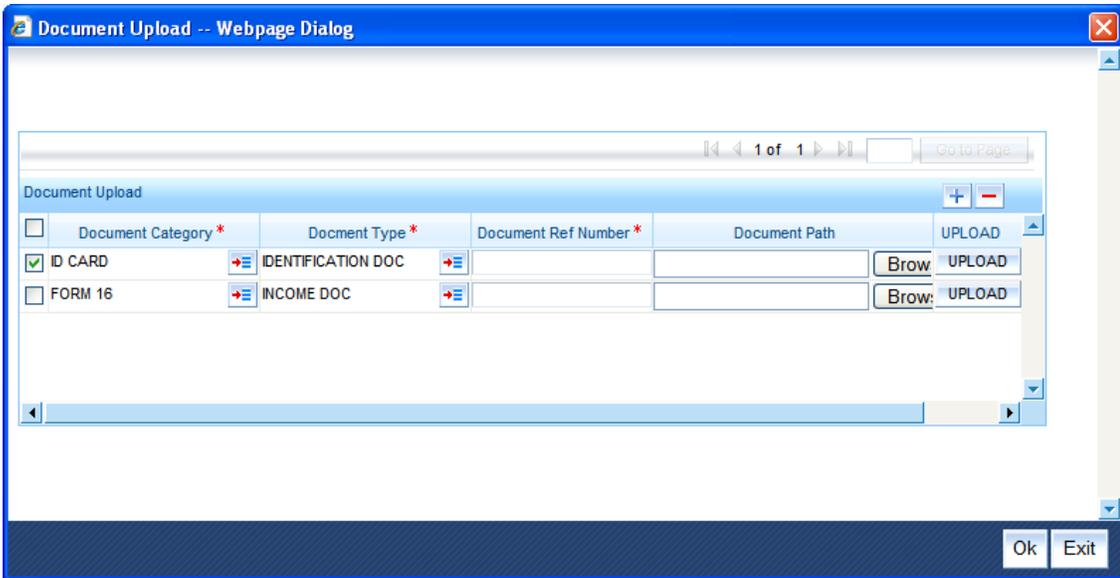
> Refer the details specified in Capturing Document Details stage for details about the screen

After the requisite documents have been obtained, select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

35.1.4. Initiate Charge Creation on the Collateral

Users belonging to the user role 'CEEROLE' (Collateral Evaluation Executive) can perform this activity. In this stage, the bank initiates a charge on the collateral offered, depending on its type. The various charges are:

- Lien or pledge creation on investments or securities
- Registration of mortgage/ charge creation for immovable properties
- Hypothecation in case of stocks/book debts

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

35.1.5. Inform the Customer of the Charge Initiation

Users belonging to the user role 'CEEROLE' (Collateral Evaluation Executive) can perform this activity. In this stage, the bank informs the customer about the initiation of charge on the collateral he has offered. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

ORACLE®

You can view all data relating to credit facility, collateral, customer, credit evaluation and document details. You can update remarks, if required. Select the outcome 'Proceed'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

35.1.6. Store the Original Collateral Documents

Users belonging to the user role 'CEEROLE' (Collateral Evaluation Executive) can perform this activity. In this stage, the bank stores the collateral documents in a secure and accessible location. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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The following details are displayed in this screen:

- Workflow Reference #
- Customer Name
- Customer Number
- Account Number

You can enter the following details:

Date Of Storage

Capture the date of storing the documents.

Time Of Storage

Specify the time of storing the documents.

Place Of Storage

Mention the place where the document is stored.

Storage Ref. Number

Specify the storage reference number.

Priority

Select the priority for maintaining the documents.

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Select the outcome 'Proceed' to continue. Select the outcome 'Proceed' to go to the the parent process. Click the save icon in the tool bar to save the details.

