

**Oracle FLEXCUBE**  
**Accounting Entries User Manual**  
**Release 5.0.1.0.0**  
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# 1. CASA

Global Assumption

**Note:** All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this section of the manual are listed below along with the maintenance which is used for maintaining the same:

Sr No	GL Head	Location of Setup
1	CASA Asset / Liability GL	CHM01/ GL/ Liabilities balance
2	SC Income GL	BAM14/ SC GL Code
3	TD Liability GL	TDM01/ GL codes/ Regular Deposits
4	Interest Expense	TDM01/ GL codes/ Interest Expense
5	Inter branch GL	BAM08/ GL Details/ IB GL
6	Cash GL	BAM08/ GL Details/ Bank Cash GL
7	Future dated bridge GL	BAM08/ GL Details/ Future Dated Bridge GL

Sr No	GL Head	Location of Setup
8	SC Income GL	BAM14/ SC GL code
9	Dormant Deposit Credit GL	BAM19/ Dormancy Processing Parameters
10	Unclaimed Deposit Credit GL (Non Business Income GL)	BAM19/ Unclaimed Processing Parameters
11	Unclaimed Deposit Debit GL (Non Business Expense GL)	BAM19/ Unclaimed Processing Parameters
12	Interest Payable GL	CHM01/ GL Codes/ Interest Payable GL

\* The entries can be passed to the Asset / Liability GL or Suspended Asset GL based on the status of the account at the time of posting. For all entries, it is assumed that the account is in normal status unless it is required to be suspended.

## 1.1. Cash Withdrawal – Fast Path: 1001

Cash withdrawal in LCY.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY100	CNY100	Online	A/c debit
20/02/09	20/02/09	Transaction Branch	Cash GL	Cr	CNY100	CNY100	Online	Cash Payout

Cash withdrawal in FCY.

Cash Withdrawal of USD 15 (Equivalent to CNY100) on CASA Account in CNY.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 15	CNY 100	Online	FX buy rate to apply
20/02/09	20/02/09	Transaction Branch	Cash GL CNY	Cr	CNY 100	CNY 100	Online	Cash payout

Cash Withdrawal in LCY from CASA with SC levied.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Withdrawal amount
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 20	CNY 20	Online	Applicable SC to be charged over the withdrawal amount
20/02/09	20/02/09	Transaction Branch	Cash GL CNY	Cr	CNY 100	CNY 100	Online	Cash payout
20/02/09	20/02/09	Transaction Branch	SC Income GL	Cr	CNY 20	CNY 20	Online	Collected SC to income

Cash withdrawal from CASA Account maintained with Branch A and cash payout in branch B, with applicable Service charge.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Branch A	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Withdrawal amount posted
20/02/09	20/02/09	Branch A	CASA Asset/ Liability GL	Dr	CNY 20	CNY 20	Online	Applicable SC to be charged over the withdrawal amount

Cash Withdrawal – Fast Path: 1001

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Branch A	Interbranch GL	Cr	CNY 100	CNY 100	EOD	Originating entry
20/02/09	20/02/09	Branch A	Interbranch GL	Cr	CNY 20	CNY 20	EOD	Originating entry
20/02/09	20/02/09	Branch B	Interbranch GL	Dr	CNY 100	CNY 100	EOD	Responding entry
20/02/09	20/02/09	Branch B	Interbranch GL	Dr	CNY 20	CNY 20	EOD	Responding entry
20/02/09	20/02/09	Branch B	Cash GL CNY	Cr	CNY 100	CNY 100	Online	Cash payout
20/02/09	20/02/09	Branch B	SC Income GL	Cr	CNY 20	CNY 20	EOD	Collected SC booked as income



## 1.2. Funds Transfer Request – Fast Path: 1006

Transfer funds from account A to account B within same branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY100	CNY100	Online	Funds Transfer to Account B
20/02/09	20/02/09	Transaction Branch	CASA Asset / Liability GL	Cr	CNY100	CNY100	Online	Funds Transfer from Account A

Funds transfer in FCY.

Funds transfer of (FCY) USD 15 (Equivalent to CNY100) from Account A to Account B in CNY(LCY) within same branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 15	CNY100	Online	FX buy rate to apply
20/02/09	20/02/09	Transaction Branch	CASA Asset / Liability GL	Cr	CNY100	CNY100	Online	Funds transfer

Funds Transfer Request – Fast Path: 1006

Funds Transfer from Account A to account B within same branch with SC levied.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Funds Transfer to Account B
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 20	CNY 20	Online	Applicable SC to be charged over the transfer amount
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Cr	CNY 100	CNY 100	Online	Cash payout
20/02/09	20/02/09	Transaction Branch	SC Income GL	Cr	CNY 20	CNY 20	EOD	Collected SC booked as income

Cash withdrawal from CASA Account maintained with Branch A and cash payout in branch B, with applicable Service charge.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch A	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Withdrawal amount posted

Funds Transfer Request – Fast Path: 1006

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
20/02/0 9	20/02/0 9	Transactio n Branch A	CASA Asset/ Liability GL	Dr	CNY 20	CNY 20	Online	Applicable SC to be charged over the withdrawal amount
20/02/0 9	20/02/0 9	Transactio n Branch A	Interbranc h GL	Cr	CNY 100	CNY 100	EOD	Originating entry
20/02/0 9	20/02/0 9	Transactio n Branch	SC Income GL	Cr	CNY 20	CNY 20	EOD	Collected SC booked as income in LCY
20/02/0 9	20/02/0 9	Branch	Interbranc h GL	Dr	CNY 100	CNY 100	EOD	Respondin g entry
20/02/0 9	20/02/0 9	Branch B	CASA Asset/ Liability GL	Cr	CNY 100	CNY 100	Online	Cash payout

### 1.3. Miscellaneous Customer Debit – Fast Path: 1008

Transfer funds from CASA account to GL Account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Fund transfer to GL
20/02/09	20/02/09	Transaction Branch	Selected Asset / Liability GL	Cr	CNY 100	CNY 100	Online	Fund transfer from CASA

Funds transfer in FCY.

Funds transfer of (FCY) USD 15 (Equivalent to CNY 100) from CASA account to GL account B in CNY (LCY).

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 15	CNY 100	Online	FX buy rate to apply, transfer to CASA Account B
20/02/09	20/02/09	Transaction Branch	Selected GL	Cr	CNY 100	CNY 100	Online	From CASA Account A

Please note to see the position and position equivalent entries for all FCY transactions in a separate section in this manual.

Miscellaneous Customer Debit – Fast Path: 1008

Funds Transfer from CASA account to GL account with SC levied in a three branch set up i.e. Transaction originating, Branch A, Provider Branch B and Beneficiary Accounts Branch C are maintained in three separate branches. Transfer Amount is CNY 100.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
20/02/09	20/02/09	Transactio n Originating Branch A	Interbranc h GL	Dr	CNY 100	CNY 100	Online	Funds Transfer to Account B
20/02/09	20/02/09	Transactio n Originating Branch A	Interbranc h GL	Dr	CNY 20	CNY 20	Online	Applicabl e SC to be charged over the transfer amount
20/02/09	20/02/09	Provider Account Branch B	Interbranc h GL	Cr	CNY 100	CNY 100	Online	Transfer to GL
20/02/09	20/02/09	Provider Account Branch B	Interbranc h GL	Cr	CNY 20	CNY 20	Online	Transfer to GL
20/02/09	20/02/09	Provider Account Branch B	CASA Liability GL	Dr	CNY 20	CNY 20	EOD	SC Collected from CASA
20/02/09	20/02/09	Provider Account Branch B	CASA Liability GL	Dr	CNY 100	CNY 100	EOD	Funds transfer to Selected GL with Branch B
20/02/09	20/02/09	Provider Account Branch B	Interbranc h GL	Dr	CNY 100	CNY 100	Online	Transfer to GL
20/02/09	20/02/09	Provider Account Branch B	Interbranc h GL	Dr	CNY 20	CNY 20	Online	Transfer to GL

Miscellaneous Customer Debit – Fast Path: 1008

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
20/02/09	20/02/09	Beneficiary Account Branch C	Interbranch GL	Cr	CNY 100	CNY 100	EOD	Funds transfer to Selected GL
20/02/09	20/02/09	Beneficiary Account Branch C	Interbranch GL	Dr	CNY 100	CNY 100	EOD	Funds transfer to Selected GL with Branch B
20/02/09	20/02/09	Beneficiary Account Branch C	Selected GL	Cr	CNY 100	CNY 100	EOD	Funds transfer to Selected GL
20/02/09	20/02/09	Transaction Originating Branch A	Interbranch GL	Cr	CNY 100	CNY 100	Online	Funds Transfer to Account B
20/02/09	20/02/09	Transaction Originating Branch A	Interbranch GL	Cr	CNY 20	CNY 20	Online	Applicable SC to be charged over the transfer amount

Cash withdrawal from CASA account maintained with Branch A and cash payout in Branch B, with applicable Service charge.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
20/02/09	20/02/09	Account Branch A	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Withdrawal amount posted

Miscellaneous Customer Debit – Fast Path: 1008

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
20/02/0 9	20/02/0 9	Account Branch A	CASA Asset/ Liability GL	Dr	CNY 20	CNY 20	Online	Applicable SC to be charged
20/02/0 9	20/02/0 9	Account Branch A	Interbranc h GL	Cr	CNY 100	CNY 100	EOD	Originating entry
20/02/0 9	20/02/0 9	Account Branch A	Interbranc h GL	Cr	CNY 20	CNY 20	EOD	Originating entry
20/02/0 9	20/02/0 9	Transactio n Branch B	Interbranc h GL	Dr	CNY 100	CNY 100	EOD	Respondin g entry
20/02/0 9	20/02/0 9	Transactio n Branch B	Interbranc h GL	Dr	CNY 20	CNY 20	EOD	Respondin g entry
20/02/0 9	20/02/0 9	Transactio n Branch B	Selected GL	Cr	CNY 100	CNY 100	Online	Transfer to GL
20/02/0 9	20/02/0 9	Transactio n Branch B	SC Income GL	Cr	CNY 20	CNY 20	EOD	Collected SC as income in LCY

## 1.4. Cheque Withdrawal – Fast Path: 1013

Cash withdrawal.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Withdrawal posted in A/c
20/02/09	20/02/09	Transaction Branch	Cash GL	Cr	CNY 100	CNY 100	Online	Cash Payout

Cash withdrawal in FCY.

Cash Withdrawal of USD 15 (Equivalent to CNY 100) from CASA Account in CNY.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 15	CNY 100	Online	FX buy rate to apply, Withdrawal posted in A/c
20/02/09	20/02/09	Transaction Branch	Cash GL CNY	Cr	CNY 100	CNY 100	Online	Cash Payout



Cheque Withdrawal – Fast Path: 1013

Cash Withdrawal from CASA with SC levied.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Withdrawal amount
20/02/09	20/02/09	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 20	CNY 20	Online	Applicable SC to be charged over the withdrawal amount
20/02/09	20/02/09	Transaction Branch	Cash GL CNY	Cr	CNY 100	CNY 100	Online	Cash payout
20/02/09	20/02/09	Transaction Branch	SC Income GL	Cr	CNY 20	CNY 20	EOD	Collected SC as income

Cash withdrawal from CASA Account maintained with Branch A and cash payout in Branch B, with applicable Service charge.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Account Branch A	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Withdrawal amount posted
20/02/09	20/02/09	Account Branch A	CASA Asset/ Liability GL	Dr	CNY 20	CNY 20	Online	Applicable SC to be charged over the withdrawal amount

Cheque Withdrawal – Fast Path: 1013

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
20/02/0 9	20/02/0 9	Account Branch A	Interbranc h GL	Cr	CNY 100	CNY 100	EOD	Originating
20/02/0 9	20/02/0 9	Account Branch A	Interbranc h GL	Cr	CNY 20	CNY 20	EOD	Originating
20/02/0 9	20/02/0 9	Transactio n Branch B	Interbranc h GL	Dr	CNY 100	CNY 100	EOD	Respondin g
20/02/0 9	20/02/0 9	Transactio n Branch B	Interbranc h GL	Dr	CNY 20	CNY 20	EOD	Respondin g
20/02/0 9	20/02/0 9	Transactio n Branch B	Cash GL CNY	Cr	CNY 100	CNY 100	Online	Cash payout
20/02/0 9	20/02/0 9	Transactio n Branch B	SC Income GL	Cr	CNY 20	CNY 20	EOD	Collected SC as income

### 1.5. Bill Payment by Cash Mode – Fast Path: 1025

Bill Payment of CNY 100 in cash. Utility Company account is a CASA Account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	CNY 100	CNY 100	Online	Bill payment in cash
01/01/05	01/01/05	Transaction Branch	Asset / Liability GL of Utility CASA	Cr	CNY 100	CNY 100	EOD	Utility Company CASA account credited.

Bill payment in cash in USD at Branch A, for a utility company account maintained in LCY (CNY) with a different branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 15	CNY 100	Online	Buy FX rate to apply, cash deposit
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	CNY 100	CNY 100	EOD	Originating
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	CNY 100	CNY 100	EOD	Responding
01/01/05	01/01/05	Account Branch	Asset / Liability GL of Utility CASA	Cr	CNY 100	CNY 100	EOD	Bill payment to utility company's account / branch

### 1.6. Bill Payment by CASA transfer Mode – Fast Path: 1025

Bill Payment of CNY 100 by transfer from a CASA account. Utility Company account is a CASA Account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	Asset / Liability GL of provider CASA	Dr	CNY 100	CNY 100	EOD	Bill payment by transfer from CASA
01/01/05	01/01/05	Transaction Branch	Asset / Liability GL of Utility CASA	Cr	CNY 100	CNY 100	EOD	Utility Company CASA account credited

Bill payment in cash in USD at Branch A, for a utility company account maintained in LCY (CNY) with a different branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 15	CNY 100	Online	Buy FX rate to apply
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	CNY 100	CNY 100	EOD	Originating
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	CNY 100	CNY 100	EOD	Responding

Bill Payment by CASA transfer Mode – Fast Path: 1025

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Account Branch	Asset / Liability GL of Utility CASA	Cr	CNY 100	CNY 100	EOD	Credit to utility Company account

### 1.7. CASA to CASA Funds transfer Request – Fast Path: 1091

Transfer of CNY 100 from Account A to Account B maintained in different branches. These transactions are future dated and are executed on value date basis.

Date		Branch	GL Head	D r / C r	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	31/12/2004	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Transfer to Account B with Branch 2
01/01/05	01/01/05	Transaction Branch	Inter branch GL	Cr	CNY 100	CNY 100	EOD	Originating
01/01/05	01/01/05	Account Branch	Inter branch GL	Dr	CNY 100	CNY 100	EOD	Responding
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Cr	CNY 100	CNY 100	Online	Transfer from Account A with Branch 1

Transfer of USD 15 from Account A (in USD) to Account B in GBP 12 with Service charge of CNY 8. This option can also be used for making future dated funds transfer by changing the value date. While the credit intended happens on the future value date, SC collection for this transaction happens on the day of initiating the future dated transaction. Hence, SC income does not pass through Future Dated Bridge GL.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	02/01/05	From Account Branch	CASA Asset/ Liability GL	Dr	USD 15	CNY 120	EOD	Buy rate for USD/ CNY, transfer to Account B

CASA to CASA Funds transfer Request – Fast Path: 1091

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	From Account Branch	CASA Asset/ Liability GL	Dr	USD 1	CNY 8	EOD	SC deducted
01/01/05	02/01/05	From Account Branch	Future dated Bridge GL	Cr	USD 15	CNY 120	EOD	Funds parked in Bridge GL
02/01/05	02/01/05	From Account Branch	Future dated Bridge GL	Dr	USD 15	CNY 120	BOD	Transfer to beneficiary account on value date.
02/01/05	02/01/05	To Account Branch	CASA Asset / Liability GL	Cr	GBP 12	CNY 120	BOD	Sale rate for GBP/CNY
01/01/05	01/01/05	To Account Branch	SC Income GL	Cr	CNY 8	CNY 8	EOD	SC collected to income GL in LCY on the day of initiating the transaction.

Transfer of USD 15 from Account A Transaction Branch (in USD) to Account B in GBP, both accounts maintained in different branches. Service charge of CNY 8 is levied for the transaction. (Assumed USD15 = GBP12 = CNY 120).

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 15	CNY 120	Online	Buy rate for USD/ CNY

CASA to CASA Funds transfer Request – Fast Path: 1091

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	02/01/05	Transaction Branch	Future Dated Bridge GL	Cr	USD 15	CNY 120	EOD	Transaction amount parked till value date
01/01/05	01/01/05	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 1	CNY 8	Online	SC deducted
01/01/05	01/01/05	Transaction Branch	SC Income GL	Cr	CNY 8	CNY 8	Online	SC collected to income GL in LCY
02/01/05	02/01/05	Transaction Branch	Future Dated Bridge GL	Dr	USD 15	CNY 120	EOD	Parked amount transferred to Account
02/01/05	02/01/05	Transaction Branch	Inter branch GL	Cr	CNY 120	CNY 120	EOD	Originating
02/01/05	02/01/05	Account Branch	Inter branch GL	Dr	CNY 120	CNY 120	EOD	Responding
02/01/05	02/01/05	Account Branch	CASA Asset / Liability GL	Cr	GBP 12	CNY 120	Online	Sale rate for GBP/CNY



### 1.8. CASA to GL Funds transfer Request – Fast Path: 1092

Future dated funds transfer of CNY 100 from Account A to Account B maintained in different branches.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY 100	CNY 100	Online	Transfer to GL
01/01/05	05/01/05	From Account Branch	Future Dated Bridge GL	Cr	CNY 100	CNY 100	EOD	Transaction amount parked till value date
05/01/05	05/01/05	From Account Branch	Future Dated Bridge GL	Dr	CNY 100	CNY 100	EOD	Transaction amount parked till value date
05/01/05	05/01/05	Transaction Branch	Inter branch GL	Cr	CNY 100	CNY 100	EOD	Originating
01/01/05	01/01/05	To Account Branch	Inter branch GL	Dr	CNY 100	CNY 100	EOD	Responding
05/01/05	05/01/05	To Account Branch	Selected GL	Cr	CNY 100	CNY 100	Online	Transfer from CASA

Transfer of USD 15 from Account A (in USD) to Account B in GBP 12 with Service charge of CNY 8. The instruction to undertake the transaction is getting initiated from Branch C.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction initiating Branch C	Inter branch GL	Dr	USD 15	CNY 120	EOD	Buy rate for USD/ CNY

CASA to GL Funds transfer Request – Fast Path: 1092

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch A	Inter branch GL	Cr	USD 15	CNY 120	EOD	
01/01/05	01/01/05	Transaction Branch A	CASA Asset/ Liability GL	Dr	USD 1	CNY 8	Online	SC deducted
01/01/05	01/01/05	To Account Branch	CASA Asset / Liability GL	Cr	GBP 12	CNY 120	Online	Sale rate for GBP/CNY
01/01/05	01/01/05	To Account Branch	SC Income GL	Cr	CNY 8	CNY 8	EOD	Collected SC to Income in LCY

Transfer of USD 15 from Account A (in USD) to GL Account in GBP, both accounts maintained in different branches. Service charge of CNY 8 is levied for the transaction.(Assumed USD15 = GBP12 = CNY 120).

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	05/01/05	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 15	CNY 120	Online	Buy rate for USD/ CNY
01/01/05	01/01/05	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 1	CNY 8	Online	SC deducted
01/01/05	05/01/05	From Account Branch	Future Dated Bridge GL	Cr	CNY 100	CNY 100	EOD	Transaction amount parked till value date

CASA to GL Funds transfer Request – Fast Path: 1092

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	From Account Branch	Future Dated Bridge GL	Dr	CNY 100	CNY 100	EOD	Transaction amount parked till value date
05/01/05	05/01/05	Transaction Branch	Inter branch GL	Cr	CNY 120	CNY 120	EOD	Originating
01/01/05	01/01/05	Transaction Branch	SC Income GL	Cr	CNY 8	CNY 8	EOD	Collected SC to income in LCY
05/01/05	05/01/05	To Account Branch	Inter branch GL	Dr	CNY 120	CNY 120	EOD	Responding
05/01/05	05/01/05	To Account Branch	Selected GL	Cr	GBP 12	CNY 120	Online	Sale rate for GBP/CNY

### 1.9. GL to CASA Funds transfer Request – Fast Path: 1093

Transfer of CNY 100 from selected GL to CASA account maintained in different branches.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	05/01/05	Transaction Branch	Selected GL	Dr	CNY 100	CNY 100	EOD	Transfer to CASA account maintained with other branch
05/01/05	05/01/05	Transaction Branch	Inter branch GL	Cr	CNY 100	CNY 100	EOD	Originating
05/01/05	05/01/05	To Account Branch	Inter branch GL	Dr	CNY 100	CNY 100	EOD	Responding
05/01/05	05/01/05	To Account Branch	CASA Asset / Liability GL	Cr	CNY 100	CNY 100	EOD	Transfer from account maintained with other branch

Transfer of USD 15 from Account A (in USD) to Account B in GBP, equivalent to GBP 12 with Service charge of CNY 8.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	05/01/05	Transaction Branch	Asset/ Liability GL	Dr	USD 15	CNY 120	Online	Buy rate for USD/ CNY
01/01/05	01/01/05	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 1	CNY 8	Online	SC deducted

GL to CASA Funds transfer Request – Fast Path: 1093

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	To Account Branch	CASA Asset / Liability GL	Cr	GBP 12	CNY 120	Online	Sale rate for GBP/CNY
01/01/05	01/01/05	To Account Branch	SC Income GL	Cr	CNY 8	CNY 8	EOD	Collected SC to Income

Transfer of USD 15 from Account A (in USD) to Account B in GBP equivalent to GBP 12, both accounts maintained in different branches. Service charge of CNY 8 is levied for the transaction.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	05/01/05	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 15	CNY 120	EOD	Buy rate for USD/ CNY
01/01/05	01/01/05	Transaction Branch	CASA Asset/ Liability GL	Dr	USD 1	CNY 8	EOD	SC deducted
05/01/05	05/01/05	Transaction Branch	Inter branch GL	Cr	CNY 120	CNY 120	EOD	Originating
01/01/05	01/01/05	To Account Branch	SC Income GL	Cr	CNY 8	CNY 8	EOD	Collected SC to Income in LCY.
05/01/05	05/01/05	To Account Branch	Inter branch GL	Dr	CNY 120	CNY 120	EOD	Responding

GL to CASA Funds transfer Request – Fast Path: 1093

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	To Account Branch	CASA Asset / Liability GL	Cr	GBP 12	CNY 120	Online	Sale rate for GBP/CNY

### 1.10. CASA Close out withdrawal by Cash – Fast Path: 1320

Cash payout of CNY 120 from a CASA account, maintained with a different branch on close out.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	From Account Branch	CASA Asset/ Liability GL	Dr	CNY 120	CNY 120	Online	Account debited for final transfer
01/01/05	01/01/05	From Account Branch	Inter branch GL	Cr	CNY 120	CNY 120	EOD	Originating
01/01/05	01/01/05	Transaction Branch	Inter branch GL	Dr	CNY 120	CNY 120	EOD	Responding
01/01/05	01/01/05	Transaction Branch	Cash GL	Cr	CNY 120	CNY 120	Online	Cash payout

Cash payout of USD 15 from Account A (in GBP) close out balance of GBP 13 with Service charge of CNY 10.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	From Account Branch	CASA Asset/ Liability GL	Dr	GBP 12	CNY 120	Online	Buy rate for GBP/ CNY
01/01/05	01/01/05	From Account Branch	CASA Asset/ Liability GL	Dr	GBP 1	CNY 10	Online	SC deducted
01/01/05	01/01/05	From Account Branch	Inter branch GL	Cr	CNY 120	CNY 120	EOD	Originating

CASA Close out withdrawal by Cash – Fast Path: 1320

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	From Account Branch	Inter branch GL	Cr	CNY 10	CNY 10	EOD	Originating
01/01/05	01/01/05	To Account Branch	Inter branch GL	Dr	CNY 120	CNY 120	EOD	Responding
01/01/05	01/01/05	To Account Branch	Inter branch GL	Dr	CNY 10	CNY 10	EOD	Responding
01/01/05	01/01/05	To Account Branch	Cash GL	Cr	USD 15	CNY 120	EOD	Sale rate for USD/CNY
01/01/05	01/01/05	To Account Branch	Income GL	Cr	CNY 10	CNY 10	EOD	Collected SC to Income



### 1.11. CASA Close out withdrawal by Transfer to GL – Fast Path: 1321

Transfer of Close out proceeds in CNY 120 from a CASA account, maintained with a different branch to a GL account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	From Account Branch	Asset/ Liability GL	Dr	CNY 120	CNY 120	Online	Final Closeout proceeds
01/01/05	01/01/05	From Account Branch	Inter branch GL	Cr	CNY 120	CNY 120	EOD	Originating
01/01/05	01/01/05	To Account Branch	Inter branch GL	Dr	CNY 120	CNY 120	EOD	Responding
01/01/05	01/01/05	To Account Branch	Misc Credit GL	Cr	CNY 120	CNY 120	Online	Transfer to GL

Transfer of close out proceeds of USD 15 from Account A (in GBP equivalent to GBP 12)) with Service charge of CNY 10. Closeout proceeds to be transferred to a Misc. GL maintained with a different branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	From Account Branch	CASA Asset/ Liability GL	Dr	GBP 12	CNY 120	Online	Buy rate for GBP/ CNY, final closeout proceeds
01/01/05	01/01/05	From Account Branch	CASA Asset/ Liability GL	Dr	GBP 1	CNY 10	Online	SC deducted

CASA Close out withdrawal by Transfer to GL – Fast Path: 1321

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	From Account Branch	Inter branch GL	Cr	CNY 120	CNY 120	EOD	Originating
01/01/05	01/01/05	From Account Branch	Inter branch GL	Cr	CNY 10	CNY 10	EOD	Originating
01/01/05	01/01/05	To Account Branch	Inter branch GL	Dr	CNY 120	CNY 120	EOD	Responding
01/01/05	01/01/05	To Account Branch	Inter branch GL	Dr	CNY 10	CNY 10	EOD	Responding
01/01/05	01/01/05	To Account Branch	Misc Credit GL	Cr	USD 15	CNY 120	Online	Sale rate for USD/CNY, transfer to GL
01/01/05	01/01/05	To Account Branch	Income GL	Cr	CNY 10	CNY 10	EOD	SC transfer to GL

## 1.12. Cash Deposit – Fast Path: 1401

Cash deposit of CNY 100 made in the CASA Account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	From Account Branch	Cash GL	Dr	CNY 100	CNY 100	EOD	Cash deposit
01/01/05	01/01/05	To Account Branch	CASA Asset / Liability GL	Cr	CNY 100	CNY 100	EOD	Account Credit

USD 120 deposited on CASA Account with Acy in GBP, maintained with a different branch. Service charge of CNY10 is levied at the transaction branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 120	CNY 960	Online	USD buy rate to apply
01/01/05	01/01/05	Transaction Branch	SC Income GL	Cr	CNY 10	CNY 10	Online	SC collected
01/01/05	01/01/05	Transaction Branch	Inter branch GL	Cr	CNY 960	CNY 960	EOD	Originating
01/01/05	01/01/05	Transaction Branch	Inter branch GL	Dr	CNY 10	CNY 10	EOD	Responding
01/01/05	01/01/05	Account Branch	Inter branch GL	Cr	CNY 10	CNY 10	EOD	Originating

Cash Deposit – Fast Path: 1401

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Account Branch	Inter branch GL	Dr	CNY 960	CNY 960	EOD	Responding
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Dr	GBP 1	CNY 10	EOD	GBP sale rate to apply, SC collected
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Cr	GBP 96	CNY 960	EOD	GBP Buy rate to apply, Account credited

### 1.13. Cash Deposit – Fast Path: 1501

Cash deposit of CNY 100 in the CASA Account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	From Account Branch	Cash GL	Dr	CNY 100	CNY 100	EOD	Cash deposit
01/01/05	01/01/05	To Account Branch	CASA Asset / Liability GL	Cr	CNY 100	CNY 100	EOD	Account credit

USD 120 deposited on CASA Account with Acy in GBP, maintained with a different branch. Service charge of CNY10 is levied at the transaction branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 120	CNY 960	Online	USD buy rate to apply
01/01/05	01/01/05	Transaction Branch	SC Income GL	Cr	CNY 10	CNY 10	Online	SC collected
01/01/05	01/01/05	Transaction Branch	Inter branch GL	Cr	CNY 960	CNY 960	EOD	Originating
01/01/05	01/01/05	Transaction Branch	Inter branch GL	Dr	CNY 10	CNY 10	EOD	Responding
01/01/05	01/01/05	Account Branch	Inter branch GL	Cr	CNY 10	CNY 10	EOD	Originating

Cash Deposit – Fast Path: 1501

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Account Branch	Inter branch GL	Dr	CNY 960	CNY 960	EOD	Responding
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Dr	GBP 1	CNY 10	EOD	GBP sale rate to apply, SC deducted
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Cr	GBP 96	CNY 960	EOD	GBP Buy rate to apply, account credited

**1.14. Misc. Customer Credit – Fast Path: 1408**

Credit transfer of CNY 100 received in a CASA account from a GL Account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	Selected GL	Dr	CNY 100	CNY 100	Online	Transfer to CASA
01/01/05	01/01/05	Transaction Branch	CASA Asset / Liability GL	Cr	CNY 100	CNY 100	Online	From GL account

CNY 960 deposited in a CASA Account with Acy in GBP, maintained with a different branch. Service charge of CNY10 is levied at the transaction branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	Selected GL	Dr	CNY 960	CNY 960	Online	USD buy rate to apply
01/01/05	01/01/05	Transaction Branch	SC Income GL	Cr	CNY 10	CNY 10	Online	SC collected
01/01/05	01/01/05	Transaction Branch	Inter branch GL	Cr	CNY 960	CNY 960	EOD	Originating
01/01/05	01/01/05	Transaction Branch	Inter branch GL	Dr	CNY 10	CNY 10	EOD	Originating
01/01/05	01/01/05	Account Branch	Inter branch GL	Cr	CNY 10	CNY 10	EOD	Responding

Misc. Customer Credit – Fast Path: 1408

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Account Branch	Inter branch GL	Dr	CNY 960	CNY 960	EOD	Responding
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Dr	GBP 1	CNY 10	EOD	GBP sale rate to apply, SC deducted
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Cr	GBP 96	CNY 960	EOD	GBP buy rate to apply, transfer from CASA



### 1.15. Future Dated Cash Deposit – Fast Path: 1411

Future dated cash deposit of USD 110 on CASA Account in GBP on 01/01/05 with value date as 05/01/05.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	USD cash GL	Dr	USD 110	880	Online	USD buy rate to apply
01/01/05	01/01/05	Transaction Branch	Future Dated Bridge GL	Cr	USD 110	880	EOD	Parked in Bridge GL
05/01/05	05/01/05	Transaction Branch	Future Dated Bridge GL	Dr	USD 110	880	EOD	Transfer on value date
05/01/05	05/01/05	Transaction Branch	Inter Branch GL	Cr	USD 110	880	EOD	Originating
05/01/05	05/01/05	Account Branch	Inter Branch GL	Dr	USD 110	880	EOD	Responding
05/1/05	05/01/05	Account Branch	CASA Asset / Liability GL	Cr	GBP 88	880	EOD	GBP sale rate to apply, transfer executed

Future Dated Cash Deposit – Fast Path: 1411

Future dated transaction within the same branch with Service Charge.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Transaction Branch	USD cash GL	Dr	USD 110	880	Online	USD buy rate to apply, amount to beneficiary branch
01/01/05	01/01/05	Transaction Branch	SC Income GL	Cr	USD 10	80	EOD	Collected SC to Income
01/01/05	01/01/05	Transaction Branch	Future Dated Bridge GL	Cr	USD 100	800	EOD	Parked in bridge GL
05/01/05	05/01/05	Transaction Branch	Future Dated Bridge GL	Dr	USD 100	800	EOD	Transfer on Value date
05/1/05	05/01/05	Account Branch	CASA Asset / Liability GL	Cr	GBP 80	800	EOD	GBP sale rate to apply

## 1.16. CASA Billing Transactions – Fast Path: CH050

Utility Company Account is a CASA Account.