Step 36. Maintain Collateral Details

After the collateral has been acquired, the collateral details are saved through a system task in this stage. A human task will be created to try to save the details again in case of business errors. All business validations for collateral creation will be carried out.
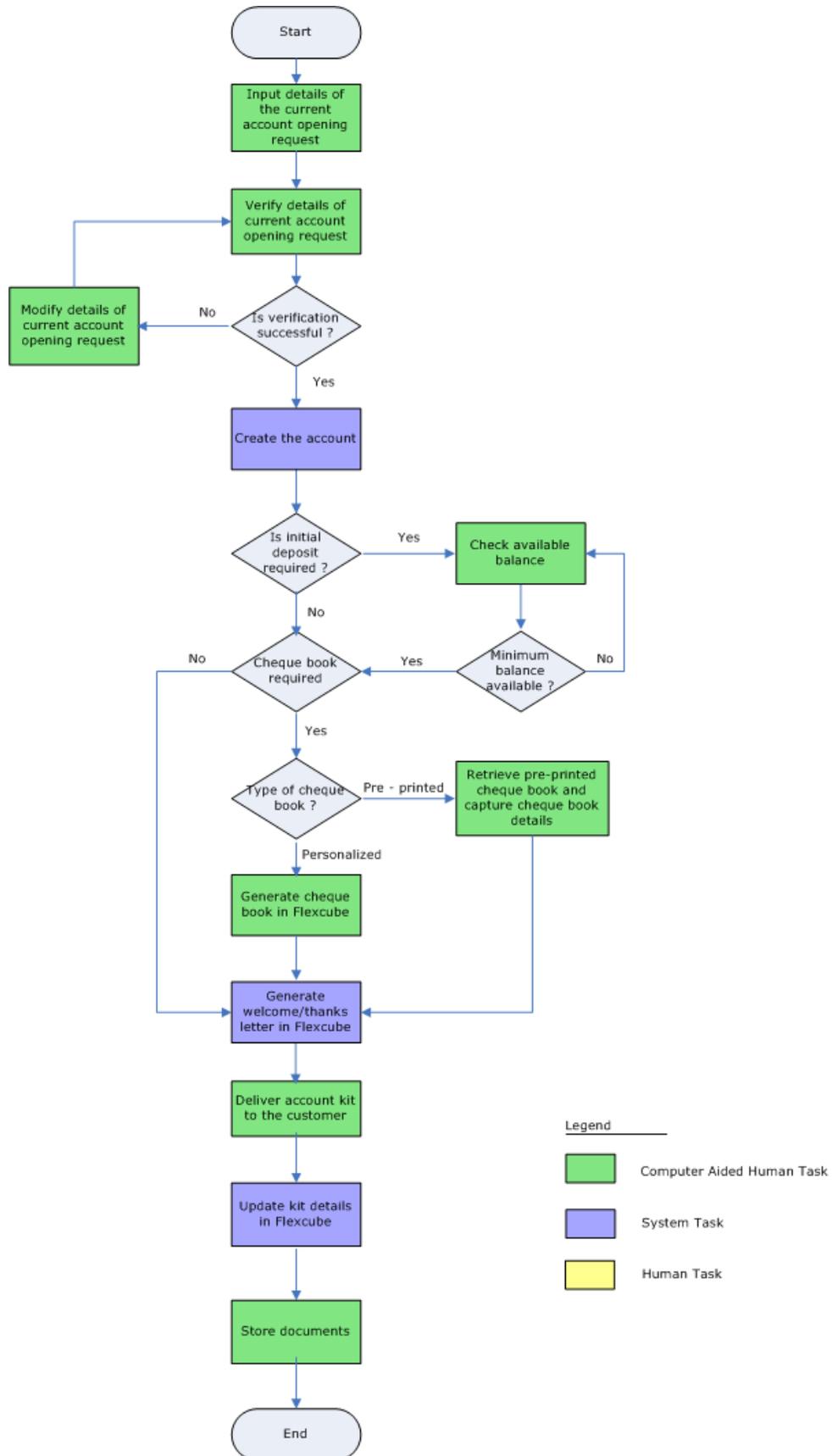
Step 37. Create Limits

In this stage, a new limit is created for the customer through a system task. A human task will be created to try to save the details again in case of business errors.

After the successful creation of limits, if the customer requires a current account and/or a corporate loan, the task moves to the 'Current account opening' and 'Corporate loan opening sub-processes respectively. If neither is required, the process moves to 'Store document reference in FLEXCUBE' stage.

37.1.   Sub Process: Current Account Opening

After collateral and limits have been successfully created in Oracle FLEXCUBE, if the customer requires a current account to be opened in his name, a current account is created after obtaining the opening form from the customer; initial deposits are processed, welcome kit dispatched and so on.

The process flow is given below:

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```
                    ┌──────────┐
                    │  Start   │
                    └──────────┘
                         │
                         ▼
              ┌────────────────────┐
              │  Input details of  │
              │    the current     │
              │  account opening   │
              │     request        │
              └────────────────────┘
                         │
                         ▼
              ┌────────────────────┐
        ┌────▶│  Verify details of │
        │     │  current account   │
        │     │  opening request   │
        │     └────────────────────┘
        │                │
┌───────────────┐        ▼
│ Modify details│      ◇ Is verification ◇   No
│  of current   │◀──────  successful ?  ─────
│account opening│
│    request    │            │ Yes
└───────────────┘            ▼
                    ┌────────────────┐
                    │ Create the     │
                    │   account      │
                    └────────────────┘
                             │
                             ▼
                        ◇ Is initial ◇   Yes   ┌──────────────┐
                          deposit    ──────────▶│Check available│◀─┐
                          required ?            │   balance     │  │
                             │ No               └──────────────┘  │
                             ▼                       │             │
                        ◇ Cheque book ◇  Yes    ◇ Minimum ◇  No    │
                    ┌───  required  ◀──────────── balance ─────────┘
                    │No                          available ?
                    │        │ Yes
                    │        ▼
                    │   ◇ Type of cheque ◇  Pre-printed  ┌────────────────┐
                    │      book ?     ──────────────────▶│Retrieve pre-printed│
                    │        │                           │cheque book and   │
                    │        │ Personalized             │capture cheque book│
                    │        ▼                           │    details       │
                    │  ┌──────────────┐                 └────────────────┘
                    │  │Generate cheque│                        │
                    │  │book in Flexcube│                       │
                    │  └──────────────┘                        │
                    │        │                                  │
                    │        ▼                                  │
                    │  ┌──────────────┐                        │
                    └─▶│   Generate   │◀───────────────────────┘
                       │welcome/thanks│
                       │letter in     │
                       │  Flexcube    │
                       └──────────────┘
                              │
                              ▼
                       ┌──────────────┐
                       │Deliver account│
                       │kit to the    │
                       │  customer    │
                       └──────────────┘
                              │
                              ▼
                       ┌──────────────┐
                       │Update kit    │
                       │details in    │
                       │  Flexcube    │
                       └──────────────┘
                              │
                              ▼
                       ┌──────────────┐
                       │Store documents│
                       └──────────────┘
                              │
                              ▼
                       ┌──────────┐
                       │   End    │
                       └──────────┘
```

Legend

🟩 Computer Aided Human Task

🟪 System Task

🟨 Human Task

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The process consists of the following stages:

- Input details of the current account opening request