Bill Payment of USD 100 from CASA Account in GBP. Utility Company account is a CASA Account maintained with a different branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Provider Account Branch	Asset / Liability GL of provider CASA	Dr	GBP 80	800	Online	GBP buy rate, bill amount from CASA
01/01/05	01/01/05	Provider Account Branch	Inter Branch GL	Cr	GBP 80	800	EOD	Originating
01/01/05	01/01/05	Beneficiary Account Branch	Inter Branch GL	Dr	USD 100	800	EOD	Responding
01/01/05	01/01/05	Beneficiary Account Branch	Asset / Liability GL of Utility CASA	Cr	USD 100	800	EOD	USD sale rate, Utility company account credited

Common Billing

Bill insurance Premium of CNY 800 to CASA Account in GBP.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Dr	GBP 80	800	Online	Premium amount from CASA

CASA Billing Transactions – Fast Path: CH050

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Account Branch	Insurance Premium GL	Cr	GBP 80	800	Online	Collected premium

Bill Service Charge of CNY 800 to CASA Account in GBP.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Dr	GBP 80	800	Online	Service charge deducted
01/01/05	01/01/05	Account Branch	SC Income GL	Cr	GBP 80	800	EOD	Collected SC to Income GL

Bill Outgoings of CNY 800 to CASA Account in GBP.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Dr	GBP 80	800	Online	Bill amount from CASA
01/01/05	01/01/05	Account Branch	Outgoings GL	Cr	GBP 80	800	Online	Parked in GL for external transfer

CASA Billing Transactions – Fast Path: CH050

Bill Legal Fees of CNY 800 to CASA Account in GBP.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	Account Branch	CASA Asset / Liability GL	Dr	GBP 80	800	Online	Legal fee deducted from CASA
01/01/05	01/01/05	Account Branch	Outgoings GL	Cr	GBP 80	800	EOD	Parked in GL for external transfer

### 1.17. Future Dated Funds Transfer – Fast Path: CHM50

On 01/01/05, future Dated Funds transfer of USD 100 from CASA Account to another CASA account in USD with value date 05/01/05. No entries are passed on the transaction date.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	From CASA Account Branch	Asset / Liability GL of From Account	Dr	USD 100	800	BOD	Transfer from CASA on the proposed date of transaction
05/01/05	05/01/05	From CASA Account Branch	Inter Branch GL	Cr	USD 100	800	EOD	Originating
05/01/05	05/01/05	To CASA Account Branch	Inter Branch GL	Dr	USD 100	800	EOD	Responding
05/01/05	05/01/05	To CASA Account Branch	Asset / Liability GL of To Account	Cr	USD 100	800	BOD	Received Transfer from CASA on the proposed date of transaction

## Future Dated Funds Transfer – Fast Path: CHM50

On 01/01/05, future Dated Funds transfer of USD 100 from CASA Account to GL account in USD with value date 05/01/05. No entries are passed on the transaction date.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	From CASA Account Branch	Asset / Liability GL of From Account	Dr	USD 100	800	BOD	Transfer from CASA on the proposed date of transaction
05/01/05	05/01/05	From CASA Account Branch	Inter Branch GL	Cr	USD 100	800	EOD	Originating
05/01/05	05/01/05	To CASA Account Branch	Inter Branch GL	Dr	USD 100	800	EOD	Responding
05/01/05	05/01/05	Transaction Branch	Selected GL	Cr	USD 100	800	BOD	Received Transfer from CASA on the proposed date of transaction

Future Dated Funds transfer of USD 100 from GL Account to CASA account in USD.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Selected GL	Dr	USD 100	800	BOD	Transfer from CASA on the proposed date of transaction

Future Dated Funds Transfer – Fast Path: CHM50

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	From CASA Account Branch	Inter Branch GL	Cr	USD 100	800	EOD	Originating
05/01/05	05/01/05	To CASA Account Branch	Inter Branch GL	Dr	USD 100	800	EOD	Responding
05/01/05	05/01/05	Transaction Branch	Asset / Liability GL of To Account	Cr	USD 100	800	BOD	Received Transfer from CASA on the proposed date of transaction

Future Dated Funds transfer of USD 100 from GL Account to another GL account in USD.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Selected GL	Dr	USD 100	800	BOD	Transfer from CASA on the proposed date of transaction
05/01/05	05/01/05	From CASA Account Branch	Inter Branch GL	Cr	USD 100	800	EOD	Originating
05/01/05	05/01/05	To CASA Account Branch	Inter Branch GL	Dr	USD 100	800	EOD	Responding



Future Dated Funds Transfer – Fast Path: CHM50

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Selected GL	Cr	USD 100	800	BOD	Received Transfer from CASA on the proposed date of transaction

### 1.18. CASA Tax Refund – Fast Path: TDS13

Tax refund through Cash mode in the same branch set up.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Tax withheld GL	Dr	USD 100	800	Online	GL where TDS amount is parked before remitting to Tax Authority
05/01/05	05/01/05	Transaction Branch	Cash GL	Cr	USD 100	800	Online	Payout in cash

Tax refund into a CASA Account maintained with a different Branch.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Tax withheld GL	Dr	USD 100	800	Online	GL where TDS amount is parked before remitting to Tax Authority
05/01/05	05/01/05	Transaction Branch	Inter Branch GL	Cr	USD 100	800	EOD	Originating
05/01/05	05/01/05	Account Branch	Inter branch GL	Dr	USD 100	800	EOD	Responding

CASA Tax Refund – Fast Path: TDS13

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	CASA Liability GL	Cr	USD 100	800	Online	Refunded TDS transfer to CASA

### 1.19. Credit Type Adjustment on Credit Interest

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Interest Expense GL	Dr	CNY 100	100	EOD	Interest Adjustment
20/02/09	20/02/09	Transaction Branch	Asset / Liability GL	Cr	CNY 100	100	EOD	Interest Adjustment

**1.20. Debit Type Adjustment on Credit Interest**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Asset / Liability GL	Dr	CNY 100	100	EOD	Interest Adjustment
20/02/09	20/02/09	Transaction Branch	Expense GL	Cr	CNY 100	100	EOD	Interest Adjustment

### 1.21. CASA Dormancy and Unclaimed Attributes Processing

Regular attribute to Dormant attribute.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA Account Branch	CASA Liability GL	Dr	USD 100	800	EOD	CASA Liability GL funds moved to Dormant Deposit Credit GL due to account dormancy
05/01/05	05/01/05	CASA Account Branch	Dormant Deposit Credit GL	Cr	USD 100	800	EOD	CASA Liability GL funds moved to Dormant Deposit Credit GL due to account dormancy

Dormant attribute to Regular attribute.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA Account Branch	Dormant Deposit Credit GL	Dr	USD 100	800	EOD	Dormant Deposit Credit GL funds moved to CASA Liability GL as dormant account becomes regular

CASA Dormancy and Unclaimed Attributes Processing

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA Account Branch	CASA Liability GL	Cr	USD 100	800	EOD	Dormant Deposit Credit GL funds moved to CASA Liability GL as dormant account becomes regular

Dormant attribute to Unclaimed attribute.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA Account Branch	Dormant Deposit Credit GL	Dr	USD 100	800	EOD	Dormant Deposit Credit GL funds moved to Unclaimed Deposit Credit GL as dormant account moves to Unclaimed
05/01/05	05/01/05	CASA Account Branch	Unclaimed Deposit Credit GL (Non Business Income GL)	Cr	USD 100	800	EOD	Dormant Deposit Credit GL funds moved to Unclaimed Deposit Credit GL as dormant account moves to Unclaimed

## CASA Dormancy and Unclaimed Attributes Processing

Unclaimed attribute to Regular attribute.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA Account Branch	Unclaimed Deposit Debit GL (Non Business Expense) GL	Dr	USD 100	800	EOD	Unclaimed Deposit Debit GL funds moved to CASA Liability GL as Unclaimed account becomes regular
05/01/05	05/01/05	CASA Account Branch	CASA Liability GL	Cr	USD 100	800	EOD	Unclaimed Deposit Debit GL funds moved to CASA Liability GL as Unclaimed account becomes regular



## CASA Dormancy and Unclaimed Attributes Processing

Scenario - Force Debit on CASA account with Dormant attribute.

This is possible when there is a court order to debit the Dormant CASA account in which case the amount is credited to PBOC CASA or GL account. Such force debits transactions performed on dormant accounts will not be considered as customer initiated transactions and after performing this transaction the attribute of the account should be retained as Dormant.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA Account Branch	Dormant Deposit Credit GL	Dr	USD 100	800	EOD	Force debit transaction performed on dormant account
05/01/05	05/01/05	CASA Account Branch	CASA Liability GL	Cr	USD 100	800	EOD	Force debit transaction performed on dormant account and funds credited to the CASA Liability GL
05/01/05	05/01/05	CASA Account Branch	CASA Liability GL	Dr	USD 100	800	EOD	Amount of Force debit transaction towards credit of PBOC account
05/01/05	05/01/05	CASA Account Branch	PBOC GL/Corporate CASA GL	Cr	USD 100	800	EOD	Amount of Force debit transaction credited to PBOC account (CASA/GL)

## CASA Dormancy and Unclaimed Attributes Processing

Scenario - Force Debit on CASA account with Unclaimed attribute.

This is possible when there is a court order to debit the CASA account with Unclaimed attribute in which case the amount is credited to PBOC CASA or GL account. Such force debits transactions performed on Unclaimed accounts will not be considered as customer initiated transactions and after performing this transaction the attribute of the account should be retained as Unclaimed.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA Account Branch	Unclaimed Deposit Debit GL (Non Business Expense) GL	Dr	USD 100	800	EOD	Force debit transaction performed on Unclaimed account
05/01/05	05/01/05	CASA Account Branch	CASA Liability GL	Cr	USD 100	800	EOD	Force debit transaction performed on Unclaimed account and funds credited to the CASA Liability GL
05/01/05	05/01/05	CASA Account Branch	CASA Liability GL	Dr	USD 100	800	EOD	Amount of Force debit transaction towards credit of PBOC account
05/01/05	05/01/05	CASA Account Branch	PBOC GL/Corporate CASA GL	Cr	USD 100	800	EOD	Amount of Force debit transaction credited to PBOC account (CASA/GL)

## 1.22. Product Transfer Maintenance – Fast Path: BA996

Transfer of Product balances

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA Account Branch	Liability Product GL (Originating Product)	Dr	USD 10000	80000	EOD	Originating product balance transferred to target product
05/01/05	05/01/05	CASA Account Branch	Liability Product GL (Target Product)	Cr	USD 10000	80000	EOD	Proceeds of originating product credited to target product

Reversal of accrued interest on Product Transfer

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA Account Branch	Interest Payable GL	Dr	USD 10000	80000	EOD	Reversal of accrued interest under old CASA product
05/01/05	05/01/05	CASA Account Branch	Interest Expense GL	Cr	USD 10000	80000	EOD	Reversal of Interest expense on account of accrued interest reversal under old CASA product

**Note:** Accrued interest reversal for the account under the old product will be a site specific feature and will be done only if the product transfer validations are successful.

### 1.23. FCY Change Handling

GL entry for a FCY Cash Withdrawal Transaction will be passed for complete amount i.e. USD 512 (as in above example) as per the existing functionality. Refer table below for detailed GL entry.

**GL Entries (Set 1)**

Date		Branch	GL Head	Dr / Cr	Amount		Remarks
Posting	Value				TCY	LCY	
31-01-2012	31-01-2012	Account Branch	CASA Asset/ Liabilities GL	Dr	USD 512	RMB 3584	CASA A/C Debit
31-01-2012	31-01-2012	Txn Branch	Branch Vault Cash GL	Cr	USD 512	RMB 3584	Cash Payout – FCY

Additional accounting entry for change handling will also be passed (for amount USD 2 = RMB 14) similar to existing FX Buy transaction. Refer the table below for detailed GL entry.

**GL Entries (Set 2)**

Date		Branch	GL Head	Dr / Cr	Amount		Remarks
Posting	Value				TCY	LCY	
31-01-2012	31-01-2012	Txn branch	Branch Vault Cash GL	Dr	USD 2	RMB 14	FCY change adjustment
31-01-2012	31-01-2012	Txn branch	Branch Vault Cash GL	Cr	RMB 14	RMB 14	Cash Payout – LCY (FX midrate will apply)

Position entries will be generated as below –

Date		Branch	GL Head	Dr / Cr	Amount		Remarks
Posting	Value				TCY	LCY	
31-01-2012	31-01-2012	Txn branch	Position GL	Dr	USD 2	RMB 14	Position entries for USD
31-01-2012	31-01-2012	Txn branch	Position Equivalent GL	Cr	RMB 14	RMB 14	Position equivalent entries for RMB

## 2. RD

### Global Assumptions

1 USD = 8 CNY

1 USD = 0.8 GBP

1 CNY = 0.10 GBP

1 GBP = 10 CNY

Local Currency = CNY

SC is setup only in LCY (CNY)

**Note:** All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this manual are listed below along with the maintenance which is used for maintaining the same:

Sr No	GL Head	Location of Setup
1	CASA Asset / Liability GL	CHM01/ GL/ Liabilities balance
2	SC Income GL	BAM14/ SC GL Code
3	Interest Expense	CHM01/ GL/ Interest Expense
4	Inter branch GL	BAM08/GL Details / IB Credit or Debit Account
5	Cash GL	BAM08/GL Details / IB Credit or Debit Account

## 2.1. RD Installment Payment by Cash - Fast Path: 1421

RD installment of USD 100 deposited in cash.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY - CNY		
05/01/0 5	05/01/0 5	Transactio n Branch	Cash GL	D r	US D 100	800	Online	Cash deposited
05/01/0 5	05/01/0 5	Transactio n Branch	RD Account/Liabili ty GL	C r	US D 100	800	Online	RD installme nt paid to the account

## 2.2. Flexible RD Deposit BY CASA - Fast Path: 1431

RD installment of USD 100 deposited by transfer to a CASA Account.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY - CNY		
05/01/05	05/01/05	Transactio n Branch	CASA	D r	US D 100	800	Online	Installme nt amount transferre d from CASA
05/01/05	05/01/05	Transactio n Branch	RD Account/Liabili ty GL	C r	US D 100	800	Online	RD installme nt paid to the account



### 2.3. Installment Payment By GL

RD Installment of USD 100 paid from a GL Account.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY - CNY		
05/01/0 5	05/01/0 5	Transactio n Branch	GL	D r	US D 100	800	BOD	Installme nt paid from GL
05/01/0 5	05/01/0 5	Transactio n Branch	RD Account/Liabili ty GL	C r	US D 100	800	BOD	RD account credited

## 2.4. Interest Accrual

Interest Accrual of USD 100 on an RD Account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Interest Expense GL	Dr	USD 100	800	BOD	Transaction done at every interval of accrual frequency
05/01/05	05/01/05	Transaction Branch	Interest Payable GL	Cr	USD 100	800	BOD	Accrued expense parked

## 2.5. Reversal of Accrued Interest :

At the time of withdrawal, if the interest accrued is not the same as the actual interest to be given to the customer, system will pass the reversal entry of the entire interest accrued as below.

After passing reversal entries, system will pass fresh accrual entries as mentioned above for the actual interest to be paid out to the customer.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Interest Payable GL	Dr	USD 100	800	BOD	Reversal of accrued transaction
05/01/05	05/01/05	Transaction Branch	Interest Expense GL	Cr	USD 100	800	BOD	Reversal before capitalization

### Interest Capitalization on Maturity

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Interest Expense GL	Dr	USD 100	800	Online	Actual charged interest from Int. Expense account
05/01/05	05/01/05	Transaction Branch	Interest Payable GL	Cr	USD 100	800	Online	From int. Expense GL
05/01/05	05/01/05	Transaction Branch	Interest Payable GL	Dr	USD 100	800	EOD	Debited from payable for transfer to maturity GL

Reversal of Accrued Interest :

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	RD Maturity GI	Cr	USD 100	800	EOD	Actual charged interest is credited to maturity GL

## 2.6. Post Maturity Interest Accrual

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	PMI Expense GI	Dr	USD 100	800	BOD	Interest credit for post maturity period
05/01/05	05/01/05	Transaction Branch	Interest Payable GL	Cr	USD 100	800	BOD	Accrued interest received from expense GL

## 2.7. Premature Redemption

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
05/01/0 5	05/01/0 5	Transactio n Branch	RD Liability GL	Dr	USD 100	800	BOD	Premature redemptio n proceeds
05/01/0 5	05/01/0 5	Transactio n Branch	Cash GI/CASA/G L	Cr	USD 100	800	BOD	Payout through cash or transfer to GL

**2.8. Flexible RD Redemption - Fast Path: 1432**

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY - CNY		
05/01/0 5	05/01/0 5	Transactio n Branch	RD Maturity GL	D r	US D 100	800	BOD	redemptio n proceeds
05/01/0 5	05/01/0 5	Transactio n Branch	Cash/CASA/G L	C r	US D 100	800	BOD	Payout through cash or transfer to GL

## 2.9. Post maturity Redemption

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remark s
Postin g	Value				TC Y	LCY -CNY		
05/01/05	05/01/05	Transactio n Branch	PMI Expense GL	D r	USD 100	800	Online	Additional interest post maturity
05/01/05	05/01/05	Transactio n Branch	RD Interest payable GL	C r	USD 100	800	Online	Additional interest post maturity
05/01/05	05/01/05	Transactio n Branch	RD Interest Payable GL	D r	USD 100	800	Online	Additional interest post maturity
05/01/05	05/01/05	Transactio n Branch	RD Maturity GL	C r	USD 100	800	Online	Additional interest
05/01/05	05/01/05	Transactio n Branch	RD Maturity GL	D r	USD 100	800	EOD	Additional interest to matured RD proceeds .
05/01/05	05/01/05	Transactio n Branch	Cash/CASA/GL	C r	USD 100	800	EOD	Payout through cash or transfer to GL



### 3. TD

Global Assumptions

1 USD = 8 CNY

1 USD = 0.8 GBP

1 CNY = 0.10 GBP

1 GBP = 10 CNY

Local Currency = CNY

SC is setup only in LCY (CNY)

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this manual are listed below along with the maintenance which is used for maintaining the same:

The accounting entries which are explained in the below topic involves following GLs:

Sr. No	GL Head	Location of Setup
1	Regular Deposits GL	TDM01/ GL codes
2	Payment GL	TDM01/ GL codes
3	Interest Expense	TDM01/ GL codes
4	Interest Accrued	TDM01/ GL codes

## Post maturity Redemption

<b>Sr. No</b>	<b>GL Head</b>	<b>Location of Setup</b>
5	Tax1 With held	TDM01/ GL codes
6	Tax2 With held	TDM01/ GL codes
7	Interest Compounded	TDM01/ GL codes
8	Interest Payable	TDM01/ GL codes
9	Redemption Payable GL	TDM01/ GL codes
10	Matured deposits GL	TDM01/ GL codes
11	Unclaimed deposit	TDM01/ GL codes
12	Savings A/c. Liability GL	CHM01/ General Ledger

### 3.1. Quick TD Pay-in by transfer from CASA - Fast Path: 1007

Quick Pay-in of USD 100 by transfer from CASA to a TD account in USD.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	CASA Asset / Liability GL	Dr	USD 100	800	Online	Payin from CASA
05/01/05	05/01/05	Transaction Branch	Payment GL	Cr	USD 100	800	Online	Deposit parked in Payment GL
05/01/05	05/01/05	Transaction Branch	Payment GL	Dr	USD 100	800	EOD	At EOD for transferred to Deposit GL
05/01/05	05/01/05	Transaction Branch	(Deposit) Liability GL	Cr	USD 100	800	EOD	Deposit GL updated

Quick Pay-in by transfer from CASA for USD 100 in a TD account. CASA and TD accounts are maintained in different branches.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA A/c Branch	CASA Asset / Liability GL	Dr	USD 100	800	Online	Payin from CASA
05/01/05	05/01/05	CASA A/c Branch	Inter branch GL	Cr	USD 100	800	EOD	Originating

Quick TD Pay-in by transfer from CASA - Fast Path: 1007

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	TD A/c Branch	Inter branch GL	Dr	USD 100	800	EOD	Responding
05/01/05	05/01/05	TD A/c Branch	Payment GL	Cr	USD 100	800	Online	Deposit parked in payment GL till EOD
05/01/05	05/01/05	TD A/c Branch	Payment GL	Dr	USD 100	800	EOD	At EOD transferred to Deposit GL
05/01/05	05/01/05	TD A/c Branch	(Deposit) Liability GL	Cr	USD 100	800	EOD	Deposit GL updated

### 3.2. Quick TD Pay-in by transfer from GL - Fast Path: 1021

Pay-in by transfer from GL Account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Selected GL	Dr	USD 100	800	Online	Payin from GL
05/01/05	05/01/05	Transaction Branch	Payment GL	Cr	USD 100	800	Online	Deposit parked till EOD
05/01/05	05/01/05	Transaction Branch	Payment GL	Dr	USD 100	800	EOD	Transferred to Deposit GL
05/01/05	05/01/05	Transaction Branch	(Deposit) Liability GL	Cr	USD 100	800	EOD	Deposit GL updated

Quick Pay-in by transfer from GL Account for USD 100 in a TD account. GL and TD accounts are maintained in different branches.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Originating Branch	Selected GL	Dr	USD 100	800	Online	Payin from GL
05/01/05	05/01/05	Txn. Originating branch	Inter branch GL	Cr	USD 100	800	EOD	Originating
05/01/05	05/01/05	TD A/c Branch	Inter branch GL	Dr	USD 100	800	EOD	Responding

Quick TD Pay-in by transfer from GL - Fast Path: 1021

Date		Branch	GL Head	D r / C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
05/01/05	05/01/05	TD A/c Branch	Payment GL	Cr	USD 100	800	Online	Deposit parked till EOD
05/01/05	05/01/05	TD A/c Branch	Payment GL	Dr	USD 100	800	EOD	Transfer to Deposit GL
05/01/05	05/01/05	TD A/c Branch	(Deposit ) Liability GL	Cr	USD 100	800	EOD	Deposit GL updated

### 3.3. Quick Redemption By Cash - Fast Path: 1310

Redemption of TD in GBP with payout in cash.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
01/01/0 5	01/01/0 5	TD A/c Branch	Redemptio n payable GL	Dr	GBP 80	800	EOD	TD Redeemed
01/01/0 5	01/01/0 5	TD A/c Branch	Payment GL	Cr	GBP 80	800	EOD	Parked to intervening GL
01/01/0 5	01/01/0 5	TD A/c Branch	Payment GL	Dr	GBP 80	800	EOD	Transfer to payees branch
01/01/0 5	01/01/0 5	TD A/c Branch	Inter branch GL	Cr	GBP 80	800	EOD	Originating
01/01/0 5	01/01/0 5	Transactio n Branch	Inter branch GL	Dr	GBP 80	800	EOD	Respondin g
01/01/0 5	01/01/0 5	Transactio n Branch	Cash GL	Cr	GBP 80	800	Online	Payout by Cash

### 3.4. Redemption by CASA Transfer - Fast Path: 1312

Redemption of TD in GBP with payout by transfer to a CASA account.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	TD A/c Branch	Redemption payable GL	Dr	GBP 80	800	BOD	TD Redeemed
01/01/05	01/01/05	TD A/c Branch	Payment GL	Cr	GBP 80	800	BOD	Parked to intervening GL
01/01/05	01/01/05	TD A/c Branch	Payment GL	Dr	GBP 80	800	BOD	Transfer to payees branch
01/01/05	01/01/05	TD A/c Branch	Inter branch GL	Cr	CNY 800	800	BOD	Originating
01/01/05	01/01/05	Saving A/c. Branch	Inter branch GL	Dr	CNY 800	800	BOD	Responding
01/01/05	01/01/05	Saving A/c. Branch	Asset/ liability GL	Cr	USD 100	800	BOD	Payout to a CASA account



### 3.5. Online Renewal - Fast Path: 1316

TD Redemption by payin to a new TD.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	TD A/c Branch	Redemption payable GL	Dr	GBP 80	800	BOD	TD Redeemed
01/01/05	01/01/05	TD A/c Branch	Payment GL	Cr	GBP 80	800	BOD	Parked to intervening GL
01/01/05	01/01/05	TD A/c Branch	Payment GL	Dr	GBP 80	800	BOD	Transfer to payee
01/01/05	01/01/05	TD A/c Branch	Regular Deposits GL	Cr	USD 100	800	BOD	Payout to Deposit GL

**3.6. Quick Redemption By GL - Fast Path: 1318**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/05	01/01/05	TD A/c Branch	Redemption payable GL	Dr	GBP 80	800	BOD	TD Redeemed
01/01/05	01/01/05	TD A/c Branch	Payment GL	Cr	GBP 80	800	BOD	Parked to intervening GL
01/01/05	01/01/05	TD A/c Branch	Payment GL	Dr	GBP 80	800	BOD	Transfer to payees branch
01/01/05	01/01/05	TD A/c Branch	Relevant GL Account	Cr	USD 100	800	BOD	Payout to a selected GL account

### 3.7. Interest Payout by Cash - Fast Path: 1337

Step 1: At BOD

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/02/05	01/02/05	TD A/c Branch	Interest Compounded/ Interest Accrued	Dr	GBP 80	800	BOD	Interest at Payout
01/02/05	01/02/05	TD A/c Branch	Interest Payable	Cr	GBP 80	800	BOD	Interest at Payout
01/02/05	01/02/05	TD A/c Branch	Interest Payable	Dr	GBP 80	800	BOD	Tax1 Amount
01/02/05	01/02/05	TD A/c Branch	Tax1 With held	Cr	GBP 80	800	BOD	Tax1 Amount
01/02/05	01/02/05	TD A/c Branch	Interest Payable	Dr	GBP 80	800	BOD	Tax2 Amount
01/02/05	01/02/05	TD A/c Branch	Tax2 With held	Cr	GBP 80	800	BOD	Tax2 Amount

Step 2: When the Cash is actually paid.

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-CNY		
02/02/05	02/02/05	TD A/c Branch	Interest Payable	Dr	GBP 80	800	Interest Payout from TD	EOD
02/02/05	02/02/05	TD A/c Branch	Payment GL	Cr	GBP 80	800	Interest Payout from TD	EOD
02/02/05	02/02/05	TD A/c Branch	Payment GL	Dr	GBP 80	800	Interest Payout from TD	EOD

Interest Payout by Cash - Fast Path: 1337

Date		Branch	GL Head	D r / C r	Amount		Default Description	Generated During
Posting	Value				TC Y	LCY -CNY		
02/02/05	02/02/05	TD A/c Branch	Inter branch GL	Cr	GBP 80	800	Interest Payout from TD.	EOD
02/02/05	02/02/05	Transaction Branch	Inter branch GL	Dr	GBP 80	800	Interest Payout from TD	EOD
02/02/05	02/02/05	Transaction Branch	Cash GL	Cr	GBP 80	800	Interest Payout from TD	Online

### 3.8. TD Mixed Payin - Fast Path: 1356

Pay-in by cash deposit of USD 100 in a TD account in USD.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Cash GL	Dr	USD 100	800	Online	Payin by cash
05/01/05	05/01/05	Transaction Branch	Payment GL	Cr	USD 100	800	Online	Deposit parked till EOD
05/01/05	05/01/05	Transaction Branch	Payment GL	Cr	USD 100	800	EOD	Transferred to Deposit GL
05/01/05	05/01/05	Transaction Branch	(Deposit) Liability GL	Cr	USD 100	800	EOD	Deposit GL updated

Pay-in to a TD account from a CASA account in USD.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	CASA Asset / Liability GL	Dr	USD 100	800	Online	Payin by CASA
05/01/05	05/01/05	Transaction Branch	Payment GL	Cr	USD 100	800	Online	Deposit parked till EOD
05/01/05	05/01/05	Transaction Branch	Payment GL	Cr	USD 100	800	EOD	Transferred to Deposit GL
05/01/05	05/01/05	Transaction Branch	(Deposit) Liability GL	Cr	USD 100	800	EOD	Deposit GL updated

Pay-in by transfer from CASA for USD 100 in a TD account. CASA and TD accounts are maintained in different branches.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA A/c Branch	CASA Asset / Liability GL	Dr	USD 100	800	Online	Payin from CASA
05/01/05	05/01/05	CASA A/c Branch	Inter branch GL	Cr	USD 100	800	EOD	Originating
05/01/05	05/01/05	TD A/c Branch	Inter branch GL	Dr	USD 100	800	EOD	Responding
05/01/05	05/01/05	TD A/c Branch	Payment GL	Cr	USD 100	800	Online	Deposit parked till EOD
05/01/05	05/01/05	TD A/c Branch	Payment GL	Cr	USD 100	800	EOD	Transferred to Deposit GL
05/01/05	05/01/05	TD A/c Branch	(Deposit) Liability GL	Cr	USD 100	800	EOD	Deposit GL updated

### 3.9. TD Redemption - Fast Path: 1358

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Asset / Liability GL	Dr	USD 100	800	Online	TD Redeemed
05/01/05	05/01/05	Transaction Branch	Payment GL	Cr	USD 100	800	Online	Parked to intervening GL
05/01/05	05/01/05	Transaction Branch	Payment GL	Dr	USD 100	800	EOD	Transfer to payees branch
05/01/05	05/01/05	Transaction Branch	(Deposit) Liability GL	Cr	USD 100	800	EOD	Payout to a CASA account

Quick redemption by transfer from GL Account for USD 100 in a TD account in GBP. GL and TD accounts are maintained in different branches.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Originating Branch	Asset / Liability GL	Dr	USD 100	800	Online	TD Redeemed
05/01/05	05/01/05	Txn. Originating branch	Inter branch GL	Cr	USD 100	800	EOD	Originating
05/01/05	05/01/05	TD A/c Branch	Inter branch GL	Dr	USD 100	800	EOD	Responding

Date		Branch	GL Head	D r / C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
05/01/05	05/01/05	TD A/c Branch	Payment GL	Cr	USD 100	800	Online	Parked to intervening GL
05/01/05	05/01/05	TD A/c Branch	Payment GL	Cr	USD 100	800	EOD	Transfer from intervening GL
05/01/05	05/01/05	TD A/c Branch	(Deposit ) Liability GL	Cr	USD 100	800	EOD	Payout to a Deposit GL account



### 3.10. Quick Payin By Cash - Fast Path: 1402

Pay-in by cash in a deposit account maintained in USD in a single branch set up.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	Transaction Branch	Cash GL	Dr	USD 100	800	Online	Payin by Cash deposit
05/01/05	05/01/05	Transaction Branch	Payment GL	Cr	USD 100	800	Online	Deposit parked till EOD
05/01/05	05/01/05	Transaction Branch	Payment GL	Dr	USD 100	800	EOD	Transfer to Deposit GL
05/01/05	05/01/05	Transaction Branch	(Deposit) Liability GL	Cr	USD 100	800	EOD	Deposit GL updated

Pay-in by cash in a multiple branch set up.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	CASA A/c Branch	Cash GL	Dr	USD 100	800	Online	Payin by Cash deposit
05/01/05	05/01/05	CASA A/c Branch	Inter branch GL	Cr	USD 100	800	EOD	Originating
05/01/05	05/01/05	TD A/c Branch	Inter branch GL	Dr	USD 100	800	EOD	Responding
05/01/05	05/01/05	TD A/c Branch	Payment GL	Cr	USD 100	800	Online	Deposit parked till EOD

Quick Payin By Cash - Fast Path: 1402

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
05/01/05	05/01/05	TD A/c Branch	Payment GL	Cr	USD 100	800	EOD	Transfer to Deposit GL
05/01/05	05/01/05	TD A/c Branch	(Deposit) Liability GL	Cr	USD 100	800	EOD	Deposit GL updated

### 3.11. Quick Redemption By Reinvest To Existing Account - Fast Path: 1333

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
05/01/05	05/01/05	Transactio n Branch	Redemptio n Payable GL	Dr	USD 100	800	BOD	TD Redeeme d
05/01/05	05/01/05	Transactio n Branch	Payment GL	Cr	USD 100	800	BOD	Parked to intervenin g GL
05/01/05	05/01/05	Transactio n Branch	Payment GL	Dr	USD 100	800	BOD	Transfer to payees branch
05/01/05	05/01/05	Transactio n Branch	(Deposit) Liability GL	Cr	USD 100	800	BOD	Payout to a CASA account

Redemption by transfer to a new TD account where redeemable TD and Deposit accounts.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
05/01/05	05/01/05	Transactio n Originating Branch	Redemptio n Payable GL	D r	USD 100	800	BOD	TD Redeemed
05/01/05	05/01/05	Transactio n Originating Branch	Payment GL	C r	USD 100	800	BOD	Redemption proceeds parked till appropriatio n

Quick Redemption By Reinvest To Existing Account - Fast Path: 1333

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
05/01/0 5	05/01/0 5	Transactio n Originating Branch	Payment GL	D r	USD 100	800	BOD	Redemption amount transferred to a different branch
05/01/0 5	05/01/0 5	Txn. Originating branch	Inter branch GL	C r	USD 100	800	EOD	Originating
05/01/0 5	05/01/0 5	TD A/c Branch	Inter branch GL	D r	USD 100	800	EOD	Responding
05/01/0 5	05/01/0 5	TD A/c Branch	Payment GL	C r	USD 100	800	Online	Parked to intervening GL
05/01/0 5	05/01/0 5	TD A/c Branch	Payment GL	D r	USD 100	800	EOD	Transfer as a new deposit
05/01/0 5	05/01/0 5	TD A/c Branch	(Deposit) Liability GL	C r	USD 100	800	EOD	New deposit created

### 3.12. Quick Redemption By Reinvest To New Account - Fast Path: 1336

TD redemption by reinvesting the redeemed amount in a new TD account.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
05/01/05	05/01/05	Transactio n Branch	Redemptio n Payable GL	Dr	USD 100	800	BOD	TD Redeeme d
05/01/05	05/01/05	Transactio n Branch	Payment GL	Cr	USD 100	800	BOD	Parked to intervenin g GL
05/01/05	05/01/05	Transactio n Branch	Payment GL	Dr	USD 100	800	BOD	Transfer to payees branch
05/01/05	05/01/05	Transactio n Branch	(Deposit) Liability GL	Cr	USD 100	800	BOD	Payin to a new deposit account

Redemption by transfer to a new TD account.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
05/01/05	05/01/05	Transactio n Originating Branch	Redemptio n Payable GL	D r	USD 100	800	BOD	TD Redeemed
05/01/05	05/01/05	Transactio n Originating Branch	Payment GL	C r	USD 100	800	BOD	Redemption proceeds parked till appropriatio n

Quick Redemption By Reinvest To New Account - Fast Path: 1336

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
05/01/0 5	05/01/0 5	Transactio n Originating Branch	Payment GL	D r	USD 100	800	BOD	Redemption amount transferred to a different branch
05/01/0 5	05/01/0 5	Txn. Originating branch	Inter branch GL	C r	USD 100	800	EOD	Originating
05/01/0 5	05/01/0 5	TD A/c Branch	Inter branch GL	D r	USD 100	800	EOD	Responding
05/01/0 5	05/01/0 5	TD A/c Branch	Payment GL	C r	USD 100	800	Online	Parked to intervening GL
05/01/0 5	05/01/0 5	TD A/c Branch	Payment GL	D r	USD 100	800	EOD	Transfer as a new deposit
05/01/0 5	05/01/0 5	TD A/c Branch	(Deposit) Liability GL	C r	USD 100	800	EOD	New deposit created

### 3.13. Time Deposit Interest Compounding

At the event of compounding, system increases the interest base and the accrued income since the last capitalization event is transferred to compounding GL.

If the tax is at compounding, system passes the compounding entries for the total amount and tax entry is passed separately by debiting the Interest Compounded GL and crediting the Tax Withheld GL.

#### Example

The Interest to be compounded is 48 CNY, for the period 20/02/2009 to 20/03/2009. Two taxes are applicable- Tax1 = 6 CNY & Tax2 = 0.6 CNY.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY - CNY		
20/02/09	20/02/09	Transactio n Branch	Interest Accrued	D r	CN Y 48	CNY 48	BOD	Interest Compoundin g
20/02/09	20/02/09	Transactio n Branch	Interest Compounde d	C r	CN Y 48	CNY 48	BOD	Interest Compoundin g
20/02/09	20/02/09	Transactio n Branch	Interest Compounde d	D r	CN Y 6	CNY 6	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Tax1 With held	C r	CN Y 6	CNY 6	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Interest Compounde d	D r	CN Y 0.6	CNY 0.6	BOD	Tax2 Amount
20/02/09	20/02/09	Transactio n Branch	Tax2 With held	C r	CN Y 0.6	CNY 0.6	BOD	Tax2 Amount

### 3.14. Time Deposit Interest Accrual

Interest Accrual frequency and the accrual anniversary month is defined at the Product level. In the event of accrual, Interest amount is recognized as expense and the equivalent liability is created in the form of credit to Interest Accrual GL.

If the tax is at accrual, system passes the accrual entries for the total amount and tax entry is passed separately by debiting the Interest Accrual Entry and crediting the Tax Withheld GL.

#### Example

The Interest to be accrual is 48 CNY, for the period 20/02/2009 to 20/03/2009. Two taxes are applicable- Tax1 = 6 CNY & Tax2 = 0.6 CNY

Date		Branch	GL Head	D r / C r	Amount		Generate d During	Remarks
Postin g	Value				TC Y	LCY -CNY		
20/03/09	20/03/09	Transactio n Branch	Interest Expens e	Dr	CNY 48	CNY 48	EOD	Interest Compoundin g
20/03/09	20/03/09	Transactio n Branch	Interest Accrued	Cr	CNY 48	CNY 48	EOD	Interest Compoundin g
20/03/09	20/03/09	Transactio n Branch	Interest Accrued	Dr	CNY 6	CNY 6	EOD	Tax1 Amount
20/03/09	20/03/09	Transactio n Branch	Tax1 With held	Cr	CNY 6	CNY 6	EOD	Tax1 Amount
20/03/09	20/03/09	Transactio n Branch	Interest Accrued	Dr	CNY 0.6	CNY 0.6	EOD	Tax2 Amount
20/03/09	20/03/09	Transactio n Branch	Tax2 With held	Cr	CNY 0.6	CNY 0.6	EOD	Tax2 Amount



**Reversal of Accrued Interest**

Reversal of accrued interest can be done before compounding / capitalization. In this illustration we have assumed accrual reversal of CNY 35.50

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Interest Accrued	Dr	CNY 35.50	CNY 35.50	EOD	Accrued interest
20/02/09	20/02/09	Transaction Branch	Interest Expense	Cr	CNY 35.50	CNY 35.50	EOD	Reversed

### 3.15. Interest Pay Out to Saving Account

At BOD

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remark s
Postin g	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transactio n Branch	Interest Compounded / Interest Accrued	Dr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Cr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Tax1 With held	Cr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount
20/02/09	20/02/09	Transactio n Branch	Tax2 With held	Cr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount

Transfer to Savings Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY- CNY		
21/02/09	21/02/09	Transaction Branch	Interest Payable	Dr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account
21/02/09	21/02/09	Transaction Branch	Payment GL	Cr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account

Interest Pay Out to Saving Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
21/02/09	21/02/09	Transaction Branch	Payment GL	Dr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account
21/02/09	21/02/09	Transaction Branch	Savings A/c. Liability GL	Cr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account

### 3.16. Interest Pay Out to GL Account

#### At BOD

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remark s
Postin g	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transactio n Branch	Interest Compounded / Interest Accrued	Dr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Cr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Tax1 With held	Cr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount
20/02/09	20/02/09	Transactio n Branch	Tax2 With held	Cr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount

#### Transfer to GL Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY- CNY		
21/02/09	21/02/09	Transaction Branch	Interest Payable	Dr	CNY 94.5	CNY 94.5	. BOD	Interest Payout from TD account

Interest Pay Out to GL Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
21/02/09	21/02/09	Transaction Branch	Payment GL	Cr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account
21/02/09	21/02/09	Transaction Branch	Payment GL	Dr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account
21/02/09	21/02/09	Transaction Branch	GL Account	Cr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account

### 3.17. Interest Pay Out to External Account

At BOD

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remark s
Postin g	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transactio n Branch	Interest Compounded / Interest Accrued	Dr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Cr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Tax1 With held	Cr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount
20/02/09	20/02/09	Transactio n Branch	Tax2 With held	Cr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount

Transfer to External Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY- CNY		
21/02/09	21/02/09	Transaction Branch	Interest Payable	Dr	CNY 94.5	CNY 94.5	BOD.	Interest Payout from TD account
21/02/09	21/02/09	Transaction Branch	External A/c. GL	Cr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account

### 3.18. Interest Pay Out by Reinvest to Existing Account

At BOD

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remark s
Postin g	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transactio n Branch	Interest Compounded / Interest Accrued	Dr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Cr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Tax1 With held	Cr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount
20/02/09	20/02/09	Transactio n Branch	Tax2 With held	Cr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount

Reinvest to Existing Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY- CNY		
20/02/09	20/02/09	Transaction Branch	Interest Payable	Dr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account

Interest Pay Out by Reinvest to Existing Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Payment GL	Dr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Cr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account



### 3.19. Interest Pay Out by Reinvest to New Account

At BOD

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remark s
Postin g	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transactio n Branch	Interest Compounded / Interest Accrued	Dr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Cr	CNY 100	CNY 100	BOD	Interest at Payout
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Tax1 With held	Cr	CNY 5	CNY 5	BOD	Tax1 Amount
20/02/09	20/02/09	Transactio n Branch	Interest Payable	Dr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount
20/02/09	20/02/09	Transactio n Branch	Tax2 With held	Cr	CNY 0.5	CNY 0.5	BOD	Tax2 Amount

Reinvest to New Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY- CNY		
20/02/09	20/02/09	Transaction Branch	Interest Payable	Dr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account

## Interest Pay Out by Reinvest to New Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Payment GL	Dr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Cr	CNY 94.5	CNY 94.5	BOD	Interest Payout from TD account

**Note:** If no Instructions are maintained for the Interest Payout, then the amount is transferred to the Payable GL. The amount is transferred from the Payable GL to the relevant GL at the time of actual interest payout based on the payout mode selected.

### 3.20. Maturity TD Redemption by transfer to Savings Account

Generic

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer

By Transfer to Savings account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer
20/02/09	20/02/09	Transaction Branch	Payment GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer
20/02/09	20/02/09	Transaction Branch	Savings A/c. Liability GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer

### 3.21. Maturity TD Redemption by transfer to External Account

Generic

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer

By transfer to External account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Payment GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Network Payable GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer.

### 3.22. Maturity TD Redemption by transfer to General Ledger (GL)

Generic

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer.

By transfer to General Ledger account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer
20/02/09	20/02/09	Transaction Branch	Payment GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Relevant GL Account	Cr	CNY 100	CNY 100	.BOD	TD Redemption By transfer.

### 3.23. Maturity TD Redemption by transfer to same Time Deposit (TD)

Generic

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer.

By Transfer to same TD Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Payment GL	Dr	CNY 100	CNY 100	BOD	TD Redemption By transfer.
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Cr	CNY 100	CNY 100	BOD	TD Redemption By transfer.

**Note:** New Deposit is created in the same TD account.

### 3.24. Maturity TD Redemption by transfer to new Time Deposit (TD)

**Generic Pay-in**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Dr	CNY 100	CNY 100	BOD	Principal Auto Redemption
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Cr	CNY 100	CNY 100	BOD	Principal Auto Redemption

**By transfer to New TD Account**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Dr	CNY 100	CNY 100	BOD	Principal Auto Redemption – Reinvest
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 100	CNY 100	BOD	Principal Auto Redemption – Reinvest
20/02/09	20/02/09	Transaction Branch	Payment GL	Dr	CNY 100	CNY 100	BOD	Principal Auto Redemption – Reinvest

Maturity TD Redemption by transfer to new Time Deposit (TD)

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Cr	CNY 100	CNY 100	BOD	Principal Auto Redemption – Reinvest



### 3.25. Clubbing Interest to Principal at Maturity

**Example**

The TD account is an CNY account. The Principal amount is 100 CNY. The Interest to be added to Principal at Maturity is 25 CNY.

Two taxes applicable on Interest Payout are - Tax1 = 4 CNY & Tax2 = 1 CNY.

Posting date = Value date = 20/02/09

**At Interest Processing**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transaction Branch	Interest Compounded / Interest Accrued	Dr	CNY 25	CNY 25	BOD	Interest at Payout
20/02/09	20/02/09	Transaction Branch	Interest Payable	Cr	CNY 25	CNY 25	BOD	Interest at Payout
20/02/09	20/02/09	Transaction Branch	Interest Payable	Dr	CNY 4	CNY 4	BOD	Tax1 Amount
20/02/09	20/02/09	Transaction Branch	Tax1 With held	Cr	CNY 4	CNY 4	BOD	Tax1 Amount
20/02/09	20/02/09	Transaction Branch	Interest Payable	Dr	CNY 1	CNY 1	BOD	Tax2 Amount
20/02/09	20/02/09	Transaction Branch	Tax2 With held	Cr	CNY 1	CNY 1	BOD	Tax2 Amount

**On Maturity**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transaction Branch	Interest Payable	Dr	CNY 20	CNY 20	BOD	Int. at Maturity

Clubbing Interest to Principal at Maturity

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transaction Branch	Redemption Payable GL	Cr	CNY 20	CNY 20	BOD	Int. at Maturity
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Dr	CNY 100	CNY 100	BOD	Principal At Maturity
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Cr	CNY 100	CNY 100	BOD	Principal At Maturity
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Dr	CNY 120	CNY 120	BOD	Principal At Maturity
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 120	CNY 120	BOD	Principal At Maturity
20/02/09	20/02/09	Transaction Branch	Payment GL	Dr	CNY 120	CNY 120	BOD	Redemption amount
20/02/09	20/02/09	Transaction Branch	Relevant GL (Depending on the Principal Payment mode)	Cr	CNY 120	CNY 120	BOD	Redemption amount

### 3.26. Transfer to Unclaimed Deposit

The General Ledger (GL) entries will be passed for the deposit only if at the product level "Redemption Renewal flag" is unchecked.

A deposit can be marked unclaimed in case no maturity instruction is maintained

#### No Maturity instructions are maintained

The amount transferred to matured deposit for the matured deposit of the account is 100 CNY as no maturity instructions are maintained for the deposit and the transfer to unclaimed deposit happens on 20/02/09.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Matured Deposits GL	Dr	CNY 100	CNY 100	EOD	Principal At Maturity
20/02/09	20/02/09	Transaction Branch	Unclaimed deposit	Cr	CNY 100	CNY 100	EOD	Principal At Maturity

### 3.27. Pre-mature Redemption

- In case of premature redemption of a term deposit, the amount in the Interest Accrued GL and Interest Compounded GL proportionate to the redemption amount is first reversed.
- The interest and tax calculations are done at the penalty rate for the redemption amount.
- If the interest paid out on the deposit towards the redemption amount is less than the penalty interest calculated then the differential amount is recovered from the principal amount being redeemed. Similarly, if the penalty interest is higher than the interest paid out, then the differential amount is added to the net redemption amount.
- If the tax deducted till date for the interest earned on the principal amount being redeemed is less than the tax calculated on the penalty interest then the differential tax is recovered from the redemption amount. However, if the tax deducted till date for the interest earned on the principal amount being redeemed is more than the tax calculated on the penalty interest then the differential tax is not recovered from the redemption amount.
- The Principal amount redeemed is routed through the Redemption payable GL to the Payment GL only in case the premature redemption instruction is maintained in the system. In case of Online premature redemption the principle amount is directly credit to the Payment GL.

#### Example

A premature redemption is done for a term deposit. The term deposit was opened on 20/02/07 for a period of 24 months. The Principal amount is 6600 CNY. The Interest Accrual frequency is Monthly, the Interest Compounding frequency is Quarterly and the Interest Payout frequency is Half-yearly for the deposit opened. The basis for Accrual, Compounding and Interest Payout is Calendar.

The Interest Accrued for the deposit is 24 CNY.

The Interest Compounded for the deposit is 48 CNY.

The Interest Paid out is 48 CNY (before tax)

Two taxes applied at the time of Interest Payout are - Tax1 = 6 CNY & Tax2 = 0.6 CNY both in Account currency.

#### Case 1: The Penalty interest calculated and the tax applicable is more than the interest paid out and tax deducted till date.

Premature redemption for the deposit is done on 20/02/08.

The Penalty interest calculated is 60 CNY.

Two taxes applicable are - Tax1 = 8.4 CNY & Tax2 = 0.84 CNY

Posting date = Value date = 20/02/08.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
<b>Reverse the Interest Compounded but not paid:</b>								

Pre-mature Redemption

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/08	20/02/08	Transaction Branch	Interest Compounded	Dr	CNY 48	CNY 48	EOD	Net Interest Compounded but not paid
20/02/08	20/02/08	Transaction Branch	Interest Expense	Cr	CNY 48	CNY 48	EOD	Net Interest Compounded but not paid
<b>Reverse the Interest Accrued but not compounded:</b>								
20/02/08	20/02/08	Transaction Branch	Interest Accrued	Dr	CNY 24	CNY 24	EOD	Net Interest Accrued but not compounded
20/02/08	20/02/08	Transaction Branch	Interest Expense	Cr	CNY 24	CNY 24	EOD	Net Interest Accrued but not compounded
<b>Net Penalty Interest:</b>								
20/02/08	20/02/08	Transaction Branch	Interest Expense	Dr	CNY 60	CNY 60	EOD	Interest Amount at penalty rate
20/02/08	20/02/08	Transaction Branch	Interest Expense	Cr	CNY 48	CNY 48	EOD	Int Paid recovered - Premature Redemption
20/02/08	20/02/08	Transaction Branch	Tax1 With held	Cr	CNY 2.4	CNY 2.4	EOD	Tax1 Amount

Pre-mature Redemption

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/08	20/02/08	Transaction Branch	Tax2 With held	Cr	CNY 0.24	CNY 0.24	EOD	Tax2 Amount
20/02/08	20/02/08	Transaction Branch	Payment GL	Cr	CNY 9.36	CNY 9.36	EOD	Net Penal Int - Premature Redemption
<b>Principal Amount:</b>								
20/02/08	20/02/08	Transaction Branch	Regular Deposits GL	Dr	CNY 6600	CNY 6600	EOD	Principal Amt - Premature Redemption
20/02/08	20/02/08	Transaction Branch	Redemption payable GL	Cr	CNY 6600	CNY 6600	EOD	Principal Amt - Premature Redemption
20/02/08	20/02/08	Transaction Branch	Redemption payable GL	Dr	CNY 6600	CNY 6600	EOD	Principal Amt - Premature Redemption
20/02/08	20/02/08	Transaction Branch	Payment GL	Cr	CNY 6600	CNY 6600	EOD	Principal Amt - Premature Redemption
<b>Premature Redemption of Net Redemption amount:</b>								
20/02/08	20/02/08	Transaction Branch	Payment GL	Dr	CNY 6609.36	CNY 6609.36	EOD	Net Amt - Premature Redemption

Pre-mature Redemption

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/08	20/02/08	Transaction Branch	Relevant GL (Depending on the Payment mode)	Cr	CNY 6609.36	CNY 6609.36	Online (for redemption by Cash)/ EOD	Net Amt - Premature Redemption

**Case 2: The Penalty interest calculated and the tax applicable is less than the interest paid out and tax deducted till date.**

Premature redemption for the deposit is done on 20/12/08.

The Penalty interest calculated is 24 CNY.

Two taxes applicable are - Tax1 = 3 CNY & Tax2 = 0.3 CNY

Posting date = Value date = 20/12/08

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
<b>Reverse the Interest Compounded but not paid:</b>								
20/12/08	20/12/08	Transaction Branch	Interest Compounded	Dr	CNY 48	CNY 48	EOD	Net Interest Compounded but not paid
20/12/08	20/12/08	Transaction Branch	Interest Expense	Cr	CNY 48	CNY 48	EOD	Net Interest Compounded but not paid
<b>Reverse the Interest Accrued but not compounded:</b>								
20/12/08	20/12/08	Transaction Branch	Interest Accrued	Dr	CNY 24	CNY 24	EOD	Net Interest Accrued but not compounded

Pre-mature Redemption

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/12/08	20/12/08	Transaction Branch	Interest Expense	Cr	CNY 24	CNY 24	EOD	Net Interest Accrued but not compounded
<b>Net Penalty Interest:</b>								
20/12/08	20/12/08	Transaction Branch	Interest Expense	Dr	CNY 24	CNY 24	EOD	Interest Amount at penalty rate
20/12/08	20/12/08	Transaction Branch	Interest Expense	Cr	CNY 48	CNY 48	EOD	Int Paid recovered - Premature Redemption
20/12/08	20/12/08	Transaction Branch	Tax1 With held	Cr	CNY 2.4	CNY 2.4	EOD	Tax1 Amount
20/12/08	20/12/08	Transaction Branch	Tax2 With held	Cr	CNY 0.24	CNY 0.24	EOD	Tax2 Amount
<b>Principal Amount &amp; Net Penalty Interest:</b>								
20/12/08	20/12/08	Transaction Branch	Regular Deposits GL	Dr	CNY 6600	CNY 6600	EOD	Principal Amt - Premature Redemption
20/12/08	20/12/08	Transaction Branch	Redemption payable GL	Cr	CNY 6600	CNY 6600	EOD	Principal Amt - Premature Redemption
20/12/08	20/12/08	Transaction Branch	Redemption payable GL	Dr	CNY 6600	CNY 6600	EOD	Principal Amt - Premature Redemption



Pre-mature Redemption

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/12/08	20/12/08	Transaction Branch	Interest Expense	Dr	CNY 24	CNY 24	EOD	Interest Amount at penalty rate
20/12/08	20/12/08	Transaction Branch	Interest Expense	Cr	CNY 26.64	CNY 26.64	EOD	EOD
20/12/08	20/12/08	Transaction Branch	Payment GL	Cr	CNY 6573.76	CNY 6573.76	EOD	Int Paid recovered - Premature Redemption
<b>Premature Redemption of Net Redemption amount:</b>								
20/12/08	20/12/08	Transaction Branch	Payment GL	Dr	CNY 6573.6	CNY 6573.6	EOD	Online (for redemption by Cash)/ EOD
20/12/08	20/12/08	Transaction Branch	Relevant GL (Depending on the Payment mode)	Cr	CNY 6573.6	CNY 6573.6	EOD	Online (for redemption by Cash)/ EOD

### 3.28. TD Online Renewal Inquiry

At the time of TD Online renewal, along with the principal amount, any post maturity interest earned on the account, or any interest due but still not paid to customer is also renewed.

The Principal amount of the matured deposit is 66 CNY. The Interest Payable is 41.4 CNY. The post maturity interest on the deposit is 6.6 CNY

The Online renewal is done on 20/02/09 with the value date same as the online renewal date

Posting date = Value date = 20/02/09

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY -CNY		
<b>Principal Amount:</b>								
20/02/09	20/02/09	Transaction Branch	Matured deposits GL	Dr	CNY 66	CNY 66	EOD	Pending Principal - Post Mature Renewal
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Cr	CNY 66	CNY 66	EOD	Pending Principal - Post Mature Renewal
20/02/09	20/02/09	Transaction Branch	Redemption payable GL	Dr	CNY 66	CNY 66	EOD	Pending Principal - Post Mature Renewal
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 66	CNY 66	EOD	Pending Principal - Post Mature Renewal
<b>Post Maturity Interest:</b>								
20/02/09	20/02/09	Transaction Branch	Interest Expense	Dr	CNY 6.6	CNY 6.6	EOD	Principal At Maturity
20/02/09	20/02/09	Transaction Branch	Interest payable	Cr	CNY 6.6	CNY 6.6	EOD	Principal At Maturity

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY -CNY		
20/02/09	20/02/09	Transaction Branch	Interest payable	Dr	CNY 6.6	CNY 6.6	EOD	Principal At Maturity
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 6.6	CNY 6.6	EOD	Principal Auto Redemption – Reinvest
<b>Interest Due:</b>								
20/02/09	20/02/09	Transaction Branch	Interest payable	Dr	CNY 41.4	CNY 41.4	EOD	Pending Interest - Post Mature Renewal
20/02/09	20/02/09	Transaction Branch	Payment GL	Cr	CNY 41.4	CNY 41.4	EOD	Pending Interest - Post Mature Renewal
<b>Reinvest:</b>								
20/02/09	20/02/09	Transaction Branch	Payment GL	Dr	CNY 114	CNY 114	EOD	Payin - TD. Post Maturity Renew
20/02/09	20/02/09	Transaction Branch	Regular Deposits GL	Cr	CNY 114	CNY 114	EOD	Payin - TD. Post Maturity Renew

### 3.29. Debit Interest Adjustment

The Interest accrued amount is 48 CNY and the debit interest adjustment has to be done for 6 CNY on 20/02/09.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Interest Accrued	Dr	CNY 6	CNY 6	EOD	EOD Principal At Maturity
20/02/09	20/02/09	Transaction Branch	Interest Expense	Cr	CNY 6	CNY 6	EOD	EOD Principal At Maturity

### 3.30. Credit Interest Adjustment

The Interest accrued amount is 48 CNY and the credit interest adjustment has to be done for 6 CNY on 20/02/09.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Interest Expense	Dr	CNY 6	CNY 6	EOD	Principal At Maturity
20/02/09	20/02/09	Transaction Branch	Interest Accrued	Cr	CNY 6	CNY 6	EOD	Principal At Maturity

### 3.31. Consolidated Entry for Tax Recovery

Tax recovery when deduction to be made on accrued interest basis. Assuming that total interest accrued is CNY 6000 and Tax 1 at the rate of 10% and additional tax as surcharge is applicable as 10% of tax.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Interest Expense GL	Dr	CNY 6000	CNY 6000	EOD	Interest on accrual
20/02/09	20/02/09	Transaction Branch	Interest Accrued GL	Cr	CNY 6000	CNY 6000	EOD	Interest on accrual
20/02/09	20/02/09	Transaction Branch	Interest Accrued GL	Dr	CNY 660	CNY 660	EOD	Base Tax and Additional tax
20/02/09	20/02/09	Transaction Branch	Tax 1 withheld GL	Cr	CNY 600	CNY 600	EOD	Base Tax
20/02/09	20/02/09	Transaction Branch	Additional Tax 1 withheld GL	Cr	CNY 60	CNY 60	EOD	Additional tax

Where tax eligibility is calculated on the basis of compounded interest. Tax rate same as above.

Date	Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks		
Posting	Value						TCY	LCY-CNY
20/02/09	20/02/09	Transaction Branch	Interest Expense GL	Dr	CNY 6000	CNY 6000	EOD	Interest accrual

Consolidated Entry for Tax Recovery

Date	Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks		
Posting	Value				TCY	LCY-CNY		
20/02/09	20/02/09	Transaction Branch	Interest Accrued GL	Cr	CNY 6000	CNY 6000	EO D	Interest accrual
20/02/09	20/02/09	Transaction Branch	Interest Accrued GL	Dr	CNY 6000	CNY 6000	EO D	Interest Compounding
20/02/09	20/02/09	Transaction Branch	Interest Compounded GL	Cr	CNY 6000	CNY 6000	EO D	Interest Compounding
20/02/09	20/02/09	Transaction Branch	Interest Compounded GL	Dr	CNY 660	CNY 660	EO D	Base Tax and Additional tax
20/02/09	20/02/09	Transaction Branch	Tax 1 withheld GL	Cr	CNY 600	CNY 600	EO D	Base Tax
20/02/09	20/02/09	Transaction Branch	Additional Tax 1 withheld GL	Cr	CNY 60	CNY 60	EO D	Additional tax

## 4. Loans

Global Assumptions

1 USD = 0.8 EURO

1 USD = 0.6 GBP

1 EURO = 0.75 GBP

1 GBP = 1.33 EURO

Local Currency = EURO

SC is setup only in LCY (EURO)

Note

All dates are in the DD/MM/YYYY format

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

Setups of GLs

The various GLs used in manual are listed below along with the maintenance which is used for maintaining the same:

Sr No	GL Head	Location of Setup
1	Cash GL	Branch Database
2	Interbranch GL	Bank Master
3	Endpoint GL	Endpoint Master
4	CFC GL	Settlement Bank Parameters
5	CASA Asset / Liability	CASA Product Master
6	Issuer GL	Issuer Master



<b>Sr No</b>	<b>GL Head</b>	<b>Location of Setup</b>
7	Loan Asset GL	Loan Product Master *
8	Selected GL	GL Code as entered on the screen
9	Premium Receivable GL	Insurance Master
10	Suspended Premium Receivable GL	Insurance Master
11	Loan Suspended Asset GL	Loan Product Master
12	Misc. Income	Loan Product Master
13	Legal Fee Payable GL	Loan Product Master
14	Suspended Legal Fees GL	Loan Product Master
15	Outgoing Payable GL	Loan Product Master
16	Suspended Outgoing Receivable GL	Loan Product Master
17	SC/Fees Receivable GL	Loan Product Master
18	Outgoing Receivable GL	Loan Product Master
19	Legal Fees Receivable	Loan Product Master
20	Suspended SC/Fees	Loan Product Master
21	Bad Debt Reserve GL	Loan Product Master
22	Unapplied Advance (RPA) GL	Loan Product Master
23	Small Balance Forfeited GL	Loan Product Master
24	Small Balance Waiver GL	Loan Product Master
25	Write-off Expense GL	Loan Product Master
26	Interest Income GL	Loan Product Interest Attribute
27	Penalty Interest Income GL	Loan Product Interest Attribute
28	Interest Accrued GL	Loan Product Interest Attribute
29	Interest Receivable GL	Loan Product Interest Attribute
30	Penalty Interest Receivable GL	Loan Product Interest Attribute
31	Interest Compounded	Loan Product Interest Attribute
32	Suspended Interest Income	Loan Product Interest Attribute

<b>Sr No</b>	<b>GL Head</b>	<b>Location of Setup</b>
33	Suspended Penalty Interest GL	Loan Product Interest Attribute
34	Suspended Interest Accrued	Loan Product Interest Attribute
35	Suspended Interest Receivable	Loan Product Interest Attribute
36	Suspended Penalty Interest Receivable	Loan Product Interest Attribute
37	Suspended Interest Compounded	Loan Product Interest Attribute
38	Suspended Interest Recovered	Loan Product Interest Attribute
39	Unearned Interest	Loan Product Interest Attribute
40	SC/Fee Income GL	SC Code Maintenance
41	Premium Remittance GL	Insurance Master
42	Contingent Liability	Collateral Codes Maintenance
43	Contingent Asset	Collateral Codes Maintenance
44	Network GL	Network Master Maintenance
45	Premium Asset GL	Loan Product Master
46	Interest Waived	Loan Product Interest Attribute
47	Claim Settlement GL	Insurance Master Maintenance
48	RPA GL	Loan Product Master
49	Subsidy Parking GL	Loan Product Master
50	Account Payable GL	Third Party Company Details
51	Account Receivable GL	Third Party Company Details
52	Unclaimed Payable GL	Third Party Company Details
53	Unclaimed Receivable GL	Third Party Company Details
54	Inventory Asset GL	Loan Product Master
55	Inventory Liability GL	Loan Product Master
56	Total Margin receivable GL	Loan Product Master

<b>Sr No</b>	<b>GL Head</b>	<b>Location of Setup</b>
57	Deferred Margin Income GL	Loan Product Master
58	Margin / Profit GL	Loan Product Interest Attribute
59	Amortisation GL	Rewards and Service Charges definition.

**Note:** The entries can be passed to the Loan Asset GL or Suspended Asset GL based on the status of the account at the time of posting. For all entries, it is assumed that the account is in normal status unless it is required to be suspended.

### 4.1. Loan Account Opening

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Contingent Asset	Dr	USD 120	96	Sanctioned Amount	EOD
01/01/05	01/01/05	Account Branch	Contingent Liability	Cr	USD 120	96	Sanctioned Amount	EOD

APS and Account Opening

No Accounting entries are generated

Application Header

No Accounting entries are generated

Recommend

No Accounting entries are generated

Maintain Result

No Accounting entries are generated

Authorize Result

No Accounting entries are generated

Customer Acceptance

No Accounting entries are generated

Offer Letter Printing

No Accounting entries are generated

Offer Reject

No Accounting entries are generated

Offer Extension

No Accounting entries are generated

View

No Accounting entries are generated

View Result

No Accounting entries are generated

Trial Calculation

No Accounting entries are generated

Installment Calculation

No Accounting entries are generated

Insurance Enquiry

No Accounting entries are generated

Loan Direct Account Opening

No Accounting entries are generated

## 4.2. Loan Account Disbursement Fast Path: LN521

Disbursement of loans is possible only after the following conditions are fulfilled:

- The loan has been sanctioned and the loan account has been opened. Loan account can be opened either by using the APS module/ORS module or the Loan Direct Account Opening (Fast Path: LN057)
- All mandatory documents pertaining to the loan account have been received using the Account Document Maintenance option. (FP-LN323).
- In case the loan is a secured loan the appropriate collaterals should have been attached to the loan account.

Disbursements can be classified into the following stages:

- First Disbursement
- Subsequent disbursements (disbursements can be done even during the regular stage of the loan unlike the earlier versions)
- Final Disbursement

Disbursement involves two legs of accounting entries, viz., one at the Head Office and the other at the Branch where the disbursement is normally done. Host end disbursement is done by generating the loan schedule using option (LN521-Setup Account Schedule). After the schedule creation is authorized the host end entry for the disbursement is completed. The system prompts the user, whether to proceed for the branch disbursement. If the user selects the OK button the system proceeds for the branch disbursement (FP-1413). If not, the user at the branch can do the branch disbursement later, using the same option, Disbursement-1413.

No GL entries are passed only when the host leg of the disbursement is done for a loan account and they will be passed only when the branch disbursement of the loan account is initiated.

At the Head Office (that is at the Host end), the preliminary entry for disbursement is done.

Loan Account Disbursement Fast Path: LN521

Disbursement by Cash - USD 120 disbursed to USD loan Account

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 120	96	Disbursement By Cash	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Cr	USD 120	96	Disbursement By Cash	EOD
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Dr	USD 120	96	Disbursement By Cash	EOD
01/01/05	01/01/05	Transaction Branch	Cash GL	Cr	USD 120	96	Disbursement By Cash	Online
<b>Compensation</b>								
01/01/05	01/01/05	Account Branch	Compensation Expense	Dr	USD 120	96	Compensation Amount	EOD
01/01/05	01/01/05	Account Branch	CASA Account	Cr	USD 120	96	Compensation Amount	EOD
<b>Disbursement</b>								
01/01/05	01/01/05	Account Branch	Contingent Liability	Dr	USD 120	96	Compensation Amount	EOD
01/01/05	01/01/05	Account Branch	Contingent Asset	Cr	USD 120	96	Compensation Amount	EOD

Loan Account Disbursement Fast Path: LN521

Disbursement by Bankers Cheque - USD 120 disbursed by bankers cheque

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 120	96	Disbursement By Cheque	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Cr	USD 120	96	Disbursement By Cheque	EOD
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Dr	USD 120	96	Disbursement By Cheque	EOD
01/01/05	01/01/05	Transaction Branch	Issuer GL A/C	Cr	USD 120	96	Disbursement By Cheque	EOD

USD 120 loan disbursed by transfer to GBP CASA Account

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 120	96	Disbursement By Cheque	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Cr	USD 120	96	Disbursement By Cheque	EOD
01/01/05	01/01/05	CASA Account Branch	Inter Branch GL	Dr	USD 120	96	Disbursement By Cheque	EOD



Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	CASA Account Branch	CASA Asset / Liability GL	Cr	USD 120	96	Disbursement By Cheque	EOD

Top-up Disbursement

Example:

Outstanding loan amount = 10000 EURO

Arrears capitalized during restructure =300 EURO

Top-Up Disbursed = 5000 EURO

1. Arrears capitalized during restructure

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	EURO 300	300	Interest Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable	Cr	EURO 300	300	Interest Arrear Capitalization	EOD

2. Top-Up Disbursed

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	EURO 5000	5000	Disbursement To CASA	EOD
01/01/05	01/01/05	Account Branch	Disbursement GL	Cr	EURO 5000	5000	DISBURSEMENT TO CASA (Loan Account)	EOD

From Mainline Revolving Loan to EOP Line

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	EOP (Sub-Revolving) Loan GL	Dr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Settlement GL	Cr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Settlement GL	Dr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Main - Revolving Loan GL	Cr	USD 1000	800	Disbursement by GL	Online

From Mainline Revolving Loan to Amortizable Term Loan

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Amortizable Loan Asset GL	Dr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Settlement GL	Cr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Settlement GL	Dr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Main - Revolving Loan GL	Cr	USD 1000	800	Disbursement by GL	Online

From EOP Line to Mainline Revolving Loan

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Main - Revolving Loan GL	Dr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Settlement GL	Cr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Settlement GL	Dr	USD 1000	800	Disbursement by GL	Online

Loan Account Disbursement Fast Path: LN521

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Transaction Branch	EOP (Sub-Revolving) Loan GL	Cr	USD 1000	800	Disbursement by GL	Online

From EOP Line to Amortizable Term Loan

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Amortizable Loan Asset GL	Dr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Settlement GL	Cr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	Settlement GL	Dr	USD 1000	800	Disbursement by GL	Online
01/01/08	01/01/08	Transaction Branch	EOP(Sub-Revolving)Loan GL	Cr	USD 1000	800	Disbursement by GL	Online

From Amortizable Term Loan to Mainline Revolving Loan (Only Full convertibility Option)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Settlement GL	Dr	USD 260	208	LN EFS from GL	Online

Loan Account Disbursement Fast Path: LN521

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Transaction Branch	Unapplied Advance (RPA) GL	Cr	USD 260	208	LN EFS from GL	EOD
01/01/08	01/01/08	Transaction Branch	Unapplied Advance (RPA) GL	Dr	USD 220	176	LN EFS from GL	EOD
01/01/08	01/01/08	Transaction Branch	Loan Asset GL	Cr	USD 200	160	LN EFS by GL - Principal	EOD
		Transaction Branch	Interest Receivable GL	Cr	USD 20	16	LN EFS by GL - Normal Interest Accrual Basis	EOD
01/01/08	01/01/08	Transaction Branch	Interest Accrued GL	Dr	USD 10	8	Accrual - catch-up Interest	EOD
01/01/08	01/01/08	Transaction Branch	Interest Income GL	Cr	USD 10	8	Accrual - catch-up Interest	EOD

Loan Account Disbursement Fast Path: LN521

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Transaction Branch	Interest Receivable GL	Dr	USD 20	16	Catch-up normal Interest Charged	EOD
01/01/08	01/01/08	Transaction Branch	Interest Accrued GL	Cr	USD 20	16	Catch-up normal Interest Charged	EOD
01/01/08	01/01/08	Transaction Branch	Interest Receivable GL	Cr	USD 20	16	Catch-up normal Interest Charged	EOD
01/01/08	01/01/08	Transaction Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	LN - EFS - Penalty Interest	EOD
01/01/08	01/01/08	Transaction Branch	Penalty Interest Receivable GL.	Cr	USD 10	8	LN - EFS - Penalty Interest	EOD
01/01/08	01/01/08	Transaction Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	LN-EFS - Penalty - Thru GL	EOD

Loan Account Disbursement Fast Path: LN521

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Transaction Branch	Penalty Interest Income GL	Cr	USD 10	8	LN-EFS - Penalty - Thru GL	EOD
01/01/08	01/01/08	Account Branch	Main - Revolving Loan GL	Dr	USD 260	208	Disbursement to GL	Online
01/01/08	01/01/08	Account Branch	Settlement GL	Cr	USD 260	208	Disbursement to GL	Online

From Amortizable Term Loan to EOP Line (Only Full convertibility Option)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Settlement GL	Dr	USD 260	208	LN EFS from GL	Online
01/01/08	01/01/08	Transaction Branch	Unapplied Advance (RPA) GL	Cr	USD 260	208	LN EFS from GL	EOD
01/01/08	01/01/08	Transaction Branch	Unapplied Advance (RPA) GL	Dr	USD 220	176	LN EFS from GL	EOD
01/01/08	01/01/08	Transaction Branch	Loan Asset GL	Cr	USD 200	160	LN EFS by GL - Principal	EOD

Loan Account Disbursement Fast Path: LN521

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Transaction Branch	Interest Receivable GL	Cr	USD 20	16	LN EFS by GL - Normal Interest Accrual Basis	EOD
01/01/08	01/01/08	Transaction Branch	Interest Accrued GL	Dr	USD 10	8	Accrual - catch-up Interest	EOD
01/01/08	01/01/08	Transaction Branch	Interest Income GL	Cr	USD 10	8	Accrual - catch-up Interest	EOD
01/01/08	01/01/08	Transaction Branch	Interest Receivable GL	Dr	USD 20	16	Catch-up normal Interest Charged	EOD
01/01/08	01/01/08	Transaction Branch	Interest Accrued GL	Cr	USD 20	16	Catch-up normal Interest Charged	EOD
01/01/08	01/01/08	Transaction Branch	Unapplied Advance (RPA) GL	Dr	USD 20	16	Catch-up normal Interest Charged	EOD



Loan Account Disbursement Fast Path: LN521

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Transaction Branch	Interest Receivable GL	Cr	USD 20	16	Catch-up normal Interest Charged	EOD
01/01/08	01/01/08	Transaction Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	LN - EFS - Penalty Interest	EOD
01/01/08	01/01/08	Transaction Branch	Penalty Interest Receivable GL	Cr	USD 10	8	LN - EFS - Penalty Interest	EOD
01/01/08	01/01/08	Transaction Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	LN - EFS - Penalty - Thru GL	EOD
01/01/08	01/01/08	Transaction Branch	Penalty Interest Income GL	Cr	USD 10	8	LN - EFS - Penalty - Thru GL	EOD
01/01/08	01/01/08	Account Branch	EOP (Sub - Revolving Loan) GL	Dr	USD 260	208	Disbursement to GL	Online
01/01/08	01/01/08	Account Branch	Settlement GL	Cr	USD 260	208	Disbursement to GL	Online

Contingent Entry Event if Collateral is attached

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Collateral Home Branch	Contingent Asset	Dr	USD 120	96	Collateral Value	EOD
01/01/05	01/01/05	Collateral Home Branch	Contingent Liability	Cr	USD 120	96	Collateral Value	EOD

Insurance Premium Collection

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan A/c Branch	Premium Asset GL	Dr	USD 120	96	Premium Amount	EOD
01/01/05	01/01/05	Loan A/c Branch	Premium Remittance GL	Cr	USD 120	96	Premium Amount	EOD

Insurance Premium Payment to Insurer

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan A/c Branch	Premium Remittance GL	Dr	USD 500	400	Sum of Premium Amounts	EOD
01/01/05	01/01/05	Clearing Branch	Endpoint GL	Cr	USD 500	400	Sum of Premium Amounts	EOD

Loan Account Disbursement Fast Path: LN521

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan A/c Branch	Premium Remittance GL	Dr	USD 500	400	Sum of Premium Amounts	EOD
01/01/05	01/01/05	Loan A/c Branch	SC GL	Cr	USD 500	400	Sum of Premium Amounts	EOD

Interest Waived After Claim Acceptance

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan A/c Branch	Interest Waived	Dr	USD 40	32	Penalty charged from claim effective date	EOD
01/01/05	01/01/05	Loan A/c Branch	Interest receivable	Cr	USD 40	32	Penalty charged from claim effective date	EOD

Claim Received from Insurer

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Clearing Branch	Endpoint GL	Dr	USD 200	160	Claim Amount	EOD

Loan Account Disbursement Fast Path: LN521

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan A/c Branch	Claim Settlement GL	Cr	USD 200	160	Claim Amount	EOD

Claim Adjustment with Loan Account

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan A/c Branch	Claim Settlement GL	Dr	USD 200	160	Claim Amount	EOD
01/01/05	01/01/05	Loan A/c Branch	Loan Account	Cr	USD 200	160	Total due amount from Insurer till date	EOD

Excess Amount Received as Claim

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan A/c Branch	RPA GL	Dr	USD 80	64	Excess Amount	EOD
01/01/05	01/01/05	Account branch /Clearing branch	Customer's Account	Cr	USD 80	64	Excess Amount	EOD

Schedule Set Up

No Accounting entries are generated

Loans Disbursement Inquiry

No Accounting entries are generated

Loan Disbursement Reversal

The loan, which is disbursed, can be reversed using the Loan Disbursement Reversal option. A loan disbursement transaction may have to be reversed due to administrative reasons or any error in the disbursement set-up for the loan account.