- Verify details of current account opening request
- Modify details of current account opening request
- Create the account
- Check available balance
- Retrieve pre-printed cheque book and capture cheque book details
- Generate cheque book in FLEXCUBE
- Generate welcome/thanks letter in FLEXCUBE
- Deliver account kit to the customer
- Update kit details in FLEXCUBE
- Store documents

These are explained in detail below:

37.1.1. Input Details of the Current Account Opening Request

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. All information required for opening a current account is captured in this stage. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

Select the outcome 'Proceed' to move to the next stage. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Refer the Current Account Creation User Manual for details about the screen

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37.1.2. Verify Details of Current Account Opening Request

Users belonging to the user role 'COMROLE' (Corporate Operations Manager) can perform this activity. In this stage, the details that have been captured are checked and in case of incorrect details, the data needs to be suitably modified. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

You can view all the details and update remarks, if required. Select the outcome 'Approved' if the details are correct, else select 'Rejected'. The modifications, in case of rejection, are done in the 'Input details of the current account opening request' stage. In case of approval, the process moves to creating a current account in 'Create the account' stage. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

37.1.3. Modify Details of Current Account Opening Request

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. In this stage, the required modifications are done to the account opening and other details. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can modify details in the editable fields. Select the outcome 'Proceed' to continue. Click the save icon in the tool bar to save the details. The task is moved to the 'Verify details of current account opening request' stage.

37.1.4. Create the Account

In this stage, a current account is created for the customer. This is done through a system task which stores all the current account details obtained. A human task will be created to try to save the details again in case of business errors.

37.1.5. Check Available Balance

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. After creating the account, the bank checks if an initial deposit is required and if it is, it checks the available balance in the account to see if it is the minimum balance that is expected for the account. If the balance is insufficient, the customer must bring in the required amount before the bank can proceed with this process.

The next check is whether the customer has asked for a cheque book. This will be issued only if minimum balance exists in the account. The customer must bring in the required amount before the bank can issue a cheque book. Depending on the type of cheque book (pre-printed or personalized), the process moves either to 'Retrieve pre-printed cheque book and capture cheque book details' stage or the 'Generate cheque book in FLEXCUBE' stage.

If cheque book is not required, the process moves to the 'Generate welcome/thanks letter in FLEXCUBE'. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view all the details and update remarks if required. Select the outcome 'Balance Available' to indicate that minimum balance exists in the account, else select 'Balance Not Available'. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

37.1.6. Retrieve Pre-printed Cheque Book and Capture Cheque Book Details

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. If a pre-printed cheque book has been selected for the customer, the bank retrieves the pre-printed cheque book from the inventory to be handed over to the customer and links it to the current account. The details of the number series of the cheques issued to the customer are captured by the bank.

As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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> Refer the Current Account Creation User Manual for details about the screen

Select the outcome 'Proceed' to continue. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

37.1.7. Generate Cheque Book in FLEXCUBE

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform these activities. If a personalized cheque book has been selected for the customer, based on the number of leaves, the cheque number series is generated and the cheque book is linked to the account after which, the details of the personalized cheque book are sent for printing. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:
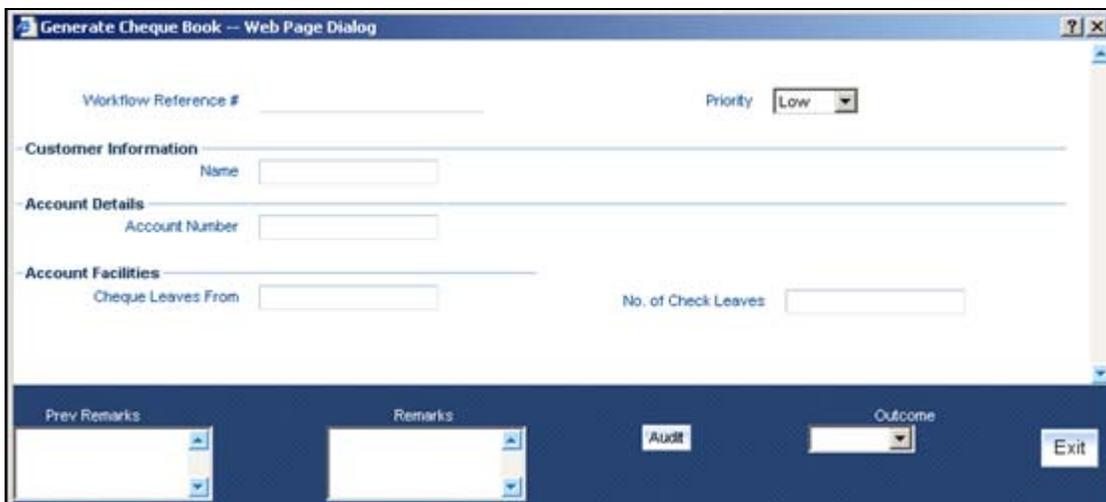
You can view the details for account and customer and update remarks, if required. Select the outcome 'Proceed' to continue. Click the save icon in the tool bar to save the details. The task is moved to the 'Generate welcome/thanks letter in FLEXCUBE' stage.

> Refer the Current Account Creation User Manual for details about the screen

37.1.8. Generate Welcome/Thanks Letter in FLEXCUBE

In this stage, a system task invokes a report generator web service to generate welcome letter and store it in the file system. This letter will be given as part of the customer's account kit.

37.1.9. Deliver Account Kit to the Customer

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. Here, the bank hands over the welcome kit containing the cheque book, letter generated, product features etc to the customer. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view the details captured for the customer, accounts and account facilities and specify the delivery related details. Select the outcome 'Proceed' to continue. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

> Refer the Current Account Creation User Manual for details about the screen

37.1.10.   Update Kit Details in FLEXCUBE

In this stage, a system task is created to save the account kit delivery details that are captured in FLEXCUBE. In case of business errors a human task is created to retry the save operation.

37.1.11.   Store Documents

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. Here, the bank stores the account opening form and the accompanying documents safely. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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The following details are displayed in this screen:

- Workflow Reference #
- Customer Name
- Customer Number
- Account Number

You can enter the following details:

Date Of Storage

Capture the date of storing the documents.

Time Of Storage

Specify the time of storing the documents.

Place Of Storage

Mention the place where the document is stored.

Storage Ref. Number

Specify the storage reference number.

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Priority

Select the priority for maintaining the documents.

Select the outcome 'Proceed' to continue. Click the save icon in the tool bar to save the details. The task is moved to 'Store reference number in FLEXCUBE' stage.

37.2.   Sub Process: Corporate Loan Account Opening

This process facilitates the creation of a corporate loan account for a customer by obtaining details for opening account.

The process flow is given below:
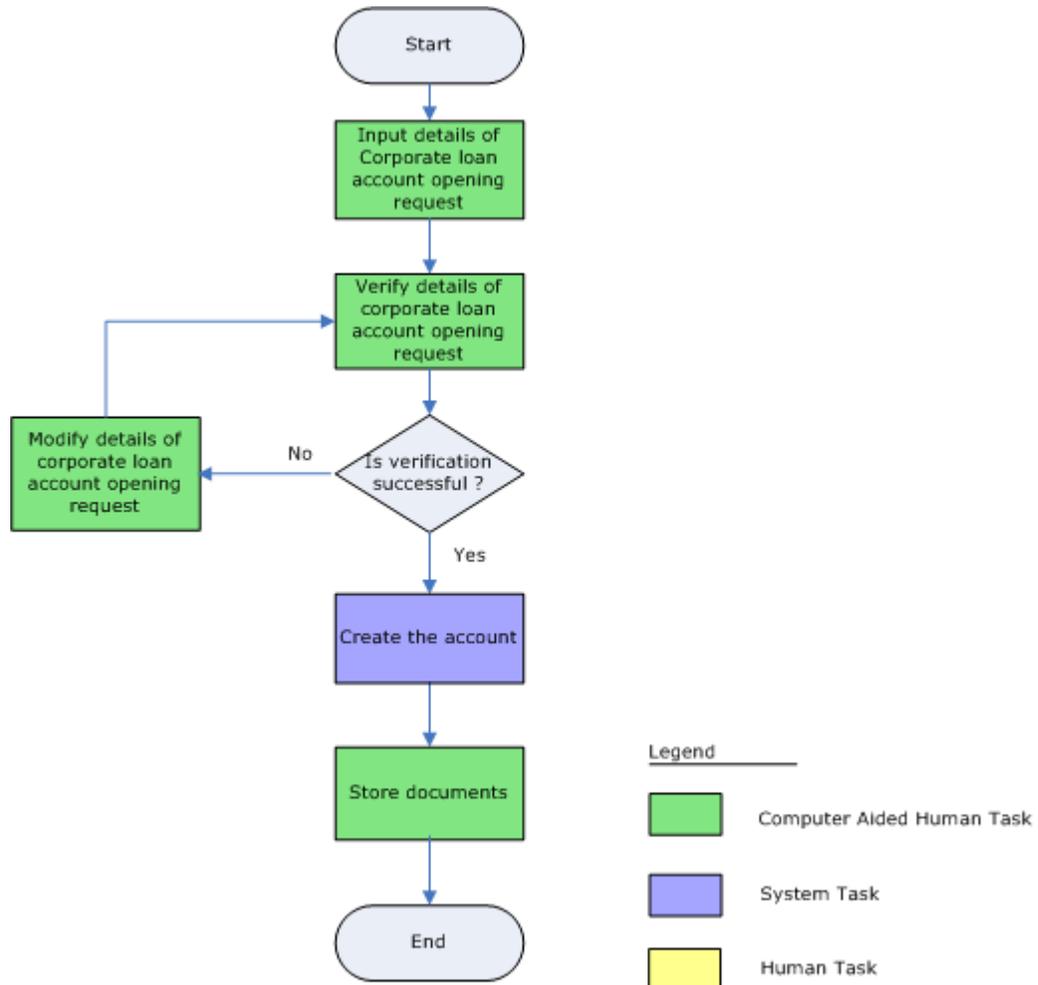
The process consists of the following stages:

- Input details of the corporate loan account opening request
- Verify details of corporate loan account opening request
- Modify details of corporate loan account opening request
- Create the account
- Store documents

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These are explained in detail below:

Input Details of the Corporate Loan Account Opening Request

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. In this stage, all details required for a corporate loan request are obtained. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

Refer the Account Creation chapter in the Retail Lending User Manual for details about the screen

Select the outcome 'Proceed' to continue. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Verify Details of Corporate Loan Account Opening Request

Users belonging to the user role 'COMROLE' (Corporate Operations Manager) can perform this activity. In this stage, the details that have been captured are checked and in case of incorrect details, the data needs to be suitably modified. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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You can view all the details and update remarks, if required. Select the outcome 'Approved' if the details are correct, else select 'Rejected'. If you select 'Rejected' , the process moves to the 'Modify details of corporate loan account opening request' stage; else it moves to creation of the account for the customer in the 'Creat the account' stage. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Modify Details of Corporate Loan Account Opening Request

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. In this stage, the required modifications are done to the loan and other details. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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Select the outcome 'Proceed' to continue. Click the save icon in the tool bar to save the details and the modified details are checked in the 'Verify details of corporate loan account opening request' stage.

Create the Account

In this stage, if all details are found accurate for the customer, a corporate account is created for the customer. This is done through a system task which stores all the corporate account details obtained. A human task will be created to try to save the details again in case of business errors.

Store Documents

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. Here, the bank stores the corporate account opening form and the accompanying documents safely. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

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The following details are displayed in this screen:

- Workflow Reference #
- Customer Name
- Customer Number
- Line Code

You can enter the following details:

Date Of Storage

Capture the date of storing the documents.

Time Of Storage

Specify the time of storing the documents.

Place Of Storage

Mention the place where the document is stored.

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Storage Ref. Number

Specify the storage reference number.

Priority

Select the priority for maintaining the documents.

Select the outcome 'Proceed' to go to the 'Store document reference in FLEXCUBE' stage. Click the save icon in the tool bar to save the details. The task is moved to the next stage.

Step 38.Store Document Reference in FLEXCUBE

In this stage, the bank stores the document reference in Oracle FLEXCUBE for future reference. This is done through a system task which stores all the document details obtained as part of the facility creation input stage. A human task will be created to try to save the details again in case of business errors.

Step 39.Store Documents of Credit Facilities Sanctioned

Users belonging to the user role 'COEROLE' (Corporate Operations Executive) can perform this activity. All documents relating to the customer – application, financial statements and so on – are stored so that they are easily accessible when required as well as well-preserved. As a user with the required rights, you can acquire this task from your task list and process it further in the following screen:

ORACLE

The following details are displayed in this screen:

- Workflow Reference #
- Customer Name
- Customer Number
- Line Code

You can enter the following details:

Date Of Storage

Capture the date of storing the documents.

Time Of Storage

Specify the time of storing the documents.

Place Of Storage

Mention the place where the document is stored.

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Storage Ref. Number

Specify the storage reference number.

Priority

Select the priority for maintaining the documents.

Click the save icon in the tool bar to save the details. The process of creating a corporate loan for the customer is now successfully completed.

1.4 Credit Rating Maintenance

As part of credit evaluation during facility creation, the customer is required to answer a series of questions. These questions belong to specific categories, have pre-defined answers and each answer has an associated score. These scores are further grouped under grades. The total score as well as the rating derived for the customer is based on this maintenance.

As mentioned earlier, the procedure for defining these questions and grades is as follows:

- Creating Credit Rating Categories
- Defining Credit Rating Rules
- Associating Processes and Rules

These are explained below in detail:

1.4.1 Creating Categories for Credit Rating

You can maintain the categories that you require in the 'Credit Rating Category Maintenance'. You can invoke this screen by typing 'STDCATMT' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

In this screen, specify the following details:

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Category

Specify a unique category name.

Description

Specify an appropriate description for the category being defined.

1.4.2 Defining Credit Rules

You can define a rule, the questions and the category to which these questions belong, the possible answers for each question along with their scores and the grades under which the scores are ranged in the 'Credit Rating Rule Maintenance' screen. You can invoke this screen by typing 'STDCRRMT' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

Here, capture the following details:

Rule ID

Specify a unique Rule ID.

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Description

Specify a relevant description for the rule.

Question ID

Specify a unique ID for the question you will define.

Category

Specify the category for the question. You can also select the category from the adjoining option list.

Question

Specify the question.

Possible Answer

Specify the answers possible for the question. You can define multiple answers for the same question.

Score

Associate a score with the answer.

Click the 'Rating' button. The 'Rating' screen is displayed.
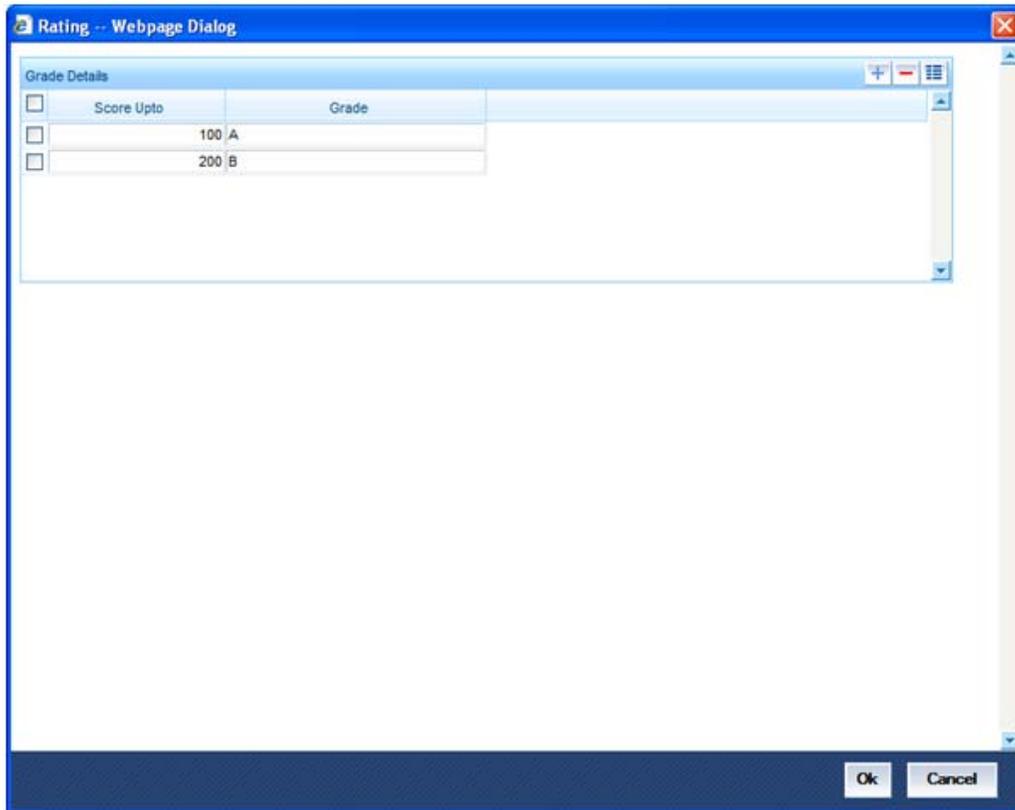
Capture the following details here:

Score Upto

Specify the upper limit of a range. All scores within this limit will be given the grade you have defined.

Grade

Specify the grade for the limit specified above.

1.4.3 Associating Processes and Rules

You can map a rule to a corporate lending process flow. This results in the rule being defaulted when a financial transaction takes place. You can do this linking in the 'Process Code Maintenance Detailed' screen which you can invoke by typing 'STDPCODE' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

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You can capture the following details here:

Process Code

Specify a unique code for the process.

Process Description

Specify an appropriate description for the process.

Process Name

Specify the name for the process.

Rule ID

Specify the Rule Id to be mapped to this process. The adjoining option list contains all the Rule IDs maintained in the system. Select the required one.

Rule Description

The description is displayed based on the Rule ID you have selected.

Process Version

Specify the process version here.

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