Initially the reversal of the branch disbursement needs to be done through EJ (FP 6006) and subsequently, the reversal at the host should be done using the option of Loans Disbursement Reversal.

Reversal of Disbursement at Branch

If the teller has already disbursed the loan amount at the branch, the same teller should reverse the loan disbursement transaction on the same day using the 6006 Electronic Journal option. At the Branch, the actual disbursement is made by cash, bankers cheque, or transfer to CASA.

At the Head office (Host), the loan disbursement transaction reversal is done by using the option LN045

Reversal of Disbursement by Cash - USD 120 disbursed by cash

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 120	96	Reversal entry	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 120	96	Reversal entry	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 120	96	Reversal entry	EOD
01/01/05	01/01/05	Account Branch	Loan Asset GL	Cr	USD 120	96	Reversal entry	EOD

Reversal of Disbursement by Bankers Cheque - USD 120 disbursed by Bankers Cheque

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Issuer GL A/C	Dr	USD 120	96	Reversal entry	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 120	96	Reversal entry	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 120	96	Reversal entry	EOD

Loan Account Disbursement Fast Path: LN521

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Cr	USD 120	96	Reversal entry	EOD

Reversal of Disbursement by transfer to CASA - USD 120 disbursed by transfer to CASA account

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	CASA Asset / Liability GL	Dr	USD 120	96	Reversal entry	EOD
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 120	96	Reversal entry	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 120	96	Reversal entry	EOD
01/01/05	01/01/05	Account Branch	Loan Asset GL	Cr	USD 120	96	Reversal entry	EOD

Backdated installment reversal to CASA or GL

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
14/08/08	01/08/08	Account branch	Asset	Dr	Euro 500	Euro 500	Principal Arrear Appropriation	EOD
14/08/08	01/08/08	Account branch	Interest receivable	Dr	Euro 50	Euro 50	Interest Arrear Appropriation	EOD
14/08/08	01/08/08	Account branch	Other receivable	Dr	Euro 50	Euro 50	Fee Arrear Appropriation	EOD

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
14/08/08	01/08/08	Account branch	CASA / GL account (asset or liability GL)	Cr	Euro 600	Euro 600	BKDT Installment Refund to CASA: (loan a/c no.)	EOD

Loan Account CBR Details

No accounting entries are generated

Loan Account Application Details Maintenance

No accounting entries are generated

Additional Document Maintenance

No accounting entries are generated

Account Documents Maintenance

No accounting entries are generated

Loan Approved Amount Maintenance

No Accounting entries are generated

Loan Repayments

### 4.3. Loan Installment Payment Inquiry - Fast Path: 1065

Installment payment of loan can be done when the installment has become due. The loan installment can be paid by cash, local cheque, transfer from CASA or GL transfer by using this option.

Loan Installment - Payment by Cash.

Assume that the loan account has the following arrears and the loan account is a USD loan a/c

Principal Arrears USD 120

Service Charges Euro 8 (USD 10)

Legal Fees Receivable USD 20

Interest receivable USD 30

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 180	144	LN. Installment Payment By Cash	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 180	144	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 180	144	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Cr	USD 180	144	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 120	96	LN. Installment Payment By Cash	EOD



Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Cr	USD 120	96	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 8	8	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 20	16	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Legal Fees Receivable GL	Cr	USD 20	16	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 30	24	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	USD 30	24	LN. Installment Payment By Cash	EOD
<b>Revolving</b>								

Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Contingent Asset	Dr	USD 30	24	Principal Paid	EOD
01/01/05	01/01/05	Account Branch	Contingent Liability	Cr	USD 30	24	Principal Paid	EOD

Loan Installment - Payment by Local Cheque

Cheque of value Euro 110 deposited on Loan Account in GBP on 01/01/2005. Float Days = 5. The clearing of the cheque is done on the value date of the cheque.

Assume that the loan account has the following arrears and the loan account is a GBP loan a/c

Principal Arrears GBP 60 (80 EURO)

Service Charges Euro 6 (4.5 GBP)

Outgoing Receivable GBP 6 (8 EURO)

Interest receivable GBP 12 (16 EURO)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Clearing Branch	Endpoint GL	Dr	Euro 110	110	Cheque Deposit	Outward Clearing
01/01/05	01/01/05	Clearing Branch	Inter branch GL	Cr	Euro 110	110	Cheque Deposit	EOD
01/01/05	01/01/05	Account Branch	Inter branch GL	Dr	Euro 110	110	Cheque Deposit	EOD
01/01/05	01/01/05	Account Branch	CFC GL	Cr	Euro 110	110	Cheque Deposit	Outward Clearing

Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
05/01/05	05/01/05	Account Branch	CFC GL	Dr	Euro 110	110	Cheque Deposit	Value Date Clearing
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Cr	GBP 82.5	110	LN Installment By Local Cheque	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 60	80	LN Installment By Local Cheque	EOD
05/01/05	05/01/05	Account Branch	Loan Asset GL	Cr	GBP 60	80	LN Installment By Local Cheque	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 4.5	6	LN Installment By Local Cheque	EOD
05/01/05	05/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 6	6	LN Installment By Local Cheque	EOD

Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 6	8	LN Installment By Local Cheque	EOD
05/01/05	05/01/05	Account Branch	Outgoing Receivable GL	Cr	GBP 6	8	LN Installment By Local Cheque	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 12	16	LN Installment By Local Cheque	EOD
05/01/05	05/01/05	Account Branch	Interest Receivable GL	Cr	GBP 12	16	LN Installment By Local Cheque	EOD

Online Cheque Return

Cheque of value Euro 110 deposited on Loan Account in GBP on 01/01/2005. Float Days = 5. Cheque was returned on 03/01/2005, before the value date of the cheque.

If the return is being passed through the inward clearing route, the Inward clearing will pass the GL entries. For online cheque return, the End of Day will pass the entries.

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Clearing Branch	Endpoint GL	Dr	Euro 110	110	Cheque Deposit	Outward Clearing

Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Clearing Branch	Inter branch GL	Cr	Euro 110	110	Cheque Deposit	EOD
01/01/05	01/01/05	Account Branch	Inter branch GL	Dr	Euro 110	110	Cheque Deposit	EOD
01/01/05	01/01/05	Account Branch	CFC GL	Cr	Euro 110	110	Cheque Deposit	Outward Clearing
03/01/05	03/01/05	Account Branch	CFC GL	Dr	Euro 110	110	Cheque Return	Inward Clearing / EOD
03/01/05	03/01/05	Account Branch	Inter branch GL	Cr	Euro 110	110	Cheque Return	EOD
03/01/05	03/01/05	Clearing Branch	Inter branch GL	Dr	Euro 110	110	Cheque Return	EOD
03/01/05	03/01/05	Clearing Branch	Endpoint GL	Cr	Euro 110	110	Cheque Return	Inward Clearing / EOD

If the above cheque was returned **after** the value date of the cheque i.e. on 08/01/05, the same has to be operationally handled by using the **Miscellaneous Loan Debit Transactions option (9540)**. The loan account can be debited for the specified amount and during EOD the most recent appropriations against arrears for the account will be reversed. However, if there are other repayments like cash deposit towards payment of arrears after the cheque was deposited the Miscellaneous Loan Debit Transaction will first reinstate the arrears appropriated by the cash deposit. The user can select the contra GL which has to be credited. Hence the loan account to be debited and the clearing center has to be credited in the said case.

## Loan Installment Payment Inquiry - Fast Path: 1065

Following entries will be passed during EOD after the MLD is done:

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
08/01/05	08/01/05	Transaction Branch	Select ed GL	Cr	GBP 82.5	110	Miscellaneous Loan Debit	EOD
08/01/05	08/01/05	Transaction Branch	Inter branch GL	Dr	GBP 82.5	110	Miscellaneous Loan Debit	EOD
08/01/05	08/01/05	Account Branch	Inter branch GL	Cr	GBP 82.5	110	Miscellaneous Loan Debit	EOD
08/01/05	08/01/05	Account Branch	Loan Asset GL	Dr	GBP 60	80	Miscellaneous Loan Debit-Principal Amount	EOD
08/01/05	08/01/05	Account Branch	SC/Fee Income GL	Dr	Euro 6	6	Miscellaneous Loan Debit-SC Payment	EOD
08/01/05	08/01/05	Account Branch	Outgoing Receivable GL	Dr	GBP 6	8	Miscellaneous Loan Debit-Outgoing Receivable	EOD
08/01/05	08/01/05	Account Branch	Interest Receivable GL	Dr	GBP 12	16	Miscellaneous Loan Debit-Normal Interest	EOD

## Loan Installment Payment Inquiry - Fast Path: 1065

Loan Installment Payment by Transfer from CASA Account

Loan Installment Payment from GBP CASA Account to a USD Loan Account

Principal Arrears USD 120 (72 GBP) (96 EURO)

Service Charges Euro 8 (USD 10) (6 GBP)

Legal Fees Receivable USD 20 (12 GBP) (16 EURO)

Interest receivable USD 30 (18 GBP) (24 EURO)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	CASA Account Branch	CASA Asset / Liability GL	Dr	GBP 108	144	Loan Installment Payment	EOD
01/01/05	01/01/05	CASA Account Branch	Inter Branch GL	Cr	GBP 108	144	Loan Installment Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Inter Branch GL	Dr	USD 180	144	Loan Installment Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Cr	USD 180	144	Loan Installment Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 120	96	Loan Installment Principal Amount	EOD
01/01/05	01/01/05	Loan Account Branch	Loan Asset GL	Cr	USD 120	96	Loan Installment Principal Amount	EOD

Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	Loan Installment Service Charges Payment	EOD
01/01/05	01/01/05	Loan Account Branch	SC/Fee Income GL	Cr	Euro 8	8	Loan Installment Service Charges Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 20	16	Loan Installment Legal Fees	EOD
01/01/05	01/01/05	Loan Account Branch	Legal Fees Receivable GL	Cr	USD 20	16	Loan Installment Legal Fees	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 30	24	Loan Installment Normal Interest (Accrual basis)	EOD



Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan Account Branch	Interest Receivable GL	Cr	USD 30	24	Loan Installment Normal Interest (Accrual basis)	EOD

## Loan Installment Payment Inquiry - Fast Path: 1065

Loan Installment Payment by GL Transfer

Loan Installment Payment from GBP GL Account to a USD Loan Account

Principal Arrears USD 120 (72 GBP) (96 EURO)

Service Charges Euro 8 (USD 10) (6 GBP)

Legal Fees Receivable USD 20 (12 GBP) (16 EURO)

Interest receivable USD 30 (18 GBP) (24 EURO)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	CASA Account Branch	CASA Asset / Liability GL	Dr	GBP 108	144	Loan Installment Payment	EOD
01/01/05	01/01/05	CASA Account Branch	Inter Branch GL	Cr	GBP 108	144	Loan Installment Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Inter Branch GL	Dr	USD 180	144	Loan Installment Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Cr	USD 180	144	Loan Installment Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 120	96	Loan Installment Principal Amount	EOD
01/01/05	01/01/05	Loan Account Branch	Loan Asset GL	Cr	USD 120	96	Loan Installment Principal Amount	EOD

Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	Loan Installment Service Charges Payment	EOD
01/01/05	01/01/05	Loan Account Branch	SC/Fee Income GL	Cr	Euro 8	8	Loan Installment Service Charges Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 20	16	Loan Installment Legal Fees	EOD
01/01/05	01/01/05	Loan Account Branch	Legal Fees Receivable GL	Cr	USD 20	16	Loan Installment Legal Fees	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 30	24	Loan Installment Normal Interest (Accrual basis)	EOD

Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan Account Branch	Interest Receivable GL	Cr	USD 30	24	Loan Installment Normal Interest (Accrual basis)	EOD
<b>Incoming Installment Payment</b>								
01/01/05	01/01/05	Network Branch	Network GL	Dr	GBP 108	144	Loan Installment Payment	Online
01/01/05	01/01/05	Loan A/c Branch	Loan Account	Cr	GBP 108	144	Loan Installment Payment	EOD

Loan Installment Payment by GL Transfer

Loan Installment Payment from GBP GL Account to a USD Loan Account

Principal Arrears USD 120 (72 GBP) (96 EURO)

Service Charges Euro 8 (USD 10) (6 GBP)

Legal Fees Receivable USD 20 (12 GBP) (16 EURO)

Interest receivable USD 30 (18 GBP) (24 EURO)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Select ed GL	Dr	GBP 108	144	Loan Installment Payment	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	GBP 108	144	Loan Installment Payment	EOD

Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan Account Branch	Inter Branch GL	Dr	USD 180	144	Loan Installment Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Cr	USD 180	144	Loan Installment Payment	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 120	96	Loan Installment Principal Amount	EOD
01/01/05	01/01/05	Loan Account Branch	Loan Asset GL	Cr	USD 120	96	Loan Installment Principal Amount	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	Loan Installment Service Charges Payment	EOD
01/01/05	01/01/05	Loan Account Branch	SC/Fee Income GL	Cr	Euro 8	8	Loan Installment Service Charges Payment	EOD

Loan Installment Payment Inquiry - Fast Path: 1065

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 20	16	Loan Installment Legal Fees	EOD
01/01/05	01/01/05	Loan Account Branch	Legal Fees Receivable GL	Cr	USD 20	16	Loan Installment Legal Fees	EOD
01/01/05	01/01/05	Loan Account Branch	Unapplied Advance (RPA) GL	Dr	USD 30	24	Loan Installment Normal Interest (Accrual basis)	EOD
01/01/05	01/01/05	Loan Account Branch	Interest Receivable GL	Cr	USD 30	24	Loan Installment Normal Interest (Accrual basis)	EOD
<b>Incoming Installment Payment</b>								
01/01/05	01/01/05	Network Branch	Network GL	Dr	GBP 108	144	Loan Installment Payment	Online
01/01/05	01/01/05	Loan A/c Branch	Loan Account	Cr	GBP 108	144	Loan Installment Payment	EOD

#### 4.4. Partial Pay-off - Fast Path: 1066

Partial Payoff is repayment of loan amount over and above the normal installment due amount. The accounting entries for Partial Pay-off are the same as explained under the Loan Installment Payment. Following are the differences in a Partial pay-off transaction:

In a Partial Pay-off transaction the amount being paid will be greater than the normal installment amount. If there are arrears on the loan account, then the payment amount will be first appropriated against the arrears and the excess balance will be credited to Loan Principal Account. The effect of interest payment would happen based on the effect of payment defined at the loan product master.

The bank can charge interest till date in which case the system will calculate interest from the last accrual date till the date of the partial pay-off payment.

The bank can charge penalty for the Partial Pay-off transaction. The same is calculated online as a certain percentage of the pay-off amount, or certain percentage (p.a.) of the amount and the remaining term or the bank may even waive the penalty amount. The penalty rule and rate for the Partial Pay-off are defined in Schedule Type definition (LNM98). The accounting basis for the same are defined in Product Interest Attributes Maintenance (LNM42).

Partial payoff transaction ultimately results in rescheduling of the loan. The user can select from either of the Rescheduling modes viz., Recalculate Term or Recalculate Installment.

No entries are generated during rescheduling of the loan account. However, if the user opts for the option of capitalize all Arrears then the behavior would be similar as that of Restructuring of Loan account which is explained in the later part of the document.

##### Partial Pay-off - Payment by Cash

Assume that the customer pays USD 300 as partial pay-off amount. The loan account in USD has the following arrears amounting to USD 197

Principal Arrears USD 120

Service Charges Euro 8 (USD 10)

Legal Fees Receivable USD 20

Interest receivable USD 30

Catch up Interest (interest accrued/charged till the date of payment) USD 10

Penalty (Billed/Charged) – USD 5

Partial Pay-off Penalty (Cash Basis) – USD 2

The balance excess amount i.e. USD 103 will be credited to the Asset Principal GL. Thus, the total contribution towards the principal payment will be (Principal arrears + excess amount paid)  $USD120+USD103 = USD223$

Partial Pay-off - Fast Path: 1066

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 300	240	Partial Payoff - Payoff Amount	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 300	240	Partial Payoff - Payoff Amount	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 300	240	Partial Payoff - Payoff Amount	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Cr	USD 300	240	Partial Payoff - Payoff Amount	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 223	178	Partial Payoff Principal Amount	EOD
01/01/05	01/01/05	Account Branch	Loan Asset GL	Cr	USD 223	178	Partial Payoff Principal Amount	EOD



Partial Pay-off - Fast Path: 1066

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	Partial Payoff Service Charges Payment	EOD
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 8	8	Partial Payoff Service Charges Payment	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 20	16	Partial Payoff Legal Fees	EOD
01/01/05	01/01/05	Account Branch	Legal Fees Receivable GL	Cr	USD 20	16	Partial Payoff Legal Fees	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 30	24	Partial Payoff Normal Interest(Accrual basis)	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	USD 30	24	Partial Payoff Normal Interest(Accrual basis)	EOD

Partial Pay-off - Fast Path: 1066

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Accrued GL	Dr	USD 10	8	Catch up Accrual Normal Interest	EOD
01/01/05	01/01/05	Account Branch	Interest Income GL	Cr	USD 10	8	Catch up Accrual Normal Interest	EOD
01/01/05	01/01/05	Account Branch	Interest Accrued GL	Cr	USD 10	8	Catch up Normal Interest Charged	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Dr	USD 10	8	Catch up Normal Interest Charged	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	Partial Payoff Catch up Accrual Normal Interest	EOD

Partial Pay-off - Fast Path: 1066

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	USD 10	8	Partial Payoff Catch up Accrual Normal Interest	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 5	4	Partial Payoff Penal Interest	EOD
01/01/05	01/01/05	Account Branch	Penalty Interest Receivable GL	Cr	USD 5	4	Partial Payoff Penal Interest	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 2	2	Partial Payoff Penalty (Cash Basis)	EOD
01/01/05	01/01/05	Account Branch	Penalty Interest Income GL	Cr	USD 2	2	Partial Payoff Penalty (Cash Basis)	EOD

**Note:** The accounting entries for Partial Pay-off by other mode of payments will be same as the Normal Installment payment except for the funding GL, catch up accrual and penal interest.

Assumption for the above accounting entry: the payoff benefit is considered as immediate at the loan product level.

## 4.5. Loans Advance Payment - Fast Path: 1068

This option is used for advance repayment of loan installment. The amount paid as advance installment is posted in the Reserve Pending Appropriation account (RPA). At end of day (EOD), depending upon the treatment specified for advance payment, the advanced installment amount paid reduces the principal base for interest calculation. Unlike Partial Pay-off where the excess amount is utilized to reduce the Asset Principal balance, in an Advance Payment the excess amount (after all the arrears due are paid) continue to reside in the Unapplied Advance (RPA) GL. All future dated loan installments, which become due, are set off against the RPA account. The advance payment of loan installments can be paid by cash, local cheque, transfer from CASA or GL transfer by using this option.

Advance Payment-Payment by Cash.

Assume that the customer pays USD 300 as Advance Payment. The loan account in USD has the following arrears amounting to USD 185.

Principal Arrears USD 120

Service Charges Euro 8 (USD 10)

Insurance Premium USD 20

Interest receivable USD 30

Penal Interest – USD 5

After adjusting the above arrears the balance excess amount i.e. USD 115 will remain as balance in the Unapplied Advance (RPA) GL. As and when the arrears become due the system will utilize the amount from the RPA GL.

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 300	240	Advance Payment	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 300	240	Advance Payment	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 300	240	Advance Payment	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Cr	USD 300	240	Advance Payment	EOD

Loans Advance Payment - Fast Path: 1068

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 120	96	Advance Payment-Principal Amount	EOD
01/01/05	01/01/05	Account Branch	Loan Asset GL	Cr	USD 120	96	Advance Payment-Principal Amount	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	Advance Payment-Service Charges	EOD
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 8	8	Advance Payment-Service Charges	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 20	16	Advance Payment-Insurance Premium	EOD

Loans Advance Payment - Fast Path: 1068

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Insurance Premium GL	Cr	USD 20	16	Advance Payment-Insurance Premium	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 30	24	Advance Payment-Normal Interest(Accrual basis)	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	USD 30	24	Advance Payment-Normal Interest(Accrual basis)	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 5	4	Advance Payment-Penal Interest (Accrual basis)	EOD

Loans Advance Payment - Fast Path: 1068

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Penalty Interest Receivable GL	Cr	USD 5	4	Advance Payment-Penal Interest (Accrual basis)	EOD

**Note:** The accounting entries for Advance Payment by other mode of payments will be same as the Partial Pay-off except for the funding GL.

#### **4.6. Post Dated Cheques Maintenance - Fast Path: LN046**

No accounting entries are passed. Though, on the respective cheque dates the posted dated cheques towards the loan installment payments are presented for clearing. For accounting entries refer to the Loan Installment Payment by Local Cheque above.



### 4.7. Loan Refund Inquiry - Fast Path: 1412

Excess credit balance in the loan account can be refunded to the customer by Cash or Transfer to CASA account

Excess credit of USD 500 to be refunded by Cash

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 500	400	Loan Excess Amount Refund	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Cr	USD 500	400	Loan Excess Amount Refund	EOD
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Dr	USD 500	400	Loan Excess Amount Refund	EOD
01/01/05	01/01/05	Transaction Branch	Cash GL	Cr	USD 500	400	Loan Excess Amount Refund	EOD

Loan Refund Inquiry - Fast Path: 1412

Excess credit of USD 110 to be refunded to CASA Account in GBP

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 110	88	Loan Excess Amount Refund	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Cr	USD 110	88	Loan Excess Amount Refund	EOD
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Dr	USD 110	88	Loan Excess Amount Refund	EOD
01/01/05	01/01/05	Transaction Branch	CASA Asset / Liability GL	Cr	GBP 66	88	Loan Excess Amount Refund	EOD

### 4.8. Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

The balance loan outstanding amount can be prepaid by the customer in full by Cash, Transfer from CASA or GL Transfer by using this option.

EFS - Payment by Cash

Assume the loan account in USD has the following dues amounting to USD 380

Principal Arrears USD 200

Service Charges Euro 12 (USD 15)

Legal Fees Receivable USD 20

Insurance Premium USD 15

Interest receivable USD 93

Catch up Interest (interest accrued/charged till the date of payment) USD 20

Penalty (Billed/Charged) – USD 12

EFS Penalty (Cash Basis) – USD 5

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 380	304	LN. EFS. By Cash	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 380	304	LN. EFS. By Cash	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 380	304	LN. EFS. By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Cr	USD 380	304	LN. EFS. By Cash	EOD

Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 200	160	LN. EFS. By Cash-Principal Amount	EOD
01/01/05	01/01/05	Account Branch	Loan Asset GL	Cr	USD 200	160	LN. EFS. By Cash-Principal Amount	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 15	12	LN. EFS. By Cash-Service Charges Payment	EOD
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 12	12	LN. EFS. By Cash-Service Charges Payment	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 20	16	LN. EFS. By Cash-Legal Fees	EOD

Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Legal Fees Receivable GL	Cr	USD 20	16	LN. EFS. By Cash-Legal Fees	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 15	12	LN. EFS. By Cash-Insurance Premium	EOD
01/01/05	01/01/05	Account Branch	Insurance Premium GL	Cr	USD 15	12	LN. EFS. By Cash-Insurance Premium	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 93	74	LN. EFS. By Cash-Normal Interest(Accrual basis)	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	USD 93	74	LN. EFS. By Cash-Normal Interest(Accrual basis)	EOD

Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Accrued GL	Dr	USD 20	16	Catch up Accrued Normal Interest	EOD
01/01/05	01/01/05	Account Branch	Interest Income GL	Cr	USD 20	16	Catch up Accrued Normal Interest	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Dr	USD 20	16	Catch up Normal Interest Charged	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 20	16	LN. EFS. By Cash-Catch up Accrued Normal Interest	EOD

Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	USD 20	16	LN. EFS. By Cash-Catch up Accrual Normal Interest	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 12	10	LN. EFS. By Cash-Penal Interest	EOD
01/01/05	01/01/05	Account Branch	Penalty Interest Receivable GL	Cr	USD 12	10	LN. EFS. By Cash-Penal Interest	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 5	4	LN. EFS. By Cash-Penalty (Cash Basis)	EOD
01/01/05	01/01/05	Account Branch	Penalty Interest Income GL	Cr	USD 5	4	LN. EFS. By Cash-Penalty (Cash Basis)	EOD

**Note:** The accounting entries for Loan Full Pay-off (EFS) by other mode of payments will be same as the above except for the funding GL.

### 4.9. Loan Recission Inquiry - Fast Path: 1069

Recission implies reversal of all entries passed during disbursement, if customer wishes to return the loan within a pre-specified time. The available mode for performing Loan recission is cash, transfer from CASA or GL Transfer. Recission will be allowed only if no interest and/or charge has been applied on the account.

Loan Recission by Cash

Assume a recission done by cash in USD for a Loan of GBP 480

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 800	640	LN. Recission By Cash	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	GBP 480	640	LN. Recission By Cash	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	GBP 480	640	LN. Recission By Cash	EOD
01/01/05	01/01/05	Account Branch	Asset GL	Cr	GBP 480	640	LN. Recission By Cash	EOD
<b>Recission</b>								
01/01/05	01/01/05	Contingent Asset	Account Branch	Dr	GBP 480	640	Disbursed Amount	EOD
01/01/05	01/01/05	Contingent Liability	Account Branch	Cr	GBP 480	640	Disbursed Amount	EOD



Loan Recission by Transfer from CASA

Assume a recission done by transfer from GBP CASA Account for a Loan of USD 740

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	CASA Account Branch	CASA Asset / Liability GL	Dr	GBP 444	592	LN. Recission By Xfer. From CASA	Online
01/01/05	01/01/05	CASA Account Branch	Inter Branch GL	Cr	USD 740	592	LN. Recission By Xfer. From CASA	EOD
01/01/05	01/01/05	Loan Account Branch	Inter Branch GL	Dr	USD 740	592	LN. Recission By Xfer. From CASA	EOD
01/01/05	01/01/05	Loan Account Branch	Asset GL	Cr	USD 740	592	LN. Recission By Xfer. From CASA	EOD

Loan Recission by Transfer from GL

Assume a recission done by transfer USD 950 from GL Account to Loan Account in USD

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Select ed GL	Dr	USD 950	760	LN. Recission By GL	Online

Loan Recission Inquiry - Fast Path: 1069

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 950	760	LN. Recission By GL	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 950	760	LN. Recission By GL	EOD
01/01/05	01/01/05	Account Branch	Asset GL	Cr	USD 950	760	LN. Recission By GL	EOD

Loan Account Payoff Notice Maintenance

No Accounting entries are generated

Other Transactions

Reminder Plan Maintenance

No Accounting entries are generated

Product Interest Attributes Maintenance

No Accounting entries are generated

Schedule Type

No Accounting entries are generated

Installment Rules

No Accounting entries are generated

Interest Rules

No Accounting entries are generated

Loan Balance Inquiry

No Accounting entries are generated

Account Status Audit Trail Inquiry

No Accounting entries are generated

Account Schedule Inquiry

No Accounting entries are generated

Account Transactions Inquiry

No Accounting entries are generated

Account Rates

No Accounting entries are generated

Rate Change

No Accounting entries are generated

Miscellaneous Loan Dr

## 4.10. Miscellaneous Loan Debit Transactions options - Fast Path: 9540

Once a disbursement is made to a loan account, normally the loan account would only receive credits in the form of payments from the customer. If any debit has to be made to the account apart from regular interest/fees charging, then the Miscellaneous Loan debits (MLD) option may be used. It can be used in any of the following cases:

- To reverse wrong installment payment into the account on a previous transaction day.
- To increase the outstanding principal on the account for any reason.

On entering the debit amount the system validates that the amount is less than the loan outstanding. The amount is credited to any GL as specified by the teller.

Assume a loan account in USD has the following credits which have to be reversed using MLD option:

Principal – USD 1350

Service Charges – Euro 12 (USD 15)

Outgoing Receivable – USD 120

Interest – USD 405

Misc. Income – USD 35

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Select ed GL	Cr	USD 1925	1540	Miscellaneous LN. Debit	EOD
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Dr	USD 1925	1540	Miscellaneous LN. Debit	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Cr	USD 1925	1540	Miscellaneous LN. Debit	EOD
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 1925	1540	Miscellaneous LN. Debit	EOD

Miscellaneous Loan Debit Transactions options - Fast Path: 9540

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Dr	Euro 12	12	Miscellaneous LN. Debit - SC Payment	EOD
01/01/05	01/01/05	Account Branch	Outgoing Receivable GL	Dr	USD 120	96	Miscellaneous LN. Debit - Outgoing Receivable	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Dr	USD 405	324	Miscellaneous LN. Debit - Normal Interest	EOD
01/01/05	01/01/05	Account Branch	Misc.Income GL	Dr	USD 35	28	Miscellaneous LN. Debit - Normal Interest	EOD

#### 4.11. Miscellaneous Charges Waiver - Fast Path: LN444

Miscellaneous charges levied on an account can be waived using Miscellaneous Charges Waiver. These charges are arrears that have been raised on the account which are still pending payment. Payment pending may be part or all of arrears assessed.

Assume a loan account in USD has the following arrears which are to be waived:

Insurance Premium – USD 20

Service Charge – Euro 8

Outgoing Receivable – USD 35

Legal Fees Receivable – USD 40

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Premium Remittance GL	Dr	USD 20	16	LN. Charge Waiver	EOD
01/01/05	01/01/05	Account Branch	Insurance Premium GL	Cr	USD 20	16	LN. Charge Waiver	EOD
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Dr	Euro 8	8	LN. Charge Waiver	EOD
01/01/05	01/01/05	Account Branch	SC/Fees Receivable GL	Cr	USD 8	10	LN. Charge Waiver	EOD
01/01/05	01/01/05	Account Branch	Outgoing Payable GL	Dr	USD 35	28	LN. Charge Waiver	EOD
01/01/05	01/01/05	Account Branch	Outgoing Receivable GL	Cr	USD 35	28	LN. Charge Waiver	EOD
01/01/05	01/01/05	Account Branch	Legal Fees Payable GL	Dr	USD 40	32	LN. Charge Waiver	EOD

Miscellaneous Charges Waiver - Fast Path: LN444

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Legal Fees Receivable GL	Cr	USD 40	32	LN. Charge Waiver	EOD

Account Payment Instructions

No Accounting entries are generated

Loan Account Address Maintenance

No Accounting entries are generated

Loan Account Master Attributes Maintenance

No Accounting entries are generated

## 4.12. Common Billing Transactions - Fast Path: BAM50

Common Billing is used to levy a charge on a loan account. The Common Billing Transaction is used for billing of one time miscellaneous service charges/outgoing charges/insurance premium/legal fees.

Loan account in GBP has the following charges to be levied:

Insurance Premium – GBP 150

Service Charge – Euro 17

Outgoing Receivable – GBP 45

Legal Fees Receivable – GBP 70

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Insurance Premium GL	Dr	GBP 150	200	Common Billing	EOD
01/01/05	01/01/05	Account Branch	Premium Remittance GL	Cr	GBP 150	200	Common Billing	EOD
01/01/05	01/01/05	Account Branch	SC/Fees Receivable GL	Dr	GBP 13	17	Common Billing	EOD
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 17	17	Common Billing	EOD
01/01/05	01/01/05	Account Branch	Outgoing Receivable GL	Dr	GBP 45	60	Common Billing	EOD
01/01/05	01/01/05	Account Branch	Outgoing Payable GL	Cr	GBP 45	60	Common Billing	EOD



Common Billing Transactions - Fast Path: BAM50

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Legal Fees Receivable GL	Dr	GBP 70	93	Common Billing	EOD
01/01/05	01/01/05	Account Branch	Legal Fees Payable GL	Cr	GBP 70	93	Common Billing	EOD

Third Party Account Address Maintenance

No Accounting entries are generated

Loan Collateral Link Maintenance

No Accounting entries are generated

### 4.13. Interest Adjustment Transaction - Fast Path: BAM57

Unaccounted Interest

No accounting entries are generated

Accounted Interest

Debit Interest Adjustment

Debit interest adjustment increases the dues of interest. The account gets debited to the extent of adjustment and a new arrear of type interest gets raised on the account.

Debit Interest Adjustment of GBP 60 is done for Normal Interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Dr	GBP 60	80	LN. Interest Adjustment	EOD
01/01/05	01/01/05	Account Branch	Interest Income GL	Cr	GBP 60	80	LN. Interest Adjustment	EOD

Debit Interest Adjustment of GBP 30 is done for Penal Interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Penalty Interest Receivable GL	Dr	GBP 30	40	LN. Penalty Interest Adjustment	EOD
01/01/05	01/01/05	Account Branch	Penalty Interest Income GL	Cr	GBP 30	40	LN. Penalty Interest Adjustment	EOD

## Interest Adjustment Transaction - Fast Path: BAM57

Debit Interest Adjustment of GBP 15 is done for Post Maturity Interest (PMI)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Dr	GBP 15	20	LN. PMI. Adjustment	EOD
01/01/05	01/01/05	Account Branch	Interest Income GL	Cr	GBP 15	20	LN. PMI. Adjustment	EOD

### Credit Interest Adjustment

A credit adjustment to a loan account indicates that excess interest charged and received from the borrower must be refunded. A credit interest adjustment can be done only for the unpaid portion of the interest and will not be possible if the same is already paid.

Credit Interest Adjustment of GBP 60 is done for Normal Interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Income GL	Dr	GBP 60	80	LN. Interest Adjustment	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	GBP 60	80	LN. Interest Adjustment	EOD

Interest Adjustment Transaction - Fast Path: BAM57

Credit Interest Adjustment of GBP 30 is done for Penal Interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Penalty Interest Income GL	Dr	GBP 30	40	LN. Penalty Interest Adjustment	EOD
01/01/05	01/01/05	Account Branch	Penalty Interest Receivable GL	Cr	GBP 30	40	LN. Penalty Interest Adjustment	EOD

Credit Interest Adjustment of GBP 15 is done for Post Maturity Interest (PMI)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Income GL	Dr	GBP 15	20	LN. PMI. Adjustment	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	GBP 15	20	LN. PMI. Adjustment	EOD

Interest Adjustment Transaction - Fast Path: BAM57

Syariah Loan Accounts

Inventory GL entries (Normal Loan)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/08/08	01/08/08	Account branch	Inventory Asset GL	Dr	Euro 1000	Euro 1000	LN.INVENTORY	EOD
01/08/08	01/08/08	Account branch	Inventory Liability GL	Cr	Euro 1000	Euro 1000	LN.INVENTORY	EOD
01/08/08	01/08/08	Account branch	Inventory Liability GL	Dr	Euro 1000	Euro 1000	LN.INVENTORY	EOD
01/08/08	01/08/08	Account branch	Inventory Asset GL	Cr	Euro 1000	Euro 1000	LN.INVENTORY	EOD

Margin Accounting Entries (Normal Loan)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/08/08	01/08/08	Account branch	Total Margin receivable GL	Dr	Euro 100	Euro 100	LN. MARGIN	EOD
01/08/08	01/08/08	Account branch	Deferred Margin Income GL	Cr	Euro 100	Euro 100	LN. MARGIN	EOD

Booking Actual Income on installment payment - to the extent of receivable credited only (Normal Loan)

Interest Adjustment Transaction - Fast Path: BAM57

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/08/08	31/08/08	Account branch	Interest Income	Dr	Euro 80	Euro 80	LN. PROFIT BOOKING	EOD
31/08/08	31/08/08	Account branch	Margin / Profit GL	Cr	Euro 80	Euro 80	LN. PROFIT BOOKING	EOD

Interest Adjustment Transaction - Fast Path: BAM57

Reversal from total margin receivable -to the extent of interest income received from customer (Normal Loans)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/08/08	31/08/08	Account branch	Deferred Margin Income GL	Dr	Euro 20	Euro 20	LN. MARGIN	EOD
31/08/08	31/08/08	Account branch	Total Margin receivable GL	Cr	Euro 20	Euro 20	LN. MARGIN	EOD

Additional Margin @EFS (Normal loans)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/08/08	01/08/08	Account branch	Interest Accrual	Dr	Euro 50	Euro 50	LN. INTEREST ACCRUAL ADJ	EOD
01/08/08	01/08/08	Account branch	Interest Income	Cr	Euro 50	Euro 50	LN.INTEREST INCOME ADJ	EOD
01/08/08	01/08/08	Account branch	Interest Receivable	Dr	Euro 50	Euro 50	LN. INTEREST CHARGED	EOD
01/08/08	01/08/08	Account branch	Interest accrual	Cr	Euro 50	Euro 50	LN. INTEREST CHARGED	EOD
01/08/08	01/08/08	Account branch	Customer CASA	Dr	Euro 50	Euro 50	EFS. BY XFER FROM CASA.	EOD
01/08/08	01/08/08	Account branch	RPA GL	Cr	Euro 50	Euro 50	EFS. BY XFER FROM CASA.	EOD
01/08/08	01/08/08	Account branch	RPA GL	Dr	Euro 50	Euro 50	INTERST ARREAR APPROPRIATION	EOD

Interest Adjustment Transaction - Fast Path: BAM57

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TC Y	LCY-EURO		
01/08/08	01/08/08	Account branch	Interest Receivable	Cr	Euro 50	Euro 50	INTERST ARREAR APPROPRIATION	EOD
01/08/08	01/08/08	Account branch	Interest Income	Dr	Euro 50	Euro 50	LN. PROFIT BOOKING	EOD
01/08/08	01/08/08	Account branch	Margin / Profit GL	Cr	Euro 50	Euro 50	LN. PROFIT BOOKING	EOD

Suspended Loans

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TC Y	LCY-EURO		
01/08/08	01/08/08	Account branch	Interest Accrual	Dr	Euro 50	Euro 50	LN. INTEREST NON ACCRUAL ADJ	EOD
01/08/08	01/08/08	Account branch	Interest Income	Cr	Euro 50	Euro 50	LN.SUSPENDED INTEREST INCOME ADJ	EOD
01/08/08	01/08/08	Account branch	Suspended Interest Receivable	Dr	Euro 50	Euro 50	LN. INTEREST CHARGED	EOD
01/08/08	01/08/08	Account branch	Interest accrual	Cr	Euro 50	Euro 50	LN. INTEREST CHARGED	EOD
01/08/08	01/08/08	Account branch	Customer CASA	Dr	Euro 50	Euro 50	EFS. BY XFER FROM CASA.	EOD
01/08/08	01/08/08	Account branch	RPA GL	Cr	Euro 50	Euro 50	EFS. BY XFER FROM CASA.	EOD



Interest Adjustment Transaction - Fast Path: BAM57

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/08/08	01/08/08	Account branch	RPA GL	Dr	Euro 50	Euro 50	SUSP. INTERST ARREAR APPROPRIATION	EOD
01/08/08	01/08/08	Account branch	Suspended Interest Receivable	Cr	Euro 50	Euro 50	SUSP. INTERST ARREAR APPROPRIATION	EOD
01/08/08	01/08/08	Account branch	Suspended Interest Income	Dr	Euro 50	Euro 50	LN. PROFIT BOOKING	EOD
01/08/08	01/08/08	Account branch	Margin / Profit GL	Cr	Euro 50	Euro 50	LN. PROFIT BOOKING	EOD

Reversal from total margin receivable - to the extent of interest income received from customer (Normal Loan)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
15/08/08	15/08/08	Account Branch	Deferred Margin Income GL	Dr	Euro 70	Euro 70	LN. MARGIN	EOD
15/08/08	15/08/08	Account Branch	Total Margin receivable GL	Cr	Euro 70	Euro 70	LN. MARGIN	EOD

Interest Adjustment Transaction - Fast Path: BAM57

Reversal from total margin receivable - to the extent of additional margin recovered @ EFS  
(Normal)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
15/08/08	15/08/08	Account Branch	Deferred Margin Income GL	Dr	Euro 20	Euro 20	LN. MARGIN	EOD
15/08/08	15/08/08	Account Branch	Total Margin receivable GL	Cr	Euro 20	Euro 20	LN. MARGIN	EOD

Reversal from total margin receivable - The entire remaining balance

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
15/08/08	15/08/08	Account Branch	Deferred Margin Income GL	Dr	Euro 10	Euro 10	LN. MARGIN	EOD
15/08/08	15/08/08	Account Branch	Total Margin receivable GL	Cr	Euro 10	Euro 10	LN. MARGIN	EOD

Mudharabah

Booking Actual Inome on installment payment - to the extent of receivable credited only (Normal Loans)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/08/08	01/08/08	Account branch	Interest Income	Dr	Euro100	Euro100	LN. PROFIT BOOKING	EOD
01/08/08	01/08/08	Account branch	Margin /Profit GL	Cr	Euro100	Euro100	LN. PROFIT BOOKING	EOD

Interest Adjustment Transaction - Fast Path: BAM57

Additional Margin @EFS (Normal loans)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TC Y	LCY-EURO		
01/08/08	01/08/08	Account branch	Interest Accrual	Dr	Euro 50	Euro 50	LN. INTEREST ACCRUAL ADJ	EOD
01/08/08	01/08/08	Account branch	Interest Income	Cr	Euro 50	Euro 50	LN.INTEREST INCOME ADJ	EOD
01/08/08	01/08/08	Account branch	Interest Receivable	Dr	Euro 50	Euro 50	LN. INTEREST CHARGED	EOD
01/08/08	01/08/08	Account branch	Interest accrual	Cr	Euro 50	Euro 50	LN. INTEREST CHARGED	EOD
01/08/08	01/08/08	Account branch	Customer CASA	Dr	Euro 50	Euro 50	EFS. BY XFER FROM CASA.	EOD
01/08/08	01/08/08	Account branch	RPA GL	Cr	Euro 50	Euro 50	EFS. BY XFER FROM CASA.	EOD
01/08/08	01/08/08	Account branch	RPA GL	Dr	Euro 50	Euro 50	INTERST ARREAR APPROPRIATION	EOD
01/08/08	01/08/08	Account branch	Interest Receivable	Cr	Euro 50	Euro 50	INTERST ARREAR APPROPRIATION	EOD
01/08/08	01/08/08	Account branch	Interest Income	Dr	Euro 50	Euro 50	LN. PROFIT BOOKING	EOD
01/08/08	01/08/08	Account branch	Margin / Profit GL	Cr	Euro 50	Euro 50	LN. PROFIT BOOKING	EOD

Interest Adjustment Transaction - Fast Path: BAM57

Suspended Loans

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value							
01/08/08	01/08/08	Account branch	Interest Accrual	Dr	Euro 50	Euro 50	LN. INTEREST NON ACCRUAL ADJ	EOD
01/08/08	01/08/08	Account branch	Interest Income	Cr	Euro 50	Euro 50	LN.SUSPENDED INTEREST INCOME ADJ	EOD
01/08/08	01/08/08	Account branch	Suspended Interest Receivable	Dr	Euro 50	Euro 50	LN. INTEREST CHARGED	EOD
01/08/08	01/08/08	Account branch	Interest accrual	Cr	Euro 50	Euro 50	LN. INTEREST CHARGED	EOD
01/08/08	01/08/08	Account branch	Customer CASA	Dr	Euro 50	Euro 50	EFS. BY XFER FROM CASA.	EOD
01/08/08	01/08/08	Account branch	RPA GL	Cr	Euro 50	Euro 50	EFS. BY XFER FROM CASA.	EOD
01/08/08	01/08/08	Account branch	RPA GL	Dr	Euro 50	Euro 50	SUSP. INTERST ARREAR APPROPRIATION	EOD
01/08/08	01/08/08	Account branch	Suspended Interest Receivable	Cr	Euro 50	Euro 50	SUSP. INTERST ARREAR APPROPRIATION	EOD
01/08/08	01/08/08	Account branch	Suspended Interest Income	Dr	Euro 50	Euro 50	LN. PROFIT BOOKING	EOD
01/08/08	01/08/08	Account branch	Margin / Profit GL	Cr	Euro 50	Euro 50	LN. PROFIT BOOKING	EOD

## 4.14. Other Miscellaneous Entries

### Small Balance Forfeiture

In case the loan amount repaid is slightly higher the bank may wish to close such accounts and treat the remaining amount as income. This situation is commonly encountered in case of Post Dated EMI Cheques where the amount of the last EMI cheque is higher than the last installment amount.

Assume the value of the last EMI cheque is Euro 110 deposited on Loan Account in GBP on 01/01/2005. However the total of all arrears is Euro 105. The balance Euro 5 (GBP 4) will be treated as income. Float Days = 5. The clearing of the cheque is done on the value date of the cheque.

The loan account has the following arrears and the loan account is a GBP loan a/c

Principal Arrears GBP 60 (80 EURO)

Service Charges Euro 6 (4.5 GBP)

Outgoing Receivable GBP 6 (8 EURO)

Interest receivable GBP 8 (11 EURO)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Clearing Branch	Endpoint GL	Dr	Euro 110	110	Cheque Deposit	Outward Clearing
01/01/05	01/01/05	Clearing Branch	Inter branch GL	Cr	Euro 110	110	Cheque Deposit	EOD
01/01/05	01/01/05	Account Branch	Inter branch GL	Dr	Euro 110	110	Cheque Deposit	EOD
01/01/05	01/01/05	Account Branch	CFC GL	Cr	Euro 110	110	Cheque Deposit	Outward Clearing
05/01/05	05/01/05	Account Branch	CFC GL	Dr	Euro 110	110	Cheque Deposit	Value Date Clearing

Other Miscellaneous Entries

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Cr	GBP 82.5	110	Cheque Deposit	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 60	80	LN Installment By Local Cheque Principal Amount	EOD
05/01/05	05/01/05	Account Branch	Loan Asset GL	Cr	GBP 60	80	LN Installment By Local Cheque Principal Amount	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 4.5	6	LN Installment By Local Cheque Service Charges Payment	EOD

Other Miscellaneous Entries

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
05/01/05	05/01/05	Account Branch	SC/Fe e Income GL	Cr	Euro 6	6	LN Installment By Local Cheque Service Charges Payment	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 6	8	LN Installment By Local Cheque Outgoing Receivable	EOD
05/01/05	05/01/05	Account Branch	Outgoing Receivable GL	Cr	GBP 6	8	LN Installment By Local Cheque Outgoing Receivable	EOD

Other Miscellaneous Entries

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 8	11	LN Installment By Local Cheque Normal Interest (Accrual basis)	EOD
05/01/05	05/01/05	Account Branch	Interest Receivable GL	Cr	GBP 8	11	LN Installment By Local Cheque Normal Interest (Accrual basis)	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 4	5	Small Balance Forfeited	EOD
05/01/05	05/01/05	Account Branch	Small Balance Forfeiture GL	Cr	GBP 4	5	Small Balance Forfeited	EOD



## 4.15. Small Balance Waiver

In case the amount repaid is slightly lesser the bank may still wish to waive the remaining amount due and close the account, by absorbing the same in the expenses of the Bank. This situation is commonly encountered in case of Post Dated EMI Cheques where the amount of the last EMI cheque is lesser than the last installment amount.

Assume the value of the last EMI cheque is Euro 110 deposited on Loan Account in GBP on 01/01/2005. However the total of all arrears is Euro 115. The shortfall Euro 5 (GBP 4) will be treated as Expense. Float Days = 5. The clearing of the cheque is done on the value date of the cheque.

**Note:** The appropriation sequence followed is all other arrears to be appropriated before the capital (Principal) arrears.

GBP loan account has the following arrears:

Principal Arrears GBP 60 (80 EURO)

Service Charges Euro 6 (4.5 GBP)

Outgoing Receivable GBP 11 (15 EURO)

Interest receivable GBP 8 (11 EURO)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Clearing Branch	Endpoint GL	Dr	Euro 110	110	Cheque Deposit	Outward Clearing
01/01/05	01/01/05	Clearing Branch	Inter branch GL	Cr	Euro 110	110	Cheque Deposit	EOD
01/01/05	01/01/05	Account Branch	Inter branch GL	Dr	Euro 110	110	Cheque Deposit	EOD
01/01/05	01/01/05	Account Branch	CFC GL	Cr	Euro 110	110	Cheque Deposit	Outward Clearing
05/01/05	05/01/05	Account Branch	CFC GL	Dr	Euro 110	110	Cheque Deposit	Value Date Clearing

Small Balance Waiver

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Cr	GBP 82.5	110	Cheque Deposit	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 56	75	LN Installment By Local Cheque Principal Amount	EOD
05/01/05	05/01/05	Account Branch	Loan Asset GL	Cr	GBP 56	75	LN Installment By Local Cheque Principal Amount	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 4.5	6	LN Installment By Local Cheque Service Charges Payment	EOD

Small Balance Waiver

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
05/01/05	05/01/05	Account Branch	SC/Fe e Income GL	Cr	Euro 6	6	LN Installment By Local Cheque Service Charges Payment	EOD
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 11	15	LN Installment By Local Cheque Outgoing Receivable	EOD
05/01/05	05/01/05	Account Branch	Outgoing Receivable GL	Cr	GBP 11	15	LN Installment By Local Cheque Outgoing Receivable	EOD

Small Balance Waiver

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
05/01/05	05/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	GBP 8	11	LN Installment By Local Cheque Normal Interest (Accrual basis)	EOD
05/01/05	05/01/05	Account Branch	Interest Receivable GL	Cr	GBP 8	11	LN Installment By Local Cheque Normal Interest (Accrual basis)	EOD
05/01/05	05/01/05	Account Branch	Small Balance Waiver GL	Dr	GBP 4	5	Small Balance Waiver	EOD
05/01/05	05/01/05	Account Branch	Loan Asset GL	Cr	GBP 4	5	Small Balance Waiver	EOD

Interest Subsidy and Rebate

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/08/08	01/08/08	Casa Account Branch/ GL- Account Branch	Cash/CAS A/GL	Dr	Euro100	Euro100	Loan Interest subsidy pay-in by cash/Savin /GL Tr.	For Casa Online/For GL EOD
01/08/08	01/08/08	Loan Account Branch	Subsidy Parking GL	Cr	Euro100	Euro100	Loan Interest subsidy pay-in by cash/Savin /GL Tr.	EOD
01/08/08	01/08/08	Loan Account Branch	Subsidy parking GL	Dr	Euro100	Euro100	LN.Subsidy Interest Income	EOD(month end processing)
01/08/08	01/08/08	Loan Account Branch	Income GL	Cr	Euro100	Euro100	LN.Subsidy Interest Income	EOD(month end processing)

#### 4.16. Subsidy Loans – Subsidy Interest Accrual and charging

The subsidy interest will accrue as per the accrual frequency specified for Regular Interest in 'Product Master Maintenance (FP: LNM11)'.  
 The accrual and charging entries will be passed to the GL set up in Product Interest attributes (FP: LNM42) for subsidy type of interest. The following GLs will be maintained:

1. Subsidy Interest Accrued
2. Subsidy Interest Income
3. Subsidy Interest Receivable

##### Subsidy Interest Accrual

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY-CNY		
01/08/11	01/08/11	Account Branch	Subsidy Interest Accrued	Dr	CNY 100	CNY 100	Subsidy Interest accrued	EOD
01/08/11	01/08/11	Account Branch	Subsidy Interest Income	Cr	CNY 100	CNY 100	Subsidy interest accrued booked to Income	EOD

##### Subsidy Interest Charging

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Subsidy Interest Receivable	Dr	CNY 100	CNY 100	Subsidy Interest charged	EOD
01/08/11	01/08/11	Account Branch	Subsidy Interest Accrued	Cr	CNY 100	CNY 100	Subsidy interest accrued reversed on charging	EOD

## 4.17. Penalty, Compounding and Diverting Interest Arrears Processing

**Penalty Interest** – Penalty Interest apart from charging on Cash basis can also be configured on accrual basis. Accrual frequency for Penalty can be specified in Loan Product Master (FP: LNM11). The frequencies can be defined as 'Daily' or 'Monthly'. An option 'None' is also available which will signify that the penalty interest will not accrue and will directly be computed and charged on the due dates.

**Compounding Interest-** Compounding interest is fitted in the interest rules framework. This interest type is defined in the Interest Rules screen (FP: LNM41) when compounding interest is to be computed on the outstanding arrears. Charging of Compounding Interest will be driven based on the value selected during the Loan Direct Account Opening (Fast Path: LN057). The GLs pertaining to Compounding Interest will be defined in the Product Interest Attributes screen (Fast Path: LNM42). There will be no accrual of Compounding Interest. The charging date for compounding interest will be derived using the frequency specified in the schedule set up and the first repayment date in the screen Schedule Type (Fast Path: LNM98). The existing flag 'Compute Penalty on repayments' in Loan Product Master (FP: LNM11) will be applicable to compounding interest. If this flag is checked, Compounding interest will be computed and applied on receipt of repayment on loan in addition to the interest application on the charging dates. This behavior is applicable only if penalty is not accrued. Therefore, this flag will apply only if Penalty accrual frequency is set to 'None'.

**Diverting Interest** - If the loan amount disbursed, is used by the customer for any purpose other than the purpose for which loan is disbursed, then the account is charged with Diverting Interest and is accounted for in Diverting Interest Receivable GL and will be considered as a separate arrear type, accounted and recognized separately. Diverting interest is an ad-hoc charge in FLEXCUBE and therefore the accounting and charging of diverting interest follows the charges framework. This interest amount is calculated externally but applied to the loan account using the Interest Adjustment Transaction screen (Fast Path: LN058).

Accordingly, the arrears appropriation sequence for performing and non performing loans will have four new separate arrear types viz.,

- Normal compounding interest arrears,
- Suspended compounding interest arrears,
- Normal Diverting interest arrears and
- Suspended Diverting interest arrears

## Penalty, Compounding and Diverting Interest Arrears Processing

Performing Loans

If Penalty is accrued

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Penalty Interest Accrued	Dr	CNY 100	CNY 100	Penalty Interest accrued	EOD
01/08/11	01/08/11	Account Branch	Penalty Interest Income	Cr	CNY 100	CNY 100	Income booked on Penalty interest accrual	EOD

Charging of Penalty Interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Penalty Interest Receivable	Dr	CNY 100	CNY 100	Penalty Interest charged	EOD
01/08/11	01/08/11	Account Branch	Penalty Interest Accrued	Cr	CNY 100	CNY 100	Penalty Interest accrual reversed on charging	EOD



## Penalty, Compounding and Diverting Interest Arrears Processing

### Repayment of Penalty Interest by customer

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Cash/CAS A Asset/Liability GL	Dr	CNY 100	CNY 100	Penalty Interest paid by customer	EOD
01/08/11	01/08/11	Account Branch	Penalty Interest Receivable	Cr	CNY 100	CNY 100	Penalty Interest receivable reversed on repayment	EOD

If Penalty is not accrued /Compounding Interest (please note that there is no Accrual facility for Compounding Interest)

### Charging of Interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Penalty/Compounding Interest Receivable	Dr	CNY 100	CNY 100	Penalty/Compounding Interest charged	EOD
01/08/11	01/08/11	Account Branch	Penalty/Compounding Interest Income	Cr	CNY 100	CNY 100	Income booked on Penalty/Compounding interest charging	EOD

## Penalty, Compounding and Diverting Interest Arrears Processing

Repayment of Penalty/Compounding Interest by customer

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Cash/CAS A Asset/Liability GL	Dr	CNY 100	CNY 100	Penalty/Compounding Interest paid by customer	EOD
01/08/11	01/08/11	Account Branch	Penalty/Compounding Interest Receivable	Cr	CNY 100	CNY 100	Penalty/Compounding Interest receivable reversed on repayment	EOD

Non Performing Loans

Claw back of accrued Penalty arrears

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty Interest Accrued	Dr	CNY 10	CNY 10	PA to NPA GL movement	EOD
01/08/11	01/08/11	Account Branch	Penalty Interest Accrued	Cr	CNY 10	CNY 10	PA to NPA GL movement	EOD

Penalty, Compounding and Diverting Interest Arrears Processing

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Penalty Interest Income	Dr	CNY 10	CNY 10	PA to NPA GL movement	EOD
01/08/11	01/08/11	Account Branch	Suspended Penalty Interest Income	Cr	CNY 10	CNY 10	PA to NPA GL movement	EOD

Claw back of unpaid Penalty/Compounding arrears

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty/Compounding Interest Receivable	Dr	CNY 10	CNY 10	PA to NPA GL movement	EOD
01/08/11	01/08/11	Account Branch	Penalty/Compounding Interest Receivable	Cr	CNY 10	CNY 10	PA to NPA GL movement	EOD

Penalty, Compounding and Diverting Interest Arrears Processing

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Penalty /Compounding Interest Income	Dr	CNY 10	CNY 10	PA to NPA GL movement	EOD
01/08/11	01/08/11	Account Branch	Suspended Penalty/Compounding Interest Income	Cr	CNY 10	CNY 10	PA to NPA GL movement - booking to liability GL	EOD

If Penalty interest is accrued

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty Interest Accrued	Dr	CNY 15	CNY 15	Accrual of Penalty Interest when accrual status is Suspended	EOD

Penalty, Compounding and Diverting Interest Arrears Processing

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty Interest Income	Cr	CNY 15	CNY 15	Accrual of Penalty Interest when accrual status is Suspended – booking to liability GL	EOD

Charging of accrued penalty interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty interest Receivable	Dr	CNY 15	CNY 15	Charging of Penalty interest when accrual status is Suspended	EOD
01/08/11	01/08/11	Account Branch	Suspended Penalty Interest Accrued	Cr	CNY 15	CNY 15	Charging of Penalty interest when accrual status is Suspended	EOD

## Penalty, Compounding and Diverting Interest Arrears Processing

Repayment by customer

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Cash/CAS A Asset/Liability GL	Dr	CNY 15	CNY 15	Suspended Penalty Interest paid by customer	EOD
01/08/11	01/08/11	Account Branch	Suspended Penalty interest Receivable	Cr	CNY 15	CNY 15	Suspended Penalty Interest receivable reversed on repayment	EOD

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty Interest Income	Dr	CNY 15	CNY 15	Reversal of Penalty Interest Income (Liability) on repayment	EOD
01/08/11	01/08/11	Account Branch	Suspended Penalty Interest Recovered	Cr	CNY 15	CNY 15	Booking of Interest income on repayment	EOD

## Penalty, Compounding and Diverting Interest Arrears Processing

If Penalty is not accrued /Compounding Interest (Please note that there is no Accrual facility for Compounding Interest)

### Charging of Interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty/Compounding Interest Receivable	Dr	CNY 100	CNY 100	Suspended Penalty/Compounding Interest charged	EOD
01/08/11	01/08/11	Account Branch	Suspended Penalty/Compounding Interest Income	Cr	CNY 100	CNY 100	Liability booked on Suspended Penalty/Compounding interest charging	EOD

### Interest Repayment by customer

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Cash/CASA Asset/Liability GL	Dr	CNY 100	CNY 100	Suspended Penalty/Compounding Interest paid by customer	EOD

Penalty, Compounding and Diverting Interest Arrears Processing

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty/Compounding Interest Receivable	Cr	CNY 100	CNY 100	Suspended Penalty/Compounding Interest receivable reversed on repayment	EOD

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty/Compounding Interest Income	Dr	CNY 15	CNY 15	Reversal of Suspended Penalty/Compounding Interest Income (Liability) on repayment	EOD
01/08/11	01/08/11	Account Branch	Suspended Penalty/Compounding Interest Recovered	Cr	CNY 10	CNY 10	Booking of Interest income on repayment	EOD



## Penalty, Compounding and Diverting Interest Arrears Processing

### WRITE OFF OF COMPOUNDING INTEREST ARREARS

Reversal of compounding Interest in Normal receivable bucket (this will apply if claw back is not enabled for compounding arrears)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Compounding Interest Income	Dr	CNY 100	CNY 100	Reversal of Compounding Interest Income (Liability) on write off	EOD
01/08/11	01/08/11	Account Branch	Compounding Interest Receivable	Cr	CNY 100	CNY 100	Reversal of Compounding Interest Receivable on write off	EOD

## Penalty, Compounding and Diverting Interest Arrears Processing

Reversal of compounding Interest in suspended receivable bucket

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Compounding Interest Income	Dr	CNY 50	CNY 50	Reversal of Suspended Compounding Interest Income (Liability) on write off	EOD
01/08/11	01/08/11	Account Branch	Suspended Compounding Interest Receivable	Cr	CNY 50	CNY 50	Reversal of Suspended Compounding Interest Receivable on write off	EOD

Reversal of Diverting Interest in Normal receivable bucket (this will apply if claw back is not enabled for Diverting arrears)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Diverting Interest Income	Dr	CNY 20	CNY 20	Reversal of Diverting Interest Income on write off	EOD

Penalty, Compounding and Diverting Interest Arrears Processing

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Diverting Interest Receivable	Cr	CNY 20	CNY 20	Reversal of Diverting Interest Receivable on write off	EOD

Reversal of Diverting Interest in suspended receivable bucket

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Income	Dr	CNY 15	CNY 15	Reversal of Suspended Diverting Interest Income (Liability) on write off	EOD
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Receivable	Cr	CNY 15	CNY 15	Reversal of Suspended Diverting Interest Receivable on write off	EOD

## Penalty, Compounding and Diverting Interest Arrears Processing

Reversal of Penalty Interest accrued in Normal bucket (this will apply if claw back is not enabled)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Penalty Interest Income	Dr	CNY 10	CNY 10	Reversal of Penalty Interest Income on write off	EOD
01/08/11	01/08/11	Account Branch	Penalty Interest Accrued	Cr	CNY 10	CNY 10	Reversal of Penalty Interest Accrued on write off	EOD

Reversal of Penalty Interest accrued in Suspended bucket

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty Interest Income	Dr	CNY 15	CNY 15	Reversal of Suspended Penalty Interest Income (Liability) on write off	EOD

Penalty, Compounding and Diverting Interest Arrears Processing

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Penalty Interest Accrued	Cr	CNY 15	CNY 15	Reversal of Suspended Penalty Interest Accrued on write off	EOD

## Penalty, Compounding and Diverting Interest Arrears Processing

### Diverting Interest

Diverting Interest can be charged on the loan or already charged diverting interest can be adjusted (credit transaction) using the option of Interest Adjustment Transaction (Fast Path: LN058)

### PERFORMING LOANS (NORMAL)

Debit interest adjustment - Charging of diverting interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Diverting Interest Receivable	Dr	CNY 100	CNY 100	Diverting Interest charged	EOD
01/08/11	01/08/11	Account Branch	Diverting Interest Income	Cr	CNY 100	CNY 100	Income booked on Diverting interest charging	EOD

Diverting Interest payment by customer

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Cash/CAS A Asset/Liability GL	Dr	CNY 100	CNY 100	Diverting Interest paid by customer	EOD
01/08/11	01/08/11	Account Branch	Diverting Interest Receivable	Cr	CNY 100	CNY 100	Diverting Interest receivable reversed on repayment	EOD

## Penalty, Compounding and Diverting Interest Arrears Processing

Credit interest adjustment – Reduction in the diverting interest charged

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Diverting Interest Income	Dr	CNY 10	CNY 10	Diverting Interest income reversed due to credit interest adjustment	EOD
01/08/11	01/08/11	Account Branch	Diverting Interest Receivable	Cr	CNY 10	CNY 10	Diverting Interest receivable reversed due to credit interest adjustment	EOD

NON PERFORMING LOANS (SUSPENDED)

Claw back of unpaid Diverting interest arrears

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Receivable	Dr	CNY 10	CNY 10	PA to NPA GL movement	EOD

Penalty, Compounding and Diverting Interest Arrears Processing

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Diverting Interest Receivable	Cr	CNY 10	CNY 10	PA to NPA GL movement	EOD

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Diverting Interest Income	Dr	CNY 10	CNY 10	PA to NPA GL movement	EOD
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Income	Cr	CNY 10	CNY 10	PA to NPA GL movement - booking to liability GL	EOD

Debit interest adjustment - Charging of diverting interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Receivable	Dr	CNY 10	CNY 10	Suspended Diverting Interest charged	EOD



Penalty, Compounding and Diverting Interest Arrears Processing

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Income	Cr	CNY 10	CNY 10	Liability booked on Suspended Diverting interest charging	EOD

Credit interest adjustment – Reduction in the diverting interest charged

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Income	Dr	CNY 10	CNY 10	Suspended Diverting Interest income (Liability) reversed due to credit interest adjustment	EOD
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Receivable	Cr	CNY 10	CNY 10	Suspended Diverting Interest receivable reversed due to credit interest adjustment	EOD

## Penalty, Compounding and Diverting Interest Arrears Processing

Diverting Interest payment by customer

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Cash/CAS A Asset/Liability GL	Dr	CNY 10	CNY 10	Suspended Diverting Interest paid by customer	EOD
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Receivable	Cr	CNY 10	CNY 10	Suspended Diverting Interest receivable reversed on repayment	EOD

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Income	Dr	CNY 10	CNY 10	Reversal of Suspended Diverting Interest Income (Liability) on repayment	EOD

Penalty, Compounding and Diverting Interest Arrears Processing

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Diverting Interest Recovered	Cr	CNY 10	CNY 10	Booking of Diverting Interest income on repayment	EOD

### 4.18. Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Using the **Ad-hoc Interest Application option** the user can apply accrued interest as and when required on the dates other than interest charging date. This facility is available for both regular as well as penalty interest.

Charging of accrued Regular / Penalty Interest – Normal

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Interest Receivable	Dr	CNY 100	CNY 100	Interest charged	EOD
01/08/11	01/08/11	Account Branch	Interest Accrued	Cr	CNY 100	CNY 100	Interest accrual reversed on charging	EOD

Charging of accrued Regular / Penalty interest -Suspended

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY CNY	LCY CNY		
01/08/11	01/08/11	Account Branch	Suspended Interest Receivable	Dr	CNY 100	CNY 100	Suspended Interest charged	EOD
01/08/11	01/08/11	Account Branch	Suspended Interest Accrued	Cr	CNY 100	CNY 100	Reversal of Suspended accrued interest on charging	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Notary / Insurance Fees

A) Notary/Insurance Fees Collected in a Third Party Fee Collection transaction from a Loan Account

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TC Y	LCY-EURO		
01/08/08	01/08/08	Account Branch	Loan A/c – Outgoing Receivable GL	Dr	Euro 100	Euro 100	Text input in Narrative field in BAM79 screen under collection tab	EOD
01/08/08	01/08/08	Transaction Branch	Account Payable GL	Cr	Euro 100	Euro 100	Text input in Narrative field in BAM79 screen under collection tab	EOD

B) Notary/Insurance Fees Collected in a Third Party Fee Collection transaction from a Loan Account (Fee recovered from a CASA Account)

E.g.: SC Amount: Euro 100

Available Balance in CASA –Euro 70

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TC Y	LCY-EURO		
01/08/08	01/08/08	Account Branch	CASA A/C	Dr	Euro 70	Euro 70	Text input in Narrative field in BAM79 screen under collection tab	Online

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TC Y	LCY-EURO		
01/08/08	01/08/08	Transaction Branch	Account receivable GL	Dr	Euro 30	Euro 30	Text input in Narrative field in BAM79 screen under collection tab	Online
01/08/08	01/08/08	Transaction Branch	Account Payable GL	Cr	Euro 100	Euro 100	Text input in Narrative field in BAM79 screen under collection tab	Online

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

C) NSF Condition-Part Debit/Part Hold)-CASA A/C- Third Party Fee Collection Txn

E.g.: SC Amount: Euro 100

Available Balance in CASA- Euro 70

Amount debited from Account receivable GL-Euro 30

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TC Y	LCY-EURO		
01/08/08	01/08/08	Account Branch	CASA A/C	Dr	Euro 70	Euro 70	Text input in Narrative field in BAM79 screen under collection tab	Online
01/08/08	01/08/08	Transaction Branch	Account receivable GL	Dr	Euro 30	Euro 30	Text input in Narrative field in BAM79 screen under collection tab	Online
01/08/08	01/08/08	Transaction Branch	Account Payable GL	Cr	Euro 100	Euro 100	Text input in Narrative field in BAM79 screen under collection tab	Online

D)

E) After Expiry of threshold days for unclaimed processing account payable

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TC Y	LCY-EURO		
01/12/08	01/12/08	Transaction Branch	Account Payable GL	Dr	Euro 30	Euro 30	Unclaimed Collection Processing	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/12/08	01/12/08	Transaction Branch	Unclaimed Payable GL	Cr	Euro 30	Euro 30	Unclaimed Collection Processing	EOD

F) After Expiry of threshold days for unclaimed processing account receivable

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/12/08	01/12/08	Account branch	CASA A/C	Dr	Available Amount	Available Amount	Expense Processing: Recover Avail Bal	EOD
01/12/08	01/12/08	Transaction Branch	Account receivable GL	Cr	Available Amount	Available Amount	Expense Processing: Recover Avail Bal	EOD
01/12/08	01/12/08	Transaction Branch	Account receivable GL	Cr	Uncollected amount	Uncollected amount	Expense Processing: NSF Loss	EOD
01/12/08	01/12/08	Account branch	Unclaimed receivable (Expense GL)	Dr	Uncollected amount	Uncollected amount	Expense Processing: NSF Loss	EOD

The Relationship Pricing benefits - For the loan accounts in the form of cash back to the linked CASA account.

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/08/08	01/08/08	Loan Account Branch	Expense GL (Interest Income Waiver)	Dr	Euro 50	Euro 50	(SC code name)+loan cash back for (Loan Account no)	BOD



Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/08/08	01/08/08	Account Branch	CASA a/c (Linked account for Loan)	Cr	Euro 50	Euro 50	(SC code name)+loan cash back for (Loan Account no)	BOD

Deductions

There are 3 modes in which deductions can be made at the time of loan disbursements. These are Bill, Deduct or Debit. The GL used for deduction will be the Income GL set up in service charge code set up.

Bill

The Billing mode indicates that there will be an arrear on the account on the amount due. The system will pass entries and raise actual arrears on account.

Cash-USD 120 disbursed to USD loan Account. The disbursement fee is 5% of the Disbursed amount i.e. USD 6 (Euro 5)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 120	96	Disbursement By Cash	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Cr	USD 120	96	Disbursement By Cash	EOD
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Dr	USD 120	96	Disbursement By Cash	EOD
01/01/05	01/01/05	Transaction Branch	Cash GL	Cr	USD 120	96	Disbursement By Cash	Online
01/01/05	01/01/05	Account Branch	SC/Fees Receivable GL	Dr	USD 6	5	LN. Disb. SC./Other Income	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 5	5	LN. Disb. SC./Other Income	EOD

Deduct

The deduct option reduces the disbursed amount by the fee amount immediately. There is no outstanding on the account in this case.

USD 120 loan disbursed by transfer to GBP CASA Account. The disbursement fee is fixed amount of USD 12 (Euro 10)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 120	96	Disbursement to CASA	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Cr	USD 120	96	Disbursement to CASA	EOD
01/01/05	01/01/05	CASA Account Branch	Inter Branch GL	Dr	USD 120	96	Disbursement to CASA	EOD
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 10	10	LN. Disb. SC./Other Income	EOD
01/01/05	01/01/05	CASA Account Branch	CASA Asset / Liability GL	Cr	GBP 65	86	Disbursement to CASA	EOD

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

### Debit

Debit adds the amount of the deduction to the principal amount. The amount then gets capitalized over the term of the loan.

Disbursement by Bankers Cheque - USD 120 disbursed by bankers cheque. The disbursement fee is fixed amount of USD 11 (Euro 9).

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 131	105	Disbursement By Cheque	EOD
01/01/05	01/01/05	Account Branch	Inter Branch GL	Cr	USD 131	105	Disbursement By Cheque	EOD
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Dr	USD 131	105	Disbursement By Cheque	EOD
01/01/05	01/01/05	Transaction Branch	SC/Fee Income GL	Cr	Euro 9	9	LN. Disb. SC./Other Income	EOD
01/01/05	01/01/05	Transaction Branch	Issuer GL A/C	Cr	USD 120	96	Disbursement By Cheque	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

System Initiated Service Charge

Example: SC is EURO 156

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Account Branch	Receivables	Dr	GBP 117	156	Loan SC charged	EOD
01/01/07	01/01/07	Account Branch	Service charge Income GL	Cr	GBP 117	156	Loan SC charged	EOD

Realization of the charges through DD/RFD

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Account Branch	Intermediary GL (Recipient of DD/RFD)	Dr	GBP 117	156	Loan External Payment received	EOD
01/01/07	01/01/07	Account Branch	Receivables	Cr	GBP 117	156	Loan External Payment received	EOD

Amortization of Service Charges

Example: At the time of Recovery of SC by way of Deduction (loan Amount Disbursed = GBP 51,000, SC=GBP 3,000)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Loan Asset GL	Dr	GBP 51,000	68,000	Disbursement To CASA	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Customers CASA A/c	Cr	GBP 48,000	64,000	Loan Disbursement to CASA	Online
01/01/07	01/01/07	Loan Account Branch	Amortisation GL	Cr	GBP 3,000	4,000	Amortisation SC	EOD

Amortization of Service Charges

Example: If the SC is recovered by way of Deduction (loan Amount Disbursed = GBP 51,000, SC = GBP 3,000)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Asset Account	Dr	GBP 51,000	68,000	Loan Disbursement to CASA	EOD
01/01/07	01/01/07	Loan Account Branch	Customers CASA	Cr	GBP 48,000	64,000	Loan Disbursement to CASA	Online
01/01/07	01/01/07	Loan Account Branch	Unearned Financial Charges	Cr	GBP 3,000	4,000	Loan deduction SC	EOD

Example: If the SC is recovered by way of Debit (loan Amount Disbursed = GBP 51,000, SC = GBP 3,000)

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Asset Account	Dr	GBP 51,000	68,000	Loan Disbursement to CASA	EOD
01/01/07	01/01/07	Loan Account Branch	Asset Account	Dr	GBP 3,000	4,000	Loan Debit SC	EOD
01/01/07	01/01/07	Loan Account Branch	Customers CASA	Cr	GBP 51,000	68,000	Loan Disbursement to CASA	Online
01/01/07	01/01/07	Loan Account Branch	Unearned Financial Charges	Cr	GBP 3,000	4,000	Loan Debit SC	EOD

Example: If the SC is recovered by way of Bill (loan Amount Disbursed = GBP 51,000, SC = GBP 3,000)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Asset Account	Dr	GBP 51,000	68,000	Loan Disbursement to CASA	EOD
01/01/07	01/01/07	Loan Account Branch	Customers CASA	Cr	GBP 51,000	68,000	Loan Disbursement to CASA	Online
01/01/07	01/01/07	Loan Account Branch	SC Receivable	Dr	GBP 3,000	4,000	Loan Bill SC	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Unearned Financial Charges	Cr	GBP 3,000	4,000	Loan Bill SC	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Example: Receipt of Insurance Premium, Guarantee Premium, Penalty Charges assuming each is 600, 900 and 1,200 GBP

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Cash/ Customers CASA	Dr	GBP 2,700	3,600	Loan Dues Received	Online
01/01/07	01/01/07	Loan Account Branch	RPA GL Account	Dr	GBP 2,700	3,600	Loan Dues Received	EOD
01/01/07	01/01/07	Loan Account Branch	RPA GL Account	Cr	GBP 2,700	3,600	Loan Dues Appropriated	EOD
01/01/07	01/01/07	Loan Account Branch	Unearned Insurance Premium	Cr	GBP 600	800	Loan Insurance Payment Received	EOD
01/01/07	01/01/07	Loan Account Branch	Guarantee Premium	Cr	GBP 900	1,200	Loan Guarantee Premium Received	EOD
01/01/07	01/01/07	Loan Account Branch	Penalty Interest GL	Cr	GBP 1,200	1,600	Loan Penalty Interest Received	EOD



## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

### Service Charge Amortization Entry

Example: If on a payment date the interest is 8,700 GBP and it has to be paid by the customer at a rate of 12% (Nominal Rate of Loan) and based on Amortization method if the interest amount is 9,000 GBP then the excess 300 GBP is appropriated to income by posting the following entry:

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Amortisation GL	Dr	GBP 300	400	LN. Disb. SC./Other Income	EOM
01/01/07	01/01/07	Loan Account Branch	SC /Fees Income GL	Cr	GBP 300	400	LN. Disb. SC./Other Income	EOM

Adjustment entry at the time of receipt of last installment

Example: There will be an adjusted entry in the last month to appropriate the balance in the Unearned Financial Charge GL for an amount of 120 GBP.

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Unearned Finance Charge	Dr	GBP 120	160	Loan Final Income Adjusted	EOD
01/01/07	01/01/07	Loan Account Branch	Income	Cr	GBP 120	160	Loan Final Income Adjusted	EOD

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Day end entry at the time of Revaluation

Example: There will be an adjusted entry in the last month to appropriate the balance in the Unearned Financial Charge GL for an amount of 120 GBP.

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Revaluation	Dr	GBP 105	140	Loan Revaluation Notional Gain booked	EOD
01/01/07	01/01/07	Loan Account Branch	Income	Cr	GBP 105	140	Loan Revaluation Notional Gain booked	EOD

Resulting in a notional loss of 90 GBP

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Expense	Dr	GBP 90	120	Loan Revaluation Notional Loss booked	EOD
01/01/07	01/01/07	Loan Account Branch	Revaluation	Cr	GBP 90	120	Loan Revaluation Notional Loss booked	EOD

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Amortization of Dealers Commission: (Deferred Financial Charges)

Dealers Commission is paid by way of issuing a Managers Cheque.

Example: A dealers commission of 600 GBP is paid.

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/07	01/01/07	Loan Account Branch	Deferred Expenses GL	Dr	GBP 600	800	Loan Dealers Commission paid	EOD
01/01/07	01/01/07	Loan Account Branch	CASA Account of Dealer	Cr	GBP 600	800	Loan Dealers Commission Paid	Online

In the existing entry, the Rewards Expense GL is debited and CASA Account is credited. This will be replaced by debiting Deferred Expense GL and Crediting to Dealers CASA Account.

On the Month End the first amortization entry will be posted. Subsequently on each month end this entry will be repeated. In the end there will be an adjustment entry in the end of last month to nullify the Deferred Expenses GL.

### MONTH END ENTRIES

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/01/07	31/01/07	Loan Account Branch	Expense	Dr	GBP 75	100	Loan Dealers Commission Amortized	EOD
31/01/07	31/01/07	Loan Account Branch	Deferred Expenses	Cr	GBP 75	100	Loan Dealers Commission Amortized	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Last Adjustment Entry

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/01/07	31/01/07	Loan Account Branch	Expense	Dr	GBP 6	8	Loan Dealers Commission final amortization adjustment	EOD
31/01/07	31/01/07	Loan Account Branch	Deferred Expenses	Cr	GBP 6	8	Loan Dealers Commission final amortization adjustment	EOD

Interest Accrual

Accrual of Interest on loan accounts is the process by which income is "earned" or recognized.

Interest accrual of GBP 60

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Accrued GL	Dr	GBP 60	80	LN. Interest Accrual	EOD
01/01/05	01/01/05	Account Branch	Interest Income GL	Cr	GBP 60	80	LN. Interest Accrual	EOD

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

### Interest Charging

Definition: "Charging" of Interest is the recognition of a "due" or a "receivable" of Interest from the customer. All interest accrued till the time of charging is debited to the account. The entries for charging will be passed as part of the End of Day action on the installment due date.

### Interest Charging of GBP 60

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Dr	GBP 60	80	LN. Interest Charged	EOD
01/01/05	01/01/05	Account Branch	Interest Accrued GL	Cr	GBP 60	80	LN. Interest Charged	EOD

Adding Moratorium Interest to first Installment:

Moratorium Period and Interest charged during the Moratorium Period

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
<b>Accrual (Moratorium Period)</b>								
01/01/07	01/01/07	Account Branch	Accrual	Dr	GBP 600	800	Loan Interest Accrued	EOD
01/01/07	01/01/07	Account Branch	Income	Cr	GBP 600	800	Loan Interest accrued	EOD
<b>End of Moratorium period</b>								

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/03/07	31/03/07	Account branch	Uncollected Interest	Dr	GBP 1800	2,400	Loan Moratorium Interest transferred to Uncollected Interest	EOD
31/03/07	31/03/07	Account branch	Accrual	Cr	GBP 1800	2,400	Loan Moratorium Interest transferred to Uncollected Interest	EOD
<b>Charging of Moratorium Interest (Regular Period)</b>								
30/04/08	30/04/08	Account branch	Receivable	Dr	GBP 900	1,200	Loan Moratorium Interest charged	EOD
30/04/08	30/04/08	Account branch	Uncollected Interest	Cr	GBP 900	1,200	Loan Moratorium Interest charged	EOD

Interest Compounding

No Accounting entries are generated

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Penalty computation on Repayment

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
<b>Full amount is received</b>								
01/01/08	01/01/08	Transaction Branch	Cash/CASA GL	Dr	GBP 75	100	Loan Penalty Received	Online
01/01/08	01/01/08	Transaction Branch	Penalty Income GL	Cr	GBP 75	100	Loan Penalty Received	EOD
<b>Partial Amount is received i.e. Due penalty is partially paid.</b>								
For unpaid amount, following entry will be passed:								
01/01/08	01/01/08	Account Branch	Contingent Asset GL	Dr	GBP 30	40	Loan Penalty Contingent Entry	EOD
01/01/08	01/01/08	Account Branch	Contingent Liability GL	Cr	GBP 30	40	Loan Penalty Contingent Entry	EOD
<b>On receiving amount:</b>								
01/01/08	01/01/08	Account Branch	Contingent Liability GL	Dr	GBP 30	40	Loan Penalty Contingent Entry Reversed	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Contingent Asset GL	Cr	GBP 30	40	Loan Penalty Contingent Entry Reversed	EOD
01/01/08	01/01/08	Transaction Branch	Cash/CASA GL	Dr	GBP 30	40	Loan Penalty Received	Online
01/01/08	01/01/08	Transaction Branch	Penalty income GL	Cr	GBP 30	40	Loan Penalty Received	EOD

Penalty computation on Due date

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
<b>On Due date</b>								
01/01/08	01/01/08	Account Branch	Penalty Receivable GL	Dr	GBP 60	80	Loan Penalty Charged	EOD
01/01/08	01/01/08	Account Branch	Penalty Income GL	Cr	GBP 60	80	Loan Penalty Charged	EOD
<b>On receipt date</b>								
05/01/08	05/01/08	Transaction Branch	Cash/CASA GL	Dr	GBP 60	80	Loan Penalty Received	Online



Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
05/01/08	05/01/08	Transaction Branch	Penalty Receivable GL	Cr	GBP 60	80	Loan Penalty Received	EOD
<b>Partial Amount is received i.e. Due penalty is partially paid.</b>								
<b>For unpaid amount, following entry will be passed:</b>								
05/01/08	05/01/08	Account Branch	Contingent Asset GL	Dr	GBP 15	20	Loan Penalty Contingent entry	EOD
05/01/08	05/01/08	Account Branch	Contingent Liability GL	Cr	GBP 15	20	Loan Penalty Contingent Entry	EOD
<b>On receiving the amount:</b>								
06/01/08	06/01/08	Account Branch	Contingent Liability GL	Dr	GBP 15	20	Loan Penalty Contingent Entry Reversed	EOD
06/01/08	06/01/08	Account Branch	Contingent Asset GL	Cr	GBP 15	20	Loan Penalty Contingent Entry Reversed	EOD
06/01/08	06/01/08	Transaction Branch	Cash/CASA GL	Dr	GBP 15	20	Loan Penalty Received	Online

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
06/01/08	06/01/08	Transaction Branch	Penalty Income GL	Cr	GBP 15	20	Loan Penalty Received	EOD

Capitalization of Arrears

Capitalization adds the arrears amount to the Principal and removes from IOA base. Basically, the arrears become part of the principal. Capitalization can happen in case of Rescheduling of Loan account, Restructuring of Loan account or the End of Period (EOP) treatment defined in schedule definition (LNM98).

GBP loan account has the following arrears:

Interest Receivable GBP 58 (77 EURO)

Legal Fees Receivable GBP 20 (27 EURO)

Outgoing Receivable GBP 11 (15 EURO)

Fees Receivable GBP 9 (12 EURO)

Insurance Premium GBP 19 (25 EURO)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	GBP 117	156	Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	GBP 58	77	Interest Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Legal Fees Receivable GL	Cr	GBP 20	27	Legal Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Outgoing Receivable GL	Cr	GBP 11	15	Outgoing Arrear Capitalization	Online

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	SC/Fees Receivable GL	Cr	GBP 9	12	Fees Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Insurance Premium GL	Cr	GBP 19	25	Premium Arrear Capitalization	EOD

NPL Processing

For a loan account it is very important for the bank to track the status of repayments. This is both from a regulatory point of view as well as for banks own profitability. This can be done by setting up and attaching a classification plan and classification rules to the loan product. This will determine how the classification should happen, what the past due period should be, whether the Credit risk rating (CRR) movement should be manual or automatic and the provisioning rate for secured and unsecured loans. Entries will be passed only if the CRR movement happens across the accrual status – Normal to Suspended and vice-a-versa.

Account Interest Freeze Maintenance

No Accounting entries are generated

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

### CRR Movement

Account A belongs to Product P having the following features:

Total outstanding loan amount = USD 2200

Interest Accrual = Monthly

Interest Charging = Monthly

Financial Year End = 31st March, 2005

The CRR definition for Product P indicates that Account A will be marked as NPL when the oldest arrears have not been paid for 3 months. The following arrears are overdue on the account on the day of NPA processing:

Sr No	Date	Type of Arrears	Arrear Amount in USD	Arrear Type	Sum of Arrears
1	31-Jan-05	Interest Arrear	100.00	Interest Arrear	198.00
2	28-Feb-05	Interest Arrear	98.00		
3	28-Feb-05	Penalty Arrear	12.00	Penalty Arrear	12.00
4	15-Feb-05	Outgoing Arrear	10.00	Outgoing Arrear	10.00
5	15-Mar-05	Legal Arrear	110.00	Legal Arrear	110.00

The NPA processing for this account will be done on 31-Mar-05. The following arrears are to be raised after the NPA processing is complete:

Sr No	Date	Type of Arrears	Arrear Amount in USD
1	31-Mar-05	Interest Arrear	95.00
2	31-Mar-05	Legal Arrear	20.00
3	31-Mar-05	Outgoings Arrear	25.00

Interest Accrued on the account till 30-Apr-05 is USD 95.00

### Clawback Option

By clawing back of unpaid arrears, system basically de-recognizes income. GL entries passed to income GL are reversed and entries passed to respective suspended GL. The income will be recognized only when payment is made into the account. The user has the option to enable or disable the clawback.

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Clawback Enabled

The following entries shall be passed during NPA processing on 31-Mar-05:

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/03/05	31/03/05	Account Branch	Loan Asset GL	Cr	USD 2200	1760	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Loan Suspended Asset GL	Dr	USD 2200	1760	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Interest Receivable GL	Cr	USD 198	158.40	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Suspended Interest Receivable GL	Dr	USD 198	158.40	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Interest Income GL	Dr	USD 198	158.40	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Suspended Interest Income GL	Cr	USD 198	158.40	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Penalty Interest Receivable GL	Cr	USD 12	9.60	PA. To NPA. GL. Movement	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/03/05	31/03/05	Account Branch	Suspended Penalty Interest Receivable GL	Dr	USD 12	9.60	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Penalty Interest Income GL	Dr	USD 12	9.60	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Suspended Penalty Interest GL	Cr	USD 12	9.60	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Outgoing Receivable GL	Cr	USD 10	8	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Suspended Outgoing Receivable GL	Dr	USD 10	8	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Legal Fees Receivable GL	Cr	USD 110	88	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Suspended Legal Fees GL	Dr	USD 110	88	PA. To NPA. GL. Movement	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

The following GL entries will be passed for the arrears to be raised on 31-Mar-05:

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/03/05	31/03/05	Account Branch	Interest Accrued GL	Dr	USD 95	76	LN. Interest Accrued	EOD
31/03/05	31/03/05	Account Branch	Interest Income GL	Cr	USD 95	76	LN. Interest Accrued	EOD
31/03/05	31/03/05	Account Branch	Interest Receivable GL	Dr	USD 95	76	LN. Interest Charged	EOD
31/03/05	31/03/05	Account Branch	Interest Accrued GL	Cr	USD 95	76	LN. Interest Charged	EOD
31/03/05	31/03/05	Account Branch	Interest Income GL	Dr	USD 95	76	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Suspended Interest Income GL	Cr	USD 95	76	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Suspended Interest Receivable GL	Dr	USD 95	76	PA. To NPA. GL. Movement	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/03/05	31/03/05	Account Branch	Interest Receivable GL	Cr	USD 95	76	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Legal Fees Receivable GL	Dr	USD 20	16	Legal Fees Charged	EOD
31/03/05	31/03/05	Account Branch	Legal Fees Payable GL	Cr	USD 20	16	Legal Fees Charged	EOD
31/03/05	31/03/05	Account Branch	Suspended Legal Fees GL	Dr	USD 20	16	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Legal Fees Receivable GL	Cr	USD 20	16	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Outgoing Receivable GL	DR	USD 25	20	Outgoings Due	EOD
31/03/05	31/03/05	Account Branch	Outgoing Payable GL	Cr	USD 25	20	Outgoings Due	EOD
31/03/05	31/03/05	Account Branch	Suspended Outgoing Receivable GL	Dr	USD 25	20	PA. To NPA. GL. Movement	EOD



Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/03/05	31/03/05	Account Branch	Outgoing Receivable GL	Cr	USD 25	20	PA. To NPA. GL. Movement	EOD

Interest Accrual entries on 30-Apr-05 are:

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
30/04/05	30/04/05	Account Branch	Susp Int Receivable	Dr	USD 95	76	Int. Receivable	EOD
30/04/05	30/04/05	Account Branch	Susp Int Income	Cr	USD 95	76	PA To NPA GL Movement: Suspended Interest	EOD
30/04/05	30/04/05	Account Branch	Suspended Asset	Dr	USD 95	76	PA To NPA GL Movement FOR (Account No.)	EOD
30/04/05	30/04/05	Account Branch	Susp Int Receivable	Cr	USD 95	76	Int. Receivable	EOD
30/04/05	30/04/05	Account Branch	Susp Int Receivable	Dr	USD 95	76	Int. receivable	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
30/04/05	30/04/05	Account Branch	Susp Int Income	Cr	USD 95	76	PA To NPA GL Movement: Suspended Interest	EOD

Clawback Not Enabled

No entries are passed during NPA processing for unpaid arrears prior to 31-Mar-05.

The following GL entries will be passed for the arrears to be raised on 31-Mar-05:

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/03/05	31/03/05	Account Branch	Interest Accrued GL	Dr	USD 95	76	LN. Interest Accrued	EOD
31/03/05	31/03/05	Account Branch	Interest Income GL	Cr	USD 95	76	LN. Interest Accrued	EOD
31/03/05	31/03/05	Account Branch	Interest Receivable GL	Dr	USD 95	76	LN. Interest Charged	EOD
31/03/05	31/03/05	Account Branch	Interest Accrued GL	Cr	USD 95	76	LN. Interest Charged	EOD
31/03/05	31/03/05	Account Branch	Interest Income GL	Dr	USD 95	76	PA. To NPA. GL. Movement	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/03/05	31/03/05	Account Branch	Suspended Interest Income GL	Cr	USD 95	76	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Suspended Interest Receivable GL	Dr	USD 95	76	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Interest Receivable GL	Cr	USD 95	76	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Legal Fees Receivable GL	Dr	USD 20	16	Legal Fees Charged	EOD
31/03/05	31/03/05	Account Branch	Legal Fees Payable GL	Cr	USD 20	16	Legal Fees Charged	EOD
31/03/05	31/03/05	Account Branch	Suspended Legal Fees GL	Dr	USD 20	16	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Legal Fees Receivable GL	Cr	USD 20	16	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Outgoing Receivable GL	Dr	USD 25	20	Outgoings Due	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/03/05	31/03/05	Account Branch	Outgoing Payable GL	Cr	USD 25	20	Outgoing Due	EOD
31/03/05	31/03/05	Account Branch	Suspended Outgoing Receivable GL	Dr	USD 25	20	PA. To NPA. GL. Movement	EOD
31/03/05	31/03/05	Account Branch	Outgoing Receivable GL	Cr	USD 25	20	PA. To NPA. GL. Movement	EOD

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Interest Accrual entries on 30-Apr-05 are:

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
30/04/05	30/04/05	Account Branch	Suspended Interest Accrued GL	Dr	USD 95	76	LN. Susp. Interest Accrual	EOD
30/04/05	30/04/05	Account Branch	Suspended Interest Income GL	Cr	USD 95	76	LN. Susp. Interest Accrual	EOD
30/04/05	30/04/05	Account Branch	Suspended Interest Receivable GL	Dr	USD 95	76	LN. Susp. Interest Charged	EOD
30/04/05	30/04/05	Account Branch	Suspended Interest Accrued GL	Cr	USD 95	76	LN. Susp. Interest Charged	EOD

### Movement from Suspended to Normal Status

In case there are any suspended arrears outstanding at the time of reverse movement (case where the Reverse Movement Control Flag is "Classification Plan") then the following entries will be passed to move back the suspended arrears to normal status based on the arrears outstanding.

Assume that:

- The suspended loan account is a USD loan a/c.
- Total Principal outstanding is USD 2200.

Following are the suspended arrears totaling to USD 140:

Suspended Interest USD 30

Suspended Service Charges Euro 8 (USD 10)

Suspended Premium USD 55

Suspended Legal Fees USD 29

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Suspended Outgoing USD 16

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 2200	1760	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Loan Suspended Asset GL	Cr	USD 2200	1760	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Dr	USD 30	24	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Receivable GL	Cr	USD 30	24	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Income GL	Dr	USD 30	24	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Interest Income GL	Cr	USD 30	24	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	SC/Fees Receivable GL	Dr	USD 10	8	NPA. To PA. GL. Movement	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Suspended SC/Fees Receivable	Cr	USD 10	8	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Suspended SC/Fees	Dr	Euro 8	8	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 8	8	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Premium Receivable GL	Dr	USD 55	44	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Suspended Premium Receivable GL	Cr	USD 55	44	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Legal Fees Receivable GL	Dr	USD 29	23	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Suspended Legal Fees GL	Cr	USD 29	23	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Outgoing receivable GL	Dr	USD 16	13	NPA. To PA. GL. Movement	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Suspended Outgoing receivable GL	Cr	USD 16	13	NPA. To PA. GL. Movement	EOD

Payments on a Suspended Account

Assume that:

- The suspended loan account is a USD loan a/c.
- Total Principal outstanding is USD 2200.
- Following arrears totaling to USD 960 being paid by cash in full:
- Suspended Principal Arrears USD 820
- Suspended Service Charges Euro 8 (USD 10)
- Suspended Legal Fees USD 29
- Suspended Interest USD 30
- Suspended Outgoing USD 16
- Suspended Premium USD 55
- Provision made in the account USD 150

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 960	768	LN. Installment Payment By Cash	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 960	768	LN. Installment Payment By Cash	Online



Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 960	768	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Cr	USD 960	768	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 820	656	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Loan Suspended Asset GL	Cr	USD 820	656	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 10	8	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Suspended SC/Fees Receivable	Cr	Euro 8	8	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Suspended SC/Fees	Dr	Euro 8	8	NPA. To PA. GL. Movement	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 8	8	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 29	23	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Suspended Legal Fees Receivable GL	Cr	USD 29	23	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 30	24	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Receivable GL	Cr	USD 30	24	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Income GL	Dr	USD 30	24	Suspended Interest recovered	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Recovered GL	Cr	USD 30	24	Suspended Interest recovered	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 16	13	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Suspended Outgoing receivable GL	Cr	USD 16	13	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Unapplied Advance (RPA) GL	Dr	USD 55	44	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Suspended Premium receivable GL	Cr	USD 55	44	LN. Installment Payment By Cash	EOD
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	*USD 1380	1104	NPA. To PA. GL. Move ment	EOD
01/01/05	01/01/05	Account Branch	Loan Suspended Asset GL	Cr	*USD 1380	1104	NPA. To PA. GL. Move ment	EOD
01/01/05	01/01/05	Account Branch	Bad debt Reserve GL	Dr	USD 150	120	LN. Reserve Provisions Reversal	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Write-off Expense GL	Cr	USD 150	120	LN. Reserve Provisions Reversal	EOD

**Note:** \* Net amount - Principal outstanding less principal arrears repaid (USD 2200-820 = USD 1380)

Provisioning

System automatically calculates provision on the accounts based on the account CRR.

Provisioning – Unsecured Loan

Assume a USD unsecured loan account:

Outstanding Loan Amount – USD 2500

Type – Unsecured Loan

Provisioning Rate Unsecured – 20%

Provisioning Frequency Monthly

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/01/05	31/01/05	Account Branch	Write-off Expense GL	Dr	USD 500	400	LN. Provisions Expense Debit	EOD
31/01/05	31/01/05	Account Branch	Bad debt Reserve GL	Cr	USD 500	400	LN. Reserve Provisions	EOD

Provisioning - Secured Loan

If the account is secured then the system uses the secured provisioning rate.

Assume a USD secured loan account:

Outstanding Loan Amount – USD 9000

Type – Secured Loan (Readily Realizable – as defined in Collateral Codes Maintenance – BAM39)

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Collateral Value - 35000 (Fully Secured)

Provisioning Rate Secured - 5%

Provisioning Frequency Monthly

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/01/05	31/01/05	Account Branch	Write-off Expense GL	Dr	USD 450	360	LN. Provisions Expense Debit	EOD
31/01/05	31/01/05	Account Branch	Bad debt Reserve GL	Cr	USD 450	360	LN. Reserve Provisions	EOD

Provisioning - Partially Secured Loan

In case account is partially secured, the system splits the principal amount into secured and unsecured portions and provisions at applicable rates. This situation usually arises due to erosion/ diminution in the value of the security.

Assume a USD secured loan account:

Outstanding Loan Amount – USD 9000

Type – Secured Loan (Readily Realizable – as defined in Collateral Codes Maintenance – BAM39)

Present Collateral Value – 5000 (Fully Secured)

Provisioning Rate Secured – 5%

Provisioning Rate Unsecured – 20%

Provisioning Frequency Monthly

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/01/05	31/01/05	Account Branch	Write-off Expense GL	Dr	*USD 1050	840	LN. Provisions Expense Debit	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/01/05	31/01/05	Account Branch	Bad debt Reserve GL	Cr	*USD 1050	840	LN. Reserve Provisions	EOD

\* A - Secured 5% of 5000 = USD250

\* B - Unsecured 20% of 4000(Outstanding Loan amount 9000 – Collateral Value 5000=4000) = USD800

Total Provision Amount (A+B) = USD1050

Provisioning – Reversal

In case of reversal of provision (user initiated or due to movement to better CRR status) the following entry will be passed.

Assume a USD secured loan account:

Outstanding Loan Amount – USD 9000

Type – Secured Loan (Readily Realizable – as defined in Collateral Codes Maintenance – BAM39)

Collateral Value – 35000 (Fully Secured)

Provisioning Rate Secured – 5%

Provisioning Frequency Monthly

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Bad debt Reserve GL	Dr	USD 450	360	LN. Reserve Provisions Reversal	EOD
01/01/05	01/01/05	Account Branch	Write-off Expense GL	Cr	USD 450	360	LN. Provisions Expense Reversal	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Normal Uncollected Interest Provisioning

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/12/07	31/12/07	Account Branch	Provision for Loss-Uncollected Interest (expense)	Dr	GBP 1,800	2,400	Loan Uncollected Interest Provided	EOD
31/12/07	31/12/07	Account Branch	Allowance for Loss – Uncollected Interest (contra asset)	Cr	GBP 1,800	2,400	Loan Uncollected Interest Provided	EOD

Reversal of Normal Uncollected Interest Provisioning on Repayment

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
31/01/08	31/01/08	Account Branch	Allowance for Loss – Uncollected Interest (contra asset)	Dr	GBP 600	800	Loan Uncollected Interest Reversed	EOD
31/01/08	31/01/08	Account Branch	Provision for Loss-Uncollected Interest (expense)	Cr	GBP 600	800	Loan Uncollected Interest Reversed	EOD

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

### Write-off Entries for Uncollected (Normal) Interest

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
15/01/08	15/01/08	Account Branch	Allowance for Loss – Uncollected Interest (contra asset)	Dr	GBP 1,200	1,600	Loan a/c write off	EOD
15/01/08	15/01/08	Account Branch	Interest Receivable GL	Cr	GBP 1,200	1,600	Loan a/c write off	EOD

#### Write-off

Write-off is to charge an asset amount to expense or loss.

#### Full Write-off

The system will display the account balance, outstanding arrears, provisions made and the security available. The user will not be allowed to modify anything other than commit the transaction.

Assume a loan account in USD with accrual status as Suspended has the following arrears totaling to USD140:

Total Principal outstanding is USD 2200

Cash realized from sale of collateral security – USD 300

Provisioning done in the loan account – USD 250

Suspended Premium USD 55

Suspended Legal Fees USD 29

Suspended Outgoing USD 16

Suspended Interest USD 30

Suspended Service Charges Euro 8 (USD 10)

The account also has the following suspended interest accruals:

Suspended Interest – USD 20

Suspended Penalty Interest – USD 12

Suspended Post Maturity Interest – USD 35



Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Transaction Branch	Cash GL	Dr	USD 300	240	Cash realized from sale of collateral security	Online
01/01/05	01/01/05	Transaction Branch	Inter Branch GL	Cr	USD 300	240	Cash realized from sale of collateral security	Online
01/01/05	01/01/05	Account Branch	Inter Branch GL	Dr	USD 300	240	Cash realized from sale of collateral security	EOD
01/01/05	01/01/05	Account Branch	Bad debt Reserve GL	Dr	USD 250	200	LN. Write-off Prov. Debit	EOD
01/01/05	01/01/05	Account Branch	Write-off Expense GL	Dr	USD 1750	1400	LN. Write-off Expense Debit	EOD
01/01/05	01/01/05	Account Branch	Loan Suspended Asset GL	Cr	USD 2200	1760	LN. Principal Write-off	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Suspended Premium Receivable GL	Cr	USD 55	44	LN. Susp. Premium Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Legal Fees GL	Cr	USD 29	23	LN. Legal Fees Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Outgoing receivable GL	Cr	USD 16	13	LN. Outgoings Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Income GL	Dr	USD 30	24	LN. Interest Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Receivable GL	Cr	USD 30	24	LN. Interest Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended SC/Fees	Dr	Euro 8	8	LN. Susp. Fees Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended SC/Fees Receivable	Cr	USD 10	8	LN. Susp. Fees Write-off	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Suspended Interest Income GL	Dr	USD 20	16	LN. Susp. Interest Accrual Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Accrued GL	Cr	USD 20	16	LN. Susp. Interest Accrual Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Penalty Interest GL	Dr	USD 12	10	LN. Susp. Penalty Interest Accrual Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Accrued GL	Cr	USD 12	10	LN. Susp. Penalty Interest Accrual Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Income GL	Dr	USD 35	28	LN. Susp. PMI Interest Accrual Write-off	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Suspended Interest Accrued GL	Cr	USD 35	28	LN. Susp. PMI Interest Accrual Write-off	EOD

Partial Write-off

The entries for partial write-off will be the same as Full Write-off. The user will be allowed to specify the amount of arrears being written off against each type of arrear. Also, the user will be allowed to specify the amount of provision to be drawdown to write off. The net of the total write-off and the provision drawdown will be taken from the write –off expense GL.

Assume a loan account in USD with accrual status as Suspended has the following arrears totaling to USD140:

Total Principal outstanding is USD 2200 – Principal write-off amount USD 800

Provisioning done in the loan account – USD 250 – Provisioning amount utilized USD 100

Suspended Premium USD 55 - Written off – USD 15 – Write-off amount USD 20

Suspended Legal Fees USD 29 – Write-off amount USD 12

Suspended Outgoing USD 16 – Write-off amount USD 8

Suspended Interest USD 30 – Write-off amount USD 14

Suspended Service Charges Euro 8 (USD 10) – Write-off amount Euro 4 (USD 5)

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Bad debt Reserve GL	Dr	USD 100	80	LN. Write-off Prov. Debit	EOD
01/01/05	01/01/05	Account Branch	Write-off Expense GL	Dr	USD 759	607	LN. Write-off Expense Debit	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Suspended Asset GL	Cr	USD 800	640	LN. Principal Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Premium Receivable GL	Cr	USD 20	16	LN. Susp. Premium Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Legal Fees GL	Cr	USD 12	10	LN. Legal Fees Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Outgoing receivable GL	Cr	USD 8	6	LN. Outgoings Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Receivable GL	Cr	USD 14	11	LN. Interest Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended SC/Fees	Dr	Euro 4	4	LN. Susp. Fees Write-off	EOD
01/01/05	01/01/05	Account Branch	Suspended SC/Fees Receivable	Cr	USD 5	4	LN. Susp. Fees Write-off	EOD

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

### Post Write-off Processing

The user will be required to reschedule the account after Partial Write-off. The account will be reclassified based on the outstanding arrears and other rules affecting classification unless the CRR movement for the account has been marked as 'Manual'.

### Loan Restructuring

In restructuring of loan all the due arrears including catch-up interest are capitalized.

Assume that:

- The suspended loan account is a USD loan a/c.
- Total Principal outstanding is USD 2200.

Following are the suspended arrears totaling to USD 148:

Suspended Interest USD 30

Suspended Service Charges Euro 8 (USD 10)

Suspended Premium USD 55

Suspended Legal Fees USD 29

Suspended Outgoing USD 16

Catch up Interest (interest accrued/charged till the date of restructuring) USD 11

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 2200	1760	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Loan Suspended Asset GL	Cr	USD 2200	1760	NPA. To PA. GL. Movement	EOD
01/01/05	01/01/05	Account Branch	Loan Asset GL	Dr	USD 151	121	LN. Arrears Capitalization	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Dr	USD 30	24	LN. Interest Arrears Cap.	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Suspended Interest Receivable GL	Cr	USD 30	24	LN. Interest Arrears Cap.	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Income GL	Dr	USD 30	24	LN. Interest Arrears Cap.	EOD
01/01/05	01/01/05	Account Branch	Interest Income GL	Cr	USD 30	24	LN. Interest Arrears Cap.	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	USD 30	24	LN. Interest Arrears Cap.	EOD
01/01/05	01/01/05	Account Branch	SC/Fees Receivable GL	Dr	USD 10	8	LN. SC. Capitalization	EOD
01/01/05	01/01/05	Account Branch	Suspended SC/Fees Receivable	Cr	USD 10	8	LN. SC. Capitalization	EOD
01/01/05	01/01/05	Account Branch	Suspended SC/Fees	Dr	Euro 8	8	LN. SC. Capitalization	EOD
01/01/05	01/01/05	Account Branch	SC/Fee Income GL	Cr	Euro 8	8	LN. SC. Capitalization	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	SC/Fees Receivable GL	Dr	USD 10	8	LN. SC. Capitalization	EOD
01/01/05	01/01/05	Account Branch	Premium Receivable GL	Cr	USD 55	44	Susp Premium Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Suspended Premium Receivable GL	Dr	USD 55	44	Susp Premium Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Premium Receivable GL	Cr	USD 55	44	Susp Premium Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Legal Fees Receivable GL	Dr	USD 29	23	Susp Legal Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Suspended Legal Fees GL	Cr	USD 29	23	Susp Legal Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Legal Fees Receivable GL	Cr	USD 29	23	Susp Legal Arrear Capitalization	EOD



Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Outgoing receivable GL	Dr	USD 16	13	Susp Outgoings Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Suspended Outgoing receivable GL	Cr	USD 16	13	Susp Outgoings Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Outgoing receivable GL	Cr	USD 16	13	Susp Outgoings Arrear Capitalization	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Accrued	Dr	USD 11	9	LN. Catch Up Suspended Interest Accrual	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Income	Cr	USD 11	9	LN. Catch Up Suspended Interest Accrual	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Receivable	Dr	USD 11	9	LN. Susp. Interest Charg.	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Suspended Interest Accrued	Cr	USD 11	9	LN. Susp. Interest Charg.	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Dr	USD 11	9	LN. Interest Arrears Cap.	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Receivable GL	Cr	USD 11	9	LN. Interest Arrears Cap.	EOD
01/01/05	01/01/05	Account Branch	Suspended Interest Income GL	Dr	USD 11	9	LN. Interest Arrears Cap.	EOD
01/01/05	01/01/05	Account Branch	Interest Income GL	Cr	USD 11	9	LN. Interest Arrears Cap.	EOD
01/01/05	01/01/05	Account Branch	Interest Receivable GL	Cr	USD 11	9	LN. Interest Arrears Cap.	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Account Write-Off

Off balance sheet entries

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Contingent asset defined at the loan/CASA bank parameter level.	Dr	EURO 100	100	LN. Principal Writeoff	Online
01/01/08	01/01/08	Account Branch	Contingent liability defined at the loan/CASA bank parameter level.	Cr	EURO 100	100	LN. Principal Writeoff	Online

Event Based Entries

At the time of Limit Sanction:

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Contingent Liability	Dr	EURO 100	100	Dr. Product Contingent Asset	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Contingent Asset	Cr	EURO 100	100	Cr. Product Contingent Liability	EOD

FREQUENCY BASED ENTRIES

Reversal of the existing balance in the contingent GL:

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/08	01/01/08	Account Branch	Contingent Liability GL	Dr	EURO 100	100	Dr. Product Contingent Asset	EOM
01/01/08	01/01/08	Account Branch	Contingent Asset GL	Cr	EURO 100	100	Cr. Product Contingent Liability	EOM

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

### Sanctioned Amount Adjustment

When sanctioned amount is adjusted upwards. The entries are passed for the difference amount after adjustment

Example: Original Sanctioned amount-100,000

Adjusted sanctioned amount-150,000

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Contingent Liability	Cr	USD 50,000	40,000	Sanctioned amount contingent entries	EOD
01/01/05	01/01/05	Account Branch	Contingent Asset	Dr	USD 50,000	40,000	Sanctioned amount contingent entries	EOD

When sanctioned amount is adjusted downwards but is still above disbursed value

Example: Original Sanctioned amount-1,00,000

Amount disbursed is 80,000

Adjusted sanctioned amount-90,000

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Contingent Liability	Dr	USD 10,000	8,000	Sanctioned amount contingent entries	EOD

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Contingent Asset	Cr	USD 10,000	8,000	Sanctioned amount contingent entries	EOD

When sanctioned amount is adjusted down wards but is still above disbursed value

Example: Original Sanctioned amount-1,00,000

Amount disbursed is 80,000

Adjusted sanctioned amount-60,000

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Contingent Liability	Dr	USD 2,000	1,600	Sanctioned amount contingent entries	EOD
01/01/05	01/01/05	Account Branch	Contingent Asset	Cr	USD 2,000	1,600	Sanctioned amount contingent entries	EOD

## Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Account Closure

Example: Original Sanctioned amount-1,00,000

Amount disbursed is 80,000

Then account is closed

Date		Branch	GL Head	Dr / Cr	Amount		Default Description	Generated During
Posting	Value				TCY	LCY-EURO		
01/01/05	01/01/05	Account Branch	Contingent Liability	Dr	USD 20,000	16,000	Dr. Product Contingent Liability	EOD
01/01/05	01/01/05	Account Branch	Contingent Asset	Cr	USD 20,000	16,000	Cr. Product Contingent Asset	EOD

**Note:** Same entries are passed for LIMIT EXPIRY or LIMIT DELETION or FULL WRITE OFF.

## 5. Position Accounting

Global Assumptions

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this section of the manual are listed below along with the maintenance which is used for maintaining the same:

Sr No	GL Head	Location of Setup
1	CASA Asset / Liability GL	CHM01/ GL/ Liabilities balance
2	SC Income GL	BAM14/ SC GL Code
3	Position GL	BAM 25/CCY Details/ Position GL
4	Position Equivalent GL	BAM 25/CCY Details/ Position Equivalent GL
5	Selected GL	GL Code as entered on the screen
5	Inter branch GL	BAM08/GL Details / IB Credit or Debit Account
5	Cash GL	BAM08/GL Details / Bank Cash GL



Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Sr No	GL Head	Location of Setup
5	Future dated bridge GL	BAM08/GL Details / Future Dated Bridge Credit / Debit GL
5	Income GL	BAM14/ SC GL Code

Position accounting is done for transactions involving two different currencies. If position accounting is to be done, then the system shall pass one pair of entries for every foreign currency entry. There will be one entry to the position account that will be an exact replica of the original entry – except that it will be with the opposite sign. The second will be a local currency entry to the position equivalent account. The amount of the second entry will be the same as the local currency equivalent of the original entry.

The foreign currency amount for the position account entry shall be the foreign currency amount of the original entry. The local currency equivalent amount of the position account entry will be taken from the local currency equivalent of the original entry. Position Accounting is not supported for income/expense type of GLs.

For example, if the original entry for which position accounting is to be done is

*Dr GL Ac A1 USD 10; RMB 500*

Then the position accounting entries the system shall pass will be

*Cr Position Ac maintained for A1 USD 10; RMB 500*

*Dr Position equivalents ac maintained for A1 RMB 500*

The EOD process will generate position accounting entries for all foreign currency GLs if position accounting has been enabled in the system through the bank wide parameters maintenance.

The position and position equivalent GL's to which position accounting entries are to be passed will be maintained by users. These GL's will be maintained as two separate and new categories in the system.

For every asset, liability, contingent asset or contingent liability GL maintained in the system, the user will be able to specify if position accounting is required for that GL or not.

Position/Position Equivalent GLs are linked at the currency definition level. This can be overridden for a particular GL – Currency combination in the Chart of Accounts.

The user will need to maintain a position and position equivalent GL for each currency defined in the system – but not necessarily for each GL.

System will pick up the Position/Position Equivalent GLs defined at Chart of Accounts level while passing position entries for GL-Currency combination. If no such definition is found, then the Position GLs will be picked up from the currency level.

A foresaid can be explained with the help of the following example:

Currency Exchange Rates used

1 USD = 6.3045 RMB

1 GBP = 9.6992 RMB

Example:

Dr - CASA 1 (USD) (A/c Branch - A)

Cr - CASA 2 (GBP) (A/c Branch - B)

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Transaction Branch - Branch A

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Liability GL of CASA A/c 1	Dr	USD 100	RMB 630.45	Online	
20/02/09	20/02/09	Branch A	Interbranch GL	Cr	GBP 65	RMB 630.45	Online	
20/02/09	20/02/09	Branch B	Interbranch GL	Dr	GBP 65	RMB 630.45	Online	
20/02/09	20/02/09	Branch B	Liability GL of CASA A/c 2	Cr	GBP 65	RMB 630.45	Online	
20/02/09	20/02/09	Branch A	Position GL	Cr	USD 100	RMB 630.45	EOD	
20/02/09	20/02/09	Branch A	Position Equivalent GL	Dr	RMB 630.45	RMB 630.45	EOD	
20/02/09	20/02/09	Branch A	Position Equivalent GL	Cr	RMB 630.45	RMB 630.45	EOD	
20/02/09	20/02/09	Branch A	Position GL	Dr	GBP 65	RMB 630.45	EOD	

Example:

Dr - CASA 1 (USD) (A/c Branch - A)

Cr - CASA 2 (RMB) (A/c Branch - B)

Transaction Branch - Branch 2

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Liability GL of CASA A/c 1	Dr	USD 100	RMB 630.45	Online	
20/02/09	20/02/09	Branch A	Interbranch GL	Cr	USD 100	RMB 630.45	Online	

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch B	Interbranch GL	Dr	USD 100	RMB 630.45	Online	
20/02/09	20/02/09	Branch B	Liability GL of CASA A/c 2	Cr	GBP 65	RMB 630.45	Online	
20/02/09	20/02/09	Branch B	Position GL	Cr	USD 100	RMB 630.45	EOD	
20/02/09	20/02/09	Branch B	Position Equivalent GL	Dr	RMB 630.45	RMB 630.45	EOD	
20/02/09	20/02/09	Branch B	Position Equivalent GL	Cr	RMB 630.45	RMB 630.45	EOD	
20/02/09	20/02/09	Branch B	Position GL	Dr	GBP 65	RMB 630.45	EOD	

The batch transactions for which the cross currency inter-branch transactions are supported and logic of identifying the transaction branch are as below:

Batch Transaction	Transaction Branch
Standing Instruction	Debit Account branch
Sweep out Instruction	Debit Account branch
Reverse sweep out	Debit Account branch
Sweep in Instruction	The branch where the original transaction has been initiated that has triggered the sweep in
TD Pay out instructions	Debit Account branch
Interest Credit / Debit (Alternate account for Interest)	Interest booking branch
Service charge (Periodic SC / Alternate SC)	SC income branch

## 5.1. Position Squaring

- Position Squaring is a process whereby position in foreign currency arising from cross currency transactions at branches being squared/balanced by Head Office.
- Position squaring is done for cross currency transaction in EOD. Further after position squaring, entry towards Profit/Loss arising out of such business is also passed automatically by system.

### Global Assumption

**Note:** All dates in DD/MM/YY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this section of the manual are listed below along with the maintenance which is used for maintaining the same:

Sr No	GL Head	Location of Setup
1	Inter branch GL	BAM08/ GL Details/ IB GL
2	Cash GL	BAM08/ GL Details/ Bank Cash GL
3	Position GL	BAM 25/CCY Details/ Position GL
4	Position Equivalent GL	BAM 25/CCY Details/ Position Equivalent GL
5	FX Profit/Loss GL	BAM08/ GL Details/ Squaring off Profit / Loss GL

### Illustration – I

**Forex Buying:** A sum of 100 USD is bought by Branch A from a customer. Following accounting entries will be passed:

**Exchange Rate Applied: Cash Buying Rate: 670**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Cash GL	Dr	USD 100	CNY 670	Online	USD Cash received by branch A
20/02/09	20/02/09	Branch A	Cash GL	Cr	CNY 670	CNY 670	Online	LCY equivalent is given by branch A

## Position Squaring

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Position Equivalent GL	Dr	CNY 670	CNY 670	EOD	Position equivalent accounting for LCY
20/02/09	20/02/09	Branch A	Position GL	Cr	USD 100	CNY 670	EOD	Position accounting for FCY

- Position Squaring selling Rate Applicable at the time of above transaction: 676

After the transaction, the balance in Position GL of Branch A is on Credit side. System should automatically perform the Position Squaring by transferring the position to HO.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Position GL	Dr	USD 100	CNY 676	EOD	Position entry transfer to HO
20/02/09	20/02/09	Branch A	Interbranch GL	Cr	USD 100	CNY 676	EOD	Originating entry
20/02/09	20/02/09	HO	Interbranch GL	Dr	USD 100	CNY 676	EOD	Responding entry
20/02/09	20/02/09	HO	Position GL	Cr	USD 100	CNY 676	EOD	Position entry transferred by branch A
20/02/09	20/02/09	HO	Position Equivalent GL	Dr	CNY 676	CNY 676	EOD	Position equivalent entry transfer to Branch A
20/02/09	20/02/09	HO	Interbranch GL	Cr	CNY 676	CNY 676	EOD	Originating entry
20/02/09	20/02/09	Branch A	Interbranch GL	Dr	CNY 676	CNY 676	EOD	Responding entry

## Position Squaring

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Position Equivalent GL	Cr	CNY 676	CNY 676	EOD	Position equivalent entry transferred by HO

Note: Exchange Rate applied: Position Squaring Selling Rate applicable at the time of original transaction

At the end of day for Branch A, the balance of Position GL (USD) is 0 and Position Equivalent GL has a credit balance of  $(676-670=6)$  6 RMB, which is transferred to FX Profit GL.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Position Equivalent GL	Dr	CNY 6	CNY 6	EOD	Position Equivalent entry booked to Income
20/02/09	20/02/09	Branch A	FX Profit GL	Cr	CNY 6	CNY 6	EOD	Profit booked

Illustration – II

**Forex Sale:** A sum of 100 USD is sold to customer against RMB by Branch A. Following accounting entries will be passed:

**Exchange Rate Applied: Cash Selling Rate**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Cash GL	Dr	CNY 670	CNY 670	Online	CNY equivalent is received by branch A
20/02/09	20/02/09	Branch A	Cash GL	Cr	USD 100	CNY 670	Online	USD Cash sold by branch A
20/02/09	20/02/09	Branch A	Position GL	Dr	USD 100	CNY 670	EOD	Position accounting for FCY
20/02/09	20/02/09	Branch A	Position Equivalent GL	Cr	CNY 670	CNY 670	EOD	Position equivalent accounting for LCY

**Position Squaring buying rate applicable at the time of original transaction: 660**

After the transaction, the balance in Position GL of Branch A is on Debit side. System should automatically perform the Position Squaring by transferring the position to HO.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	HO	Position GL	Dr	USD 100	CNY 660	EOD	Position entry transfer from Branch A
20/02/09	20/02/09	HO	Interbranch GL	Cr	USD 100	CNY 660	EOD	Originating entry
20/02/09	20/02/09	Branch A	Interbranch GL	Dr	USD 100	CNY 660	EOD	Responding entry

Position Squaring

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Position GL	Cr	USD 100	CNY 660	EOD	Position entry transferred to HO
20/02/09	20/02/09	Branch A	Position Equivalent GL	Dr	CNY 660	CNY 660	EOD	Position equivalent entry transfer to HO
20/02/09	20/02/09	Branch A	Interbranch GL	Cr	CNY 660	CNY 660	EOD	Originating entry
20/02/09	20/02/09	HO	Interbranch GL	Dr	CNY 660	CNY 660	EOD	Responding entry
20/02/09	20/02/09	HO	Position Equivalent GL	Cr	CNY 660	CNY 660	EOD	Position Equivalent entry transferred by branch A

At the end of day for Branch A, the balance of Position GL (USD) is 0 and Position Equivalent GL has a credit balance of (670-660=10) 10 RMB, which is transferred to FX Profit GL.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				FCY	LCY		
20/02/09	20/02/09	Branch A	Position Equivalent GL	Dr	CNY 10	CNY 10	EOD	Position Equivalent entry booked to Income
20/02/09	20/02/09	Branch A	FX Profit GL	Cr	CNY 10	CNY 10	EOD	Profit booked

Note: Each Cross Currency transaction will be squared individually. However consolidated entry will be passed towards FX Profit/Loss GL.



## 6. INVENTORY

Inventory tracking is important where inventories are treated as valuable as the cash itself. A memo GL is created in Chart of Accounts screen for passing Inventory offset entry and it is linked at the bank level. Memo GL's are created for each inventory type. For each entry posted to Inventory memo GL, there has to be a corresponding entry posted to Inventory Offset GL.

When the following actions are performed on the inventory, off-balance sheet accounting for inventory transactions is triggered:

- When the HO receives stock from Vendor and after confirming physical receipt of stock.
- When HO transfers stock to Branch/Sub-branch/Outlet.
- When Branch/Sub-branch/Outlet confirms receipt of stock.
- When Branch/Sub-branch/outlet issues stock to the customer.
- When Inventory is kept in safe custody and is returned back to the customer.
- When Inventory issued is reversed.
- When re-issuing inventory against an inventory marked as 'Lost'.
- When inventory is collected from the customer and kept in safe custody.
- 

Following are the two types of entries that will be passed:

- Collect –
- When HO/Branch/Sub-branch/Outlet receives stock from vendor or from its reporting branch and identified by Cr entry.

- When the linkages between the Multi Currency Account (MCA) and the inventory number is deleted.
- When the new status of the inventory is 'Converted'.
- Pay –
- When HO/Branch/Sub-branch transfer stock to the requesting branch and identified by Dr entry.
- When the status of the inventory is marked as 'Normal'.
- When inventory is sold or linked to a Multi Currency Account (MCA).
- When the previous status of the inventory is 'Converted'.

For stock tracking, the tracking level for the stock codes is selected as User level and denomination of the stock code with the face value is multiplied to arrive at the notional value of the stock. For every transfer of stock off balance sheet accounting entry is passed. For the stocks with a face value, appropriate allowed denominations are selected. For stocks without face value, denomination is selected as 1.

For example, 100 pieces of TC booklet each containing 25 TCs is being transferred from HO to Branch – 1. The Amount of the off balance sheet accounting entry that will be passed through Memo GL will be 2500.

Global Assumptions

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this section of the manual are listed below along with the maintenance which is used for maintaining the same:

Sr. No	GL Head	Location of Setup
1	Inventory Memo GL	GLM02/GL Details
2	Inventory Offset GL	GLM02/GL Details

## 6.1. Inventory Interbranch Transfer : Fast Path: IV003

HO on transfer of 100 booklets of 50 cheque leaves stock to the Branch/Sub-branch/Outlet, in the books of HO - Pay entry is passed.

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	HO	Inventory Memo GL	Dr	5000 (Quantity * Denomination)	Online	Inventory received at Branch
05/01/05	05/01/05	HO	Inventory Offset GL	Cr	5000 (Quantity * Denomination)	Online	Corresponding matching entry

At the Branch on receipt of 100 booklets of 50 cheque leaves stock from HO, in the books of Branch - Collect entry is passed.

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	Transaction Branch	Inventory Memo GL	Cr	5000(Quantity * Denomination)	Online	Inventory transferred from HO
05/01/05	05/01/05	Transaction Branch	Inventory Offset GL	Dr	5000 (Quantity * Denomination)	Online	Corresponding matching entry

## 6.2. Cheque Book Issue : Fast Path: CHM37/5004

A teller issuing a cheque book of 50 leaves to a customer, pay entry is passed.

Date		Branch	GL Head	D r / C r	Amount	Generate d During	Remarks
Posting	Value						
05/01/05	05/01/05	Transactio n Branch	Inventor y Memo GL	Dr	50 (Quantity * Denomination )	Online	Cheque book of 50 leaves issued
05/01/05	05/01/05	Transactio n Branch	Inventor y Offset GL	Cr	50(Quantity * Denomination )	Online	Correspondin g matching entry

### 6.3. Passbook Issue : Fast Path: PS001

Passbook issued to a customer. Accounting entry related to passbook inventory to be passed as under. Denomination value of passbook is one.

Date		Branch	GL Head	D r / C r	Amount	Generate d During	Remarks
Posting	Value						
05/01/05	05/01/05	Transactio n Branch	Inventor y Memo GL	Dr	1 (Quantity * Denomination )	Online	Passbook issued,
05/01/05	05/01/05	Transactio n Branch	Inventor y Offset GL	Cr	1(Quantity * Denomination )	Online	Correspondin g matching entry

### 6.4. Stock Adjustment : Fast Path: IV002

Accounting entries are passed only for intra branch adjustment type Duplicate/ Lost /Torn/ Used/ Rejected.

Stock adjustment for 5 torned passbooks.

Date		Branch	GL Head	D r / C r	Amount	Generate d During	Remarks
Posting	Value						
05/01/05	05/01/05	Transactio n Branch	Inventor y Memo GL	Dr	5(Quantity * Denomination )	Online	Adjustment for 5 Passbook
05/01/05	05/01/05	Transactio n Branch	Inventor y Offset GL	Cr	5(Quantity * Denomination )	Online	Correspondin g matching entry

## 6.5. Inventory Balancing : Fast Path: 6202

On checking with passbook stock allocated to a teller she finds 8 excess passbooks after netting from the issued stock from initial balance. Overage of 8 Passbooks (Denomination value of Passbook - one) is booked.

Date		Branch	GL Head	D r / C r	Amount	Generate d During	Remarks
Posting	Value						
05/01/05	05/01/05	Transactio n Branch	Inventor y Memo GL	Cr	8 (Quantity * Denomination )	Online	Overage booked
05/01/05	05/01/05	Transactio n Branch	Inventor y Offset GL	Cr	8(Quantity * Denomination )	Online	Correspondin g matching entry

On checking with passbook stock allocated to a teller, 10 less passbooks than the expected balance is found. Shortage of 10 Passbooks (Denomination value of Passbook - one) is booked.

Date		Branch	GL Head	D r / C r	Amount	Generate d During	Remarks
Posting	Value						
05/01/05	05/01/05	Transactio n Branch	Inventor y Memo GL	Dr	10 (Quantity * Denomination )	Online	Shortage booked
05/01/05	05/01/05	Transactio n Branch	Inventor y Offset GL	Cr	10(Quantity * Denomination )	Online	Correspondin g matching entry

Inventory Balancing : Fast Path: 6202

Cancellation of overage or shortage is booked on the subsequent day and these entries are passed in the Inventory Memo GL.

Cancellation of overage booked related to 8 passbooks.

Date		Branch	GL Head	D r / C r	Amount	Generate d During	Remarks
Posting	Value						
05/01/05	05/01/05	Branch where Overage is booked	Inventory Memo GL	Dr	8 (Quantity * Denomination )	Online	Overage booked is cancelled
05/01/05	05/01/05	Branch where Overage is booked	Inventory Offset GL	Cr	8(Quantity * Denomination )	Online	Corresponding matching entry

Cancellation of Shortage booked related to 10 passbooks.

Date		Branch	GL Head	D r / C r	Amount	Generate d During	Remarks
Posting	Value						
05/01/05	05/01/05	Branch where Shortage is booked	Inventory Memo GL	Dr	10 (Quantity * Denomination )	Online	Shortage booked is cancelled
05/01/05	05/01/05	Branch where Shortage is booked	Inventory Offset GL	Cr	10 (Quantity * Denomination )	Online	Corresponding matching entry



## 7. GENERIC EXTERNAL FILE UPLOAD (GEFU)

GEFU module of **Oracle FLEXCUBE** is used for uploading of files received from external systems. These systems are recorded in **Oracle FLEXCUBE** with unique System ID. The file to be uploaded has to be in specific format as per templates having unique File Type/Template ID, acceptable to Flexcube. Thus, any given file received from third party can be easily interpreted, if the unique system and file type id are uploaded in Flexcube.

GEFU upload files fall under two categories viz, BALD GEFU and Salary Upload file. The differences between the two are to the extent of the file formats as well as the manner in which the accounting entries are posted onto **Oracle FLEXCUBE**.

In case of BALDGEFU, for the specific External System Code, if the flag “Generate Bridge GL” in External File Setup Maintenance (FP: BAM54) is selected, the entries will be routed through intermediate GLs, which is Bridge System cash GL (Debit or Credit) for cash transactions and Internal Transfer GLs (Debit or Credit). These GLs are also maintained as part of the same setup. System will pass two entries for the consolidated amounts one for the debit and the other for the credit leg of the transaction. After having passed the consolidated entries, while debiting or crediting the actual accounts as per the GEFU file, system will pass individual reversal entries to Bridge System Cash Debit and Bridge System Cash Credit GLs. In case any individual entry posting fails, the offset entry will be posted either to Suspense debit or Suspense Credit GL depending on which leg (debit or credit) has failed to post successfully. If the flag “Generate Bridge GL” is not selected, the entries will not be routed through Bridge System Cash Debit and Bridge System Cash Credit GLs. However, if any individual entry posting fails, the offset entry will be directly posted either to Suspense debit or Suspense Credit GL depending on which leg (debit or credit) has failed to post successfully.

IB entries will not be bypassed with the routing of entries through Bridge System Cash Debit/Credit GLs.

In case of Salary uploads, entries will not be routed through Bridge System Cash Debit and Bridge System Cash Credit GLs. In case any individual entry posting fails, the offset entry will be directly posted either to Suspense debit or Suspense Credit GL depending on which leg (debit or credit) has failed to post successfully.

## GENERIC EXTERNAL FILE UPLOAD (GEFU)

In all cases during the processing of the file, each debit or credit record in the GEFU file is processed independently and has no linkage as to whether corresponding debit and credit entries have been posted. As mentioned above if any transaction posting fails the amount will be posted to Suspense debit/credit GLs.

### Global Assumptions

- Local Currency = CNY
- All transactions are posted in CNY
- SC is setup only in LCY (CNY)

**Note:** All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this manual are listed below along with the maintenance which is used for maintaining the same:

Sr No	GL Head	Location of Setup
1	CASA Asset / Liability GL	CHM01/ GL/ Liabilities balance
2	Internal Transfer Debit GL	BAM54/ GL Setup/ Internal Transfer Debit GL
3	Internal Transfer Credit GL	BAM54/ GL Setup/ Internal Transfer Credit GL
4	Bridge System Cash Debit GL	BAM54/ GL Setup/ Bridge System Cash Debit GL
5	Bridge System Cash Credit GL	BAM54/ GL Setup/ Bridge System Cash Credit GL
6	Inter branch GL	BAM08/GL Details / IB Credit or Debit Account
7	Suspense Debit GL	BAM54/ GL Setup/ Suspense Debit GL
8	Suspense Credit GL	BAM54/ GL Setup/ Suspense Credit GL

- In case of BALDGEFU upload 3 debit and 5 credit transactions for the total amount of RMB 10,000 have been considered.
- In case of Salary Upload 1 debit (employer account) and 5 credit transactions for the total amount of RMB 20,000 have been considered.
- Only CASA accounts have been considered as part of debit and credit accounts.

## GENERIC EXTERNAL FILE UPLOAD (GEFU)

### GEFU Upload – Transaction Scenarios

Fund transfer to multiple CASA accounts from a single CASA account with Generate Bridge GL Flag checked

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200	online	
01/01/10	01/01/10	Transaction Branch	Internal Transfer Bridge GL	Cr	CNY200	200	online	
01/01/10	01/01/10	Transaction Branch	Internal Transfer Bridge GL	Dr	CNY100	100	online	
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	online	
01/01/10	01/01/10	Transaction Branch	Internal Transfer Bridge GL	Dr	CNY100	100	online	
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	online	

Updation to cash GL through upload of ATM transactions. Handoff received from switch/ forwarder. Generate Bridge GL flag is selected. Cash withdrawal from 3 CASA accounts for CNY 100 each has been made.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200	online	

GENERIC EXTERNAL FILE UPLOAD (GEFU)

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200	online	
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200	online	
01/01/10	01/01/10	Transaction Branch	Bridge System Cash Credit GL	Cr	CNY600	600	online	
01/01/10	01/01/10	Transaction Branch	Bridge System Cash Debit GL	Dr	CNY200	200	online	
01/01/10	01/01/10	Transaction Branch	Bridge System Cash Debit GL	Dr	CNY200	200	online	
01/01/10	01/01/10	Transaction Branch	Bridge System Cash Debit GL	Dr	CNY200	200	online	
01/01/10	01/01/10	Transaction Branch	Branch Cash GL	Cr	CNY600	600	online	
01/01/10	01/01/10	Transaction Branch	Branch Cash GL	Dr	CNY200	200	online	
01/01/10	01/01/10	Transaction Branch	Branch Cash GL	Dr	CNY200	200		

## GENERIC EXTERNAL FILE UPLOAD (GEFU)

GEFU upload for Bill payment without Generate Bridge GL flag selected.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200		
01/01/10	01/01/10	Transaction Branch	Utility Company's CASA Liability GL	Cr	CNY600	600		

GEFU upload for Salary payment without Generate Bridge GL flag selected.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Employer's CASA Liability GL	Dr	CNY600	600		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY200	200		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200		

## GENERIC EXTERNAL FILE UPLOAD (GEFU)

GEFU upload for Salary payment without Generate Bridge GL flag with one of the beneficiary account maintained with a different branch with Generate Interbranch GL Flag selected.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Employer's CASA Liability GL	Dr	CNY600	600		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY200	200		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200		
01/01/10	01/01/10	Transaction Branch	Interbranch GL	Dr	CNY200	200		
01/01/10	01/01/10	Account Branch	Interbranch GL	Cr	CNY200	200		
01/01/10	01/01/10	Account Branch	CASA Liability GL	Dr	CNY200	200		

GEFU upload for Salary payment with Generate Bridge GL flag with two transactions, from credit leg being unsuccessful.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Employer's CASA Liability GL	Dr	CNY600	600	Online	Funds transfer from employer's account
01/01/10	01/01/10	Transaction Branch	Internal Transfer credit GL	Cr	CNY600	600	Online	Transfer to bridge GL
01/01/10	01/01/10	Transaction Branch	Internal Transfer debit GL	Dr	CNY100	100	Online	Reversal of bridge GL

GENERIC EXTERNAL FILE UPLOAD (GEFU)

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Internal Transfer debit GL	Dr	CNY100	100	Online	Transfer to bridge GL
01/01/10	01/01/10	Transaction Branch	Internal Transfer debit GL	Dr	CNY100	100	Online	Reversal of bridge GL
01/01/10	01/01/10	Transaction Branch	Internal Transfer debit GL	Dr	CNY100	100	Online	Reversal of bridge GL
01/01/10	01/01/10	Transaction Branch	Internal Transfer debit GL	Dr	CNY100	100	Online	Reversal of bridge GL
01/01/10	01/01/10	Transaction Branch	Internal Transfer debit GL	Dr	CNY100	100	Online	Reversal of bridge GL
01/01/10	01/01/10	Transaction Branch	Internal Transfer debit GL	Dr	CNY100	100	Online	Reversal of bridge GL
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction
01/01/10	01/01/10	Transaction Branch	Suspense Credit GL	Cr	CNY100	100	Online	Failed Transaction
01/01/10	01/01/10	Transaction Branch	Suspense Credit GL	Cr	CNY100	100	Online	Failed Transaction

## GENERIC EXTERNAL FILE UPLOAD (GEFU)

GEFU upload for Salary payment with Generate Bridge GL flag with Debit leg being unsuccessful.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Suspense Dedit GL	Dr	CNY600	600	Online	Funds transfer from employer's account
01/01/10	01/01/10	Transaction Branch	Internal Transfer credit GL	Cr	CNY600	600	Online	Transfer to bridge GL
01/01/10	01/01/10	Transaction Branch	Internal Transfer dedit GL	Dr	CNY600	600	Online	Transfer to bridge GL
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Successful Transaction



## 8. Batch

Global Assumptions

**Note:** All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this manual are listed below along with the maintenance which is used for maintaining the same:

Sr No	GL Head	Location of Setup
1	CASA Liability GL	CHM01/ GL/ Liabilities balance
2	CASA Asset GL	CHM01/ GL/ Asset balance
3	CASA Interest Expense GL	CHM01/ GL/ Interest Expense
4	CASA Interest Payable GL	CHM01/ GL/ Interest Payable
5	Payment GL	TDM01/ GL codes/ Payment GL
6	SC Income GL	BAM14/ SC GL Code

<b>Sr No</b>	<b>GL Head</b>	<b>Location of Setup</b>
7	Rewards GL	BAM14/ SC GL Code (Expense GL)
8	Regular Deposit GL	TDM01/ GL codes/ Regular Deposits
9	TD Interest Accrued GL	TDM01/ GL codes/ Interest Accrued
10	TD Interest Accrued GL	TDM01/ GL codes/ Interest Payable
11	TD Interest Compounded GL	TDM01/ GL codes/ Interest compounded
12	TD Redemption GL	TDM01/ GL codes/ Redemption Payable
13	TD Maturity GL	TDM01/ GL codes/ Matured Deposits
14	TD Unclaimed GL	TDM01/ GL codes/ Unclaimed Deposits
15	Interest Expense GL	TDM01/ GL codes/ Interest Expense
16	TD Interest payable GL	TDM01/ GL codes/ Interest Payable
17	CASA Tax Withheld GL	BAM08/GL Details / Withholding Tax GL1
18	CASA Tax Withheld Additional GL	BAM08/GL Details / Withholding Tax GL2
19	TD Tax Withheld GL	TDM01/ GL Codes/Taxwithheld1/Base Tax
20	TD Tax Withheld Additional GL	TDM01/ GL Codes/Taxwithheld1/Additional Tax 1
21	Account Turnover GL	Chart of account
22	RD Liability GL	CHM01/ GL/ Suspended Asset
23	RD Penalty Income GL	CHM01/ RD/ Penalty Income
24	RD Interest Expense GL	CHM01/ GL/ Suspended Asset

<b>Sr No</b>	<b>GL Head</b>	<b>Location of Setup</b>
25	Interest write off expense GL	CHM01/ GL/ Write off
26	Suspended Asset GL	CHM01/ GL/ Suspended Asset
27	Interest Income GL	CHM01/ GL/ Interest Income
28	Suspended Interest Income GL	CHM01/ GL/ Suspended Interest
29	Interest Receivable GL	CHM01/ GL/ Interest Receivable
30	Suspended Interest Receivable GL	CHM01/ GL/ Suspended Asset
31	Write off expense GL	CHM01/ GL/ Write off
32	Bad Debt Reserve GL	CHM01/ GL/ Bad Reserve
33	Selected GL	No specific location set up
34	Inter branch GL	BAM08/GL Details / IB Credit or Debit Account
35	Accounts payable GL	BAM78/ Accounts payable GL
36	Bridge System cash credit GL	BAM54/GL Setup / Bridge System cash Credit GL
37	Bridge System cash Debit GL	BAM54/GL Setup / Bridge System cash Debit GL
38	Internal Transfer Debit GL	BAM54/GL Setup / Internal Transfer Debit GL
39	Internal Transfer Credit GL	BAM54/GL Setup / Internal Transfer Credit GL
40	Forwarder Settlement GL	Forwarder Settlement GL
41	ATM cash GL	ATM01/ ATM Cash GL
42	Outgoing Remit GL	ATM02/ Outgoing Remit GL
43	Incoming Remit GL	ATM02/ Incoming Remit GL

<b>Sr No</b>	<b>GL Head</b>	<b>Location of Setup</b>
44	FCY Cash GL	GLM02/ GL Details
45	Cash GL	BAM08/GL Details / Bank Cash GL
46	Tax Remitted to GL	BAM08/GL Details / Tax GL of the collecting branch that finally remits tax to the Local Tax Authority

## 8.1. Transaction Scenarios

### OD Collateral Maintenance – Fast Path: CHM06

Service charge of CNY 10 recovered from the CASA OD Account where collateral was attached

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/10	01/01/10	Transactio n Branch	CASA Asset/Liabilit y GL	Dr	CNY10	10	EOD	Amount recovered for collateral attachment
01/01/10	01/01/10	Transactio n Branch	SC Income GL	Cr	CNY10	10	EOD	Transferre d to income

### Single Account Transfer – Fast Path: BA995

Single Account transfer from Branch A to Branch B.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/10	01/01/10	Transactio n Branch	CASA Asset/Liabilit y GL	Dr	CNY100	100	Online	Account with balance of CNY 100
01/01/10	01/01/10	Transactio n Branch	Interbranch GL of branch A	Cr	CNY100	100	EOD	Intermediat e entry for IB txn
01/01/10	01/01/10	Account Branch	Interbranch GL of branch B	Dr	CNY100	100	EOD	Intermediat e entry for IB txn
01/01/10	01/01/10	Account Branch	CASA Asset/Liabilit y GL	Cr	CNY100	100	Online	Account with balance of CNY 100 transferred

**Third party Collection/Remittance Funds Transfer Request – Fast Path: BAM79**

Insurance premium collected from a CASA OD Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset GL	Dr	CNY100	100	Online	Insurance premium collected
01/01/10	01/01/10	Transaction Branch	Accounts Payable GL	Cr	CNY100	100	Online	Parked in the intermediate account
01/01/10	01/01/10	Account Branch	Accounts Payable GL	Dr	CNY100	100	EOD	Withdrawal from intermediate account
01/01/10	01/01/10	Account Branch	CASA Asset/Liability GL of the insurance company	Cr	CNY100	100	EOD	Appropriation by trf to insurance company

**File Upload (GEFU++) - Fast Path: BA452**

Fund transfer to multiple CASA accounts from a single CASA account with Generate Bridge GL Flag checked

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200	Online	Originating debit for transfer
01/01/10	01/01/10	Transaction Branch	Internal Transfer Bridge GL	Cr	CNY200	200	Online	Consolidated entry

Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Internal Transfer Bridge GL	Dr	CNY100	100	Online	Reversal of consolidated entry
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Destination account
01/01/10	01/01/10	Transaction Branch	Internal Transfer Bridge GL	Dr	CNY100	100	Online	Reversal of consolidated entry
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Destination account

**File Upload (GEFU++) - Fast Path: BA452**

Salary Credit through GEFU Upload

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200	Online	Transfer from account
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Beneficiary account
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Beneficiary account

## ATM Transfer by POS Remote on us

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200	EOD	Account using other ATM of the network
01/01/10	01/01/10	Transaction Branch	Forwarder settlement GL	Cr	CNY200	200	EOD	Transfer to forwarder

## Deposit Reversal Txn

Cash deposit of CNY 200 Reversed

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200	Online	CASA where cash deposit was made in the original transaction
01/01/10	01/01/10	Transaction Branch	Cash GL	Cr	CNY200	200	Online	Cash reduced by deposit amount



## TD Redemption on maturity as per payout instruction

Instruction to Xfer to CASA

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Accrued GL	Dr	CNY100	100	EOD	Accrued interest
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Cr	CNY100	100	EOD	Transfer to Interest payable
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Dr	CNY100	100	BOD	Transfer from Interest payable
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Cr	CNY100	100	BOD	To redemption
01/01/1 0	01/01/1 0	Transactio n Branch	TD Liability GL	Dr	CNY100 0	1000	BOD	Principal portion
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Cr	CNY100 0	1000	BOD	Principal transfer to redemption
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Dr	CNY110 0	1100	BOD	Redeemabl e amount after adding interest
01/01/1 0	01/01/1 0	Transactio n Branch	TD Maturity GL	Cr	CNY110 0	1100	BOD	Total transferred to maturity GL
01/01/1 0	01/01/1 0	Transactio n Branch	TD Maturity GL	Dr	CNY110 0	1100	BOD	From maturity GL
01/01/1 0	01/01/1 0	Transactio n Branch	Payment GL	Cr	CNY110 0	1100	BOD	Intermediat e GL before making actual payment

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Payment GL	Dr	CNY1100	1100	BOD	
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY1100	1100	BOD	Transfer to CASA as per instruction

### Matured Deposit Renewal Reversal

Matured deposit of CNY 1000 Reversed and parked back to maturity GL

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	TD Liability GL	Dr	CNY1000	1000	EOD	TD created post renewal
01/01/10	01/01/10	Transaction Branch	TD Maturity GL	Cr	CNY1000	1000	EOD	Transfer back to maturity GL

### Capitalization of Service charge

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY100	100	EOD	Account from which SC is recovered
01/01/10	01/01/10	Transaction Branch	SC Income GL	Cr	CNY100	100	EOD	SC credited to income

## ATM. Cash withdrawal On Us

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY100	100	online	CASA account using ATM
01/01/10	01/01/10	Transaction Branch	ATM Cash GL	Cr	CNY100	100	online	ATM cash GL updated post withdrawal

## ATM. Funds Xfer. Debit.On Us

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY100	100	EOD	CASA account using the facility
01/01/10	01/01/10	Transaction Branch	Outgoing Remit GL	Cr	CNY100	100	EOD	Fund parked for remittance

## ATM. Funds Xfer. Credit.On Us

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Incoming Remit GL	Dr	CNY100	100	EOD	Parked incoming funds
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Cr	CNY100	100	EOD	Transfer to beneficiary account

## ATM. Funds Xfer. Credit.Remote On Us

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Forwarder settlement GL	Dr	CNY100	100	EOD	Parked incoming funds
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Cr	CNY100	100	EOD	Beneficiary account

## ATM. Cash withdrawal settlement on Us

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY100	100	Online	CASA holder using ATM
01/01/10	01/01/10	Transaction Branch	ATM Cash GL	Cr	CNY100	100	Online	Cash dispensed from ATM

## ATM. Cash withdrawal settlement remote on Us

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Forwarder settlement GL	Dr	CNY100	100	EOD	Withdrawal amount accounted to Forwarder's GL
01/01/10	01/01/10	Transaction Branch	ATM Cash GL	Cr	CNY100	100	EOD	Cash Dispensed

## Funds transfer debit Remote On Us

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY100	100	EOD	Transferor's CASA
01/01/10	01/01/10	Transaction Branch	Forwarder settlement GL	Cr	CNY100	100	EOD	Parked to forwarder's GL for onward remittance to beneficiary

## ATM. Cash withdrawal with forwarder in foreign currency (Assumed CNY 100 equivalent to USD 10)

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Forwarder settlement GL	Dr	CNY100	100	EOD	Forwarder's GL on behalf of user's account
01/01/10	01/01/10	Transaction Branch	ATM Cash GL	Cr	CNY100	100	EOD	Cash under ATM updated
01/01/10	01/01/10	Transaction Branch	ATM Cash GL	Dr	CNY100	100	online	
01/01/10	01/01/10	Transaction Branch	FCY Cash GL	Cr	USD100	100	online	FCY cash dispensed

## POS Merchandise Remote On Us

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Forwarder settlement GL	Dr	CNY100	100	EOD	Forwarder's account debited on behalf of Buyer's account
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Cr	CNY100	100	EOD	Sale proceed to merchant's account

## Matured Deposit Renewal transaction

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	TD Redemption GL	Cr	CNY1100	1100	BOD	To Redemption amount on maturity
01/01/10	01/01/10	Transaction Branch	TD Redemption GL	Dr	CNY1100	1100	BOD	From Redemption amount on maturity
01/01/10	01/01/10	Transaction Branch	TD Maturity GL	Cr	CNY1100	1100	BOD	To maturity GL
01/01/10	01/01/10	Transaction Branch	TD Maturity GL	Dr	CNY1100	1100	BOD	From maturity GL
01/01/10	01/01/10	Transaction Branch	Payment GL	Cr	CNY1100	1100	BOD	To intermediate GL

Transaction Scenarios

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Payment GL	Dr	CNY110 0	1100	EOD	From intermediat e GL at EOD
01/01/1 0	01/01/1 0	Transactio n Branch	TD Liability GL	Cr	CNY110 0	1100	EOD	New deposit from maturity proceeds

TD Interest capitalization

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Accrued GL	Dr	CNY10 0	100	BOD	Accrued interest
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Compoundin g GL	Cr	CNY10 0	100	BOD	Transfer to Compoundin g
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Compoundin g GL	Dr	CNY10 0	100	BOD	From Compoundin g GL
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Cr	CNY10 0	100	BOD	To Interest payable
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Dr	CNY10 0	100	BOD	From Interest payable
01/01/1 0	01/01/1 0	Transactio n Branch	TD Liability GL	Cr	CNY10 0	100	BOD	To Liability GL

## TD Redemption on Maturity

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Accrued GL	Dr	CNY100	100	BOD	Accrued interest
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Cr	CNY100	100	BOD	To Interest payable
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Dr	CNY100	100	BOD	From Interest payable
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Cr	CNY100	100	BOD	To Redemptio n amount on maturity
01/01/1 0	01/01/1 0	Transactio n Branch	TD Liability GL	Dr	CNY100 0	1000	BOD	Principal portion of Deposit
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Cr	CNY100 0	1000	BOD	From Redemptio n amount on maturity
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Dr	CNY110 0	1100	BOD	Total proceeds transferred to Redemptio n GL
01/01/1 0	01/01/1 0	Transactio n Branch	TD Maturity GL	Cr	CNY110 0	1100	BOD	Payment routed through maturity GL



## TD post maturity interest processing, applicable PMI of CNY 10

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Expense GL	Dr	CNY100	100	EOD	Accrued interest charged to Expense GL
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Accrued GL	Cr	CNY100	100	EOD	To accrued GL
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Accrued GL	Dr	CNY100	100	BOD	From Accrued GL
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Cr	CNY100	100	BOD	Accrued interest routed through interest payable
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Dr	CNY100	100	BOD	Interest transfer from Interest payable GL to Redemptio n GL
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Cr	CNY100	100	BOD	Interest portion transferred to Redemptio n GL
01/01/1 0	01/01/1 0	Transactio n Branch	TD Liability GL	Dr	CNY100 0	1000	BOD	Principal portion of deposit
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Cr	CNY100 0	1000	BOD	Principal transfer to redemption GL

Transaction Scenarios

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Dr	CNY100 0	1000	BOD	Net redeemable proceeds transferred to maturity GL
01/01/1 0	01/01/1 0	Transactio n Branch	TD Maturity GL	Dr	CNY110 0	1100	BOD	Final payment to maturity GL
<b>Post Maturity (Same set of GLs for Expense and accrual)</b>								
01/01/1 0	05/01/1 0	Transactio n Branch	Interest Expense GL	Dr	CNY10	10	EOD	Post maturity interest charged to expense GL
01/01/1 0	05/01/1 0	Transactio n Branch	Interest Payable GL	Cr	CNY10	10	EOD	Charged interest routed through Interest payable GL
01/01/1 0	05/01/1 0	Transactio n Branch	Interest Payable GL	Dr	CNY10	10	BOD	From Interest payable GL
01/01/1 0	05/01/1 0	Transactio n Branch	TD Payment GL	Cr	CNY10	10	BOD	Net PMI transferred to intermediate GL

## TD tax recovery on accrual basis

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY- CNY		
01/01/10	01/01/10	Transaction Branch	Interest Accrued GL	Dr	CNY100	100	EOD	Tax recoverable portion from Accrued GL
01/01/10	01/01/10	Transaction Branch	Tax withheld GL	Cr	CNY20	20	EOD	Recovered tax transfer to main tax payable head
01/01/10	01/01/10	Transaction Branch	Tax withheld Additional GL	Cr	CNY10	10	EOD	Remaining portion of recovered tax transferred to additional tax withheld GL
01/01/10	01/01/10	Transaction Branch	Interest Payable GL	Cr	CNY70	70	EOD	Net interest after tax recovered.

**Tax Remittance**

The following accounting entries depict the functionality of tax being collected by branches in local or foreign currencies and conversion of tax collected in foreign currency into local currency. Further these branches may either be the tax remitting (remit to a centralized branch) or a tax collecting branch (collect tax centrally from all branches and finally remit it to the Tax authorities)

Tax deducted from CASA/ TD account in LCY

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	CASA Asset/ Liability/ TD Liability GL	Dr	CNY 400	400	EOD	Tax recovered from CASA/TD accounts (LCY) by the account branch
01/01/10	01/01/10	Account Branch	Withholding Tax GL 1/Tax withheld 1 GL	Cr	CNY 400	400	EOD	Tax recovered from CASA/TD accounts (LCY) by the account branch

## Transaction Scenarios

Tax deducted from CASA/ TD account in FCY

Assumptions:

LCY=CNY

Tax Currency is FCY – USD

1 USD = 6.7 CNY

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY		
20/02/09	20/02/09	Account Branch	CASA Asset/ Liability/ TD Liability GL	Dr	USD 100	CNY 670	EOD	Tax recovered from CASA/TD accounts (FCY) by the account branch
20/02/09	20/02/09	Account Branch	Withholding Tax GL 1/Tax withheld 1 GL	Cr	USD 100	CNY 670	EOD	Tax recovered from CASA/TD accounts (FCY) by the account branch

Conversion of tax collected in FCY (USD) into LCY (CNY)

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY		
20/02/09	20/02/09	Account Branch	Withholding Tax GL 1/Tax withheld 1	Dr	USD 100	CNY 670	EOD	Tax recovered from CASA/TD accounts (FCY) converted to LCY

Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY		
20/02/09	20/02/09	Account Branch	FX Settlement and Sale GL	Cr	USD 100	CNY 670	EOD	Tax recovered from CASA/TD accounts (FCY) converted to LCY
20/02/09	20/02/09	Account Branch	FX Settlement and Sale GL	Dr	CNY 670	CNY 670	EOD	Reversal
20/02/09	20/02/09	Account Branch	Withholding Tax GL 1/Tax withheld 1	Cr	CNY 670	CNY 670	EOD	Converted LCY Tax

Branch remits tax to the Tax collecting branch (Tax in LCY including the above converted LCY tax)

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY		
20/02/09	20/02/09	Remitting Branch	Withholding Tax GL 1/Tax withheld 1	Dr	CNY 1070 (400+670)	CNY 1070	EOD	Remitting branch transfers tax to the collecting branch
20/02/09	20/02/09	Remitting Branch	Interbranch GL	Cr	CNY 1070 (400+670)	CNY 1070	EOD	Originating entry (remitting branch)
20/02/09	20/02/09	Collecting Branch	Interbranch GL	Dr	CNY 1070 (400+670)	CNY 1070	EOD	Responding entry (collecting branch)

## Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY		
20/02/09	20/02/09	Collecting Branch	Tax remitted to GL	Cr	CNY 1070 (400+670)	CNY 1070	EOD	Tax collected by collecting branch for onward remittance to Local Tax Authority

Tax remitting branch remits tax to Local Tax Authority  
Manual Entry

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY		
20/02/09	20/02/09	Collecting Branch	Tax remitted to GL	Dr	CNY 400	CNY 400	Online	Collecting branch transfers tax to Local Tax Authority
20/02/09	20/02/09	Collecting Branch	Local tax authority GL	Cr	CNY 400	CNY 400	Online	Local Tax Authority account credited

## Transaction Scenarios

Accounting entry if TDS Remittance (Fast Path: TDS10) screen is used for Tax Remittance

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY		
20/02/09	20/02/09	Collecting Branch	Tax remitted to GL	Dr	CNY 400	CNY 400	Online	Collecting branch transfers tax to Local Tax Authority
20/02/09	20/02/09	Collecting Branch	GL / CASA (As inputted in TDS10screen)	Cr	CNY 400	CNY 400	Online	Local Tax Authority account credited

### TD interest payout to CASA

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Accrued GL	Dr	CNY100	100	BOD	Accrued Interest
01/01/10	01/01/10	Transaction Branch	Interest Payable GL	Cr	CNY100	100	BOD	To Interest Payable
01/01/10	01/01/10	Transaction Branch	Interest Payable GL	Dr	CNY100	100	BOD	From Interest Payable
01/01/10	01/01/10	Transaction Branch	Payment GL	Cr	CNY100	100	BOD	To Intermediate GL
01/01/10	01/01/10	Transaction Branch	Payment GL	Dr	CNY100	100	BOD	From intermediate GL



Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Cr	CNY100	100	BOD	To beneficiary Account

TD Redemption on maturity as per payout instruction

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Accrued GL	Dr	CNY100	100	BOD	From Accrued Interest
01/01/10	01/01/10	Transaction Branch	Interest Payable GL	Cr	CNY100	100	BOD	To Interest Payable
01/01/10	01/01/10	Transaction Branch	Interest Payable GL	Dr	CNY100	100	BOD	From interest payable GL
01/01/10	01/01/10	Transaction Branch	TD Redemption GL	Cr	CNY100	100	BOD	Redemption of interest component
01/01/10	01/01/10	Transaction Branch	TD Liability GL	Dr	CNY1000	1000	BOD	Redemption of principal
01/01/10	01/01/10	Transaction Branch	TD Redemption GL	Cr	CNY1000	1000	BOD	Transfer of principal component of deposit to redemption GL
01/01/10	01/01/10	Transaction Branch	TD Redemption GL	Dr	CNY1100	1000	BOD	From Redemption to Maturity GL

Transaction Scenarios

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	TD Maturity GL	Cr	CNY110 0	1100	BOD	Total redeemable proceeds in maturity GL
01/01/1 0	01/01/1 0	Transactio n Branch	TD Maturity GL	Dr	CNY110 0	1100	BOD	From Maturity GL to intermediate GL
01/01/1 0	01/01/1 0	Transactio n Branch	Payment GL	Cr	CNY110 0	1100	BOD	Proceeds transferred to intermediate payment GL
01/01/1 0	01/01/1 0	Transactio n Branch	Payment GL	Dr	CNY110 0	1100	BOD	
01/01/1 0	01/01/1 0	Transactio n Branch	CASA Asset/ Liability GL	Cr	CNY110 0	1100	BOD	To Beneficiary Account as per instruction

## TD Interest Accrual

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Expense GL	Dr	CNY100	100	EOD	Expense booking for Accrual
01/01/10	01/01/10	Transaction Branch	Interest Accrued GL	Cr	CNY100	100	EOD	To Accrued GL

## TD Interest Compounding

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Expense GL	Dr	CNY100	100	EOD	Expense booking for Accrual
01/01/10	01/01/10	Transaction Branch	Interest Accrued GL	Cr	CNY100	100	EOD	Interest accrual
01/01/10	01/01/10	Transaction Branch	Interest Accrued GL	Dr	CNY100	100	BOD	From Accrued GL
01/01/10	01/01/10	Transaction Branch	Compounding GL	Cr	CNY100	100	BOD	Interest Compounding

## TD Tax refund by transfer to CASA

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Tax withheld GL	Dr	CNY100	100	Online	Originally deducted tax parked

## Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Cr	CNY100	100	Online	Transferred to beneficiary CASA

### Tax deduction at source for Alternate account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY100	100	Online	Selected account for Tax Deduction
01/01/10	01/01/10	Transaction Branch	Tax withheld GL	Cr	CNY100	100	Online	Tax recovered

### Regular Deposit Redemption Reversal

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Dr	CNY100	100	EOD	CASA where the proceeds were originally transferred
01/01/10	01/01/10	Transaction Branch	Payment GL	Cr	CNY100	100	EOD	
01/01/10	01/01/10	Transaction Branch	Payment GL	Dr	CNY100	100	EOD	
01/01/10	01/01/10	Transaction Branch	Maturity GL	Cr	CNY100	100	EOD	

Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Maturity GL	Dr	CNY100	100	EOD	
01/01/10	01/01/10	Transaction Branch	TD Redemption GL	Cr	CNY100	100	EOD	Reversed to redemption GL

TD Redemption by GL, with SC

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	TD Redemption GL	Dr	CNY1100	1100	BOD	TD redemption proceeds
01/01/10	01/01/10	Transaction Branch	TD Maturity GL	Cr	CNY1100	1100	BOD	
01/01/10	01/01/10	Transaction Branch	TD Maturity GL	Dr	CNY1100	1100	BOD	
01/01/10	01/01/10	Transaction Branch	Payment GL	Cr	CNY1100	1100	BOD	
01/01/10	01/01/10	Transaction Branch	Payment GL	Dr	CNY1100	1100	BOD	
01/01/10	01/01/10	Transaction Branch	Income GL	Cr	CNY10	10	BOD	SC deducted
01/01/10	01/01/10	Transaction Branch	Misc. GL	Cr	CNY1090	1090	BOD	Net proceeds amount transferred as per instruction

### Penalty Capitalization

TD redemption and payout by Transfer to GL. TD being redeemed at maturity, with principal amount of CNY1000 and Interest CNY100. Penalty of CNY 5 is capitalized.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/12/09	01/12/09	Transactio n Branch	Interest Compounde d GL	Dr	CNY3 0	30	EOD	Penalty deducted
01/12/09	01/12/09	Transactio n Branch	Interest Expense GL	Cr	CNY3 0	30	EOD	Transferred to Expense GL
<b>Reverse the Interest compounded but not paid</b>								
01/12/09	01/12/09	Transactio n Branch	Interest Accrued GL	Dr	CNY1 0	10	EOD	Accrual of interest
01/12/09	01/12/09	Transactio n Branch	Interest Expense GL	Cr	CNY1 0	10	EOD	
<b>Reverse the Interest Accrued but not compounded</b>								
01/12/09	01/12/09	Transactio n Branch	Interest Accrued GL	Dr	CNY1 0	10	EOD	Reversal of accrual
01/12/09	01/12/09	Transactio n Branch	Interest Expense GL	Cr	CNY1 0	10	EOD	
<b>Penalty capitalization</b>								
01/12/09	01/12/09	Transactio n Branch	Interest Expense GL	Dr	CNY2 5	25	EOD	Revised interest with penalty being recalculate d
01/01/10	01/01/10	Transactio n Branch	Interest Payable GL	Cr	CNY2 5	25	EOD	

Transaction Scenarios

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/10	01/01/10	Transactio n Branch	Interest Payable GL	Dr	CNY2 5	25	EOD	
01/01/10	01/01/10	Transactio n Branch	TD Penalty Income GL	Cr	CNY5	5	EOD	
01/01/10	01/01/10	Transactio n Branch	TD Liability GL	Cr	CNY2 0	20	EOD	

Premature Payment with Penalty appropriation and tax deduction on payout

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
<b>Reverse the Interest compounded but not paid</b>								
01/12/09	01/12/09	Transactio n Branch	Interest Compounde d GL	Dr	CNY3 0	30	EOD	Compoundin g interest
01/12/09	01/12/09	Transactio n Branch	Interest Expense GL	Cr	CNY3 0	30	EOD	
<b>Reverse the Interest Accrued but not compounded</b>								
01/12/09	01/12/09	Transactio n Branch	Interest Accrued GL	Dr	CNY1 0	10	EOD	Accrual Interest
01/12/09	01/12/09	Transactio n Branch	Interest Expense GL	Cr	CNY1 0	10	EOD	
<b>Interest paid net of penalty</b>								
01/12/09	01/12/09	Transactio n Branch	Interest Expense GL	Dr	CNY2 5	25	EOD	Reversal of interest with netting of penalty

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Payable GL	Cr	CNY25	25	EOD	
01/01/10	01/01/10	Transaction Branch	Interest Payable GL	Dr	CNY25	25	EOD	
01/01/10	01/01/10	Transaction Branch	Tax withheld GL	Cr	CNY5	5	EOD	
01/12/09	01/12/09	Transaction Branch	Payment GL	Cr	CNY20	20	EOD	

#### TD Credit Interest adjustment

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Expense	Dr	CNY100	100	EOD	Less Interest charged adjusted
01/01/10	01/01/10	Transaction Branch	Interest Accrued	Cr	CNY100	100	EOD	To Accrual

#### TD Debit Interest adjustment

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Accrued	Dr	CNY100	100	EOD	Excess interest recovered
01/01/10	01/01/10	Transaction Branch	Interest Expense	Cr	CNY100	100	EOD	Transferred to Expense



## TD post maturity interest processing, applicable PMI of CNY 10 and its reversal

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Dr	CNY110 0	1100	BOD	Redemptio n of TD and transfer to maturity GL
01/01/1 0	01/01/1 0	Transactio n Branch	TD Maturity GL	Cr	CNY110 0	1100	BOD	
<b>Post Maturity (Same set of GLs for Expense and accrual)</b>								
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Expense GL	Dr	CNY10	10	EOD	Interest calculation post maturity
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Cr	CNY10	10	EOD	
<b>PMI Reversal</b>								
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Dr	CNY10	10	EOD	Reversal of PMI by credit to expense GL
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Expense GL	Cr	CNY10	10	EOD	

**Sweep out to TD**

Sweep out from a CASA Account to a TD Account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY100	100	EOD	Funds transfer from CASA on Sweep out
01/01/10	01/01/10	Account Branch	Payment GL	Cr	CNY100	100	EOD	Intermediate parking of payin amount
01/01/10	01/01/10	Account Branch	Payment GL	Dr	CNY100	100	EOD	From intermediate GL to deposit GL
01/01/10	01/01/10	Transaction Branch	Deposit Liability GL	Dr	CNY100	100	EOD	Deposit creation

**Compensation Interest Credit to Alternate CASA**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Expense	Dr	CNY100	100	EOD	Compensatory interest portion
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	EOD	Transfer to alternate CASA

## TD interest payout by Reinvesting into a new Deposit with added principal of CNY 1000

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Accrued GL	Dr	CNY100	100	BOD	TD redemption
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Cr	CNY100	100	BOD	
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Payable GL	Dr	CNY100	100	BOD	
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Cr	CNY100	100	BOD	
01/01/1 0	01/01/1 0	Transactio n Branch	TD Liability GL	Dr	CNY100 0	1000	BOD	
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Cr	CNY100 0	1000	BOD	
01/01/1 0	01/01/1 0	Transactio n Branch	TD Redemptio n GL	Dr	CNY100 0	1000	BOD	
01/01/1 0	01/01/1 0	Transactio n Branch	TD Maturity GL	Cr	CNY110 0	1100	BOD	
01/01/1 0	01/01/1 0	Transactio n Branch	TD Maturity GL	Dr	CNY110 0	1100	BOD	
01/01/1 0	01/01/1 0	Transactio n Branch	Payment GL	Cr	CNY110 0	1100	BOD	Redemptio n proceeds parked to intermediat e GL
<b>Additional Principal Xfer from CASA</b>								

## Transaction Scenarios

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	CASA Liability GL	Dr	CNY100 0	1000	Online	Additional principal component transferred
01/01/1 0	01/01/1 0	Transactio n Branch	Payment GL	Dr	CNY100 0	1000	Online	
<b>Deposit to Liability GL at EOD with added Principal</b>								
01/01/1 0	01/01/1 0	Transactio n Branch	Payment GL	Dr	CNY210 0	2100	EOD	Maturity proceeds and additional principal
01/01/1 0	01/01/1 0	Transactio n Branch	TD Liability GL	Cr	CNY210 0	2100	EOD	Total proceeds added to a new deposit A/c

### Unclaimed Deposit Processing

Single CASA Account with Balance of CNY 100 is to be marked Unclaimed

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	CASA Asset/Liabilit y GL	Dr	CNY10 0	100	EOD	CASA to be marked unclaimed
01/01/1 0	01/01/1 0	Transactio n Branch	Unclaimed GL	Cr	CNY10 0	100	EOD	CASA outstandin g transferred to unclaimed GL

**TBS:Funds transfer request**

Transfer Funds from Account A to Account B within the same Branch

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY100	100	EOD	Transfer from Account A
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	EOD	Transfer to Account B

### SC for Stop cheque Instruction

SC recovered at EOD for Stop Cheque instruction noted

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY100	100	EOD	Cheque from CASA marked as 'stopped'
01/01/10	01/01/10	Transaction Branch	SC income GL	Cr	CNY100	100	EOD	Transfer to income GL

### File Upload GEFU++ – Fast Path: BA452

Fund transfer to multiple CASA accounts from another single CASA account; with flg\_genarte\_bridge\_gl 'Y'

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY200	200	Online	Provider CASA
01/01/10	01/01/10	Transaction Branch	Bridge GL	Cr	CNY200	200	Online	Parked to Bridge GL

## Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Bridge GL	Dr	CNY200	200	Online	Reversal from Bridge GL
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Beneficiary Account
01/01/10	01/01/10	Transaction Branch	Bridge GL	Dr	CNY100	100	Online	Reversal From Bridge GL
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	Online	Beneficiary Account

### Credit type adjustment on credit interest

Credit type adjustment of interest of CNY 100

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
								Less interest charged now being adjusted
01/01/10	01/01/10	Transaction Branch	Interest Expense GL	Dr	CNY100	100	EOD	Adjusted interest to CASA
01/01/10	01/01/10	Transaction Branch	CASA Asset/Liability GL	Cr	CNY100	100	EOD	

**Accounting Entry on movement of standard asset to NPA, classification done from back date with reversal of applied and accrued interest. Clawback enabled**

A CASA account with accrual frequency Monthly and capitalization frequency Quarterly. The CRR definition of the product specifies if the charged interest is in arrears for more than six months the account moves to NPA. Outstanding details as on the date of classification is as under. Outstanding in CASA OD (Excluding unserviced interest) - CNY1000 Interest arrear (Unserviced inters) for last six months - CNY100 Accrued Interest - CNY10

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/10	01/01/10	Transactio n Branch	CASA Asset GL	Dr	CNY1000	1000	EOD	Original outstandin g in CASA OD
01/01/10	01/01/10	Transactio n Branch	Suspende d Asset GL	Cr	CNY1000	1000	EOD	On marking NPA
01/01/10	01/01/10	Transactio n Branch	Interest Income GL	Dr	CNY100	100	EOD	Charged interest in NPA
01/01/10	01/01/10	Transactio n Branch	Suspende d Interest Income GL	Cr	CNY100	100	EOD	Interest moved to suspended
01/01/10	01/01/10	Transactio n Branch	Interest Receivable GL	Dr	CNY10	10	EOD	Accrued interest
01/01/10	01/01/10	Transactio n Branch	Suspende d Interest receivable GL	Cr	CNY10	10	EOD	Accrued interest transferred after classifying as NPA

**Bill Payment**

Bill Payment from CASA to a Utility Company. Service charge levied for the Txn.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY100	100	Online	Bill amount
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY10	10	Online	SC on bill
01/01/10	01/01/10	Transaction Branch	SC Income GL	Cr	CNY10	10	EOD	Booked as income
01/01/10	01/01/10	Account Branch	Utility Company's Liability GL	Cr	CNY100	100	Online	Bill amount to utility company's account

**ATM. Cash Deposit on Us**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	ATM Cash GL	Dr	CNY100	100	Online	ATM cash updated on deposit
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Cr	CNY100	100	Online	Deposit to CASA



Rewards Credit

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Rewards GL	Dr	CNY100	100	EOD	Rewards collected
01/01/10	01/01/10	Transaction Branch	CASA Asset/ Liability GL	Cr	CNY100	100	EOD	Rewards proceeds Transferred to beneficiary CASA

**On write off of a CASA OD Bad asset . CASA OD is already in suspended GL**

An unsecured NPA CASA OD account with outstanding of CNY 1000 in suspended asset GL .  
50% provisioning were done over a period of time. The write off entry is :

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Write off expense GL	Dr	CNY500	500	EOD	Writing off for the unprovided portion
01/01/10	01/01/10	Transaction Branch	Bad Debt Reserve GL	Dr	CNY500	500	EOD	Provision for 50%
01/01/10	01/01/10	Transaction Branch	Suspended Asset GL	Cr	CNY1000	1000	EOD	Adjusting the suspended asset

**On reverse movement of bad asset to standard asset**

An unsecured NPA CASA OD account with outstanding of CNY 1000 in suspended asset GL .  
Total unpaid interest arrear of CNY 200 is recovered. The Account becomes standard asset.

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Cash GL	Dr	CNY200	200	EOD	Cash deposit in NPA account
01/01/10	01/01/10	Transaction Branch	Suspended Interest Income GL	Cr	CNY200	200	EOD	
01/01/10	01/01/10	Transaction Branch	Suspended Interest Income GL	Dr	CNY200	200	EOD	

Transaction Scenarios

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Income GL	Cr	CNY200	200	EOD	Appropriatio n of interest arrear
01/01/1 0	01/01/1 0	Transactio n Branch	CASA Asset GL	Dr	CNY100 0	1000	EOD	Asset recognized as Standard
01/01/1 0	01/01/1 0	Transactio n Branch	Suspende d Asset GL	Cr	CNY100 0	1000	EOD	Suspended asset transferred as standard

Credit type adjustment on credit interest

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Interest Expense GL	Dr	CNY10 0	100	EOD	Adjustment amount separately debited from expense
01/01/1 0	01/01/1 0	Transactio n Branch	CASA Asset/Liabilit y GL	Cr	CNY10 0	100	EOD	Amount appropriate d to CASA

**On provisioning for Bad Asset**

A Secured CASA OD with outstanding of CNY 1000 on turning NPA and outstanding lying in suspended asset GL . We assume the required provision as per local regulatory norms is 10%. Provision of CNY100 is made in bank's book

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Write off expense GL	Dr	CNY100	100	EOD	
01/01/10	01/01/10	Transaction Branch	Bad Debt Reserve GL	Cr	CNY100	100	EOD	10% provision of CNY1000

**Tax Recovery from CASA**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Payable GL	Dr	CNY100	100	EOD	Accrued Interest
01/01/10	01/01/10	Transaction Branch	Tax withheld GL	Cr	CNY20	20	EOD	Base tax deducted
01/01/10	01/01/10	Transaction Branch	Tax withheld Additional GL	Cr	CNY10	10	EOD	Additional tax
01/01/10	01/01/10	CASA Liability GL	CASA Liability GL	Cr	CNY70	70	EOD	Net interest paid to the account

**CASA OD Penalty**

SC as penalty for OD recovered

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset GL	Dr	CNY100	100	EOD	Penalty deducted
01/01/10	01/01/10	Transaction Branch	SC income GL	Cr	CNY100	100	EOD	Penalty recovered paid to Income

**Reverse Service charge debit**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	SC income GL	Dr	CNY100	100	EOD	Charged SC
01/01/10	01/01/10	Transaction Branch	CASA Asset GL	Cr	CNY100	100	EOD	Reversed by paying back to CASA

**Penalty for RD Debit**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	RD Liability GL	Dr	CNY100	100	EOD	Penalty deducted from RD account

## Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	RD Penalty Income GL	Cr	CNY100	100	EOD	Deducted penalty booked as income

### Reversal of Penalty for RD

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	RD Penalty Income GL	Dr	CNY100	100	EOD	Originally Charged penalty
01/01/10	01/01/10	Transaction Branch	RD Liability GL	Cr	CNY100	100	EOD	Penalty paid back to RD

### RD Deposit by Draw down from CASA

RD Installment Deposit of CNY 100 by transfer from CASA

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY100	100	EOD	Installment deducted from CASA
01/01/10	01/01/10	Transaction Branch	RD Liability GL	Cr	CNY100	100	EOD	Installment paid to RD

## Matured RD transfer to CASA

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	RD Liability GL	Dr	CNY100	100	EOD	Matured RD
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Cr	CNY100	100	EOD	Paid to CASA, as per instruction

## VAT on SC

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY100	100	EOD	CASA from where SC and VAT to be deducted
01/01/10	01/01/10	Transaction Branch	SC Income GL	Cr	CNY70	70	EOD	Recovered SC paid to income GL
01/01/10	01/01/10	Transaction Branch	Additional SC for VAT	Cr	CNY30	30	EOD	Applicable VAT, recovered, is appropriated

## Suspended Interest write off debit

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY70	70	EOD	CASA as standard asset

## Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Interest Income GL	Cr	CNY70	70	EOD	Charged interest as income
<b>On Classifying NPA</b>								
01/01/10	01/01/10	Transaction Branch	Interest Income GL	Dr	CNY70	70	EOD	Interest charged in derecognized
01/01/10	01/01/10	Transaction Branch	Suspended Interest Income GL	Cr	CNY70	70	EOD	Interest suspended
<b>On Write off</b>								
01/01/10	01/01/10	Transaction Branch	Suspended Interest Income GL	Dr	CNY70	70	EOD	Suspended interest
01/01/10	01/01/10	Transaction Branch	Interest write off expense GL	Cr	CNY70	70	EOD	Interest is reduced from income

### FCN Transaction (TD payin in Foreign Currency)

Assume 10 USD is equivalent to 100 CNY

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	USD10	100	Online	Provider account for TD Payin
01/01/10	01/01/10	Transaction Branch	Payment GL	Cr	CNY100	100	Online	Intermediate GL
01/01/10	01/01/10	Transaction Branch	Payment GL	Cr	CNY100	100	EOD	Intermediate GL



## Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	TD Liability GL	Cr	USD10	100	EOD	Converted to USD and payin done

### Depreciation Transaction

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Depreciation Expense GL	Dr	CNY100	100	EOD	Depreciation amount deducted from Expense
01/01/10	01/01/10	Transaction Branch	Fixed Asset GL	Cr	CNY100	100	EOD	Reduced from net block

### SC Capitalization

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY10	10	EOD	Charges for Account maintenance
01/01/10	01/01/10	Transaction Branch	Account Master Maintenance GL	Cr	CNY10	10	EOD	Appropriated to Income
01/01/10	01/01/10	Transaction Branch	CASA Liability GL	Dr	CNY10	10	EOD	SC for Statement

Transaction Scenarios

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/10	01/01/10	Transactio n Branch	Statement SC GL	Cr	CNY10	10	EOD	Appropriate d to Income
01/01/10	01/01/10	Transactio n Branch	CASA Liability GL	Dr	CNY10	10	EOD	SC for Account recovered
01/01/10	01/01/10	Transactio n Branch	Account Turnover GL	Cr	CNY10	10	EOD	Appropriate d as income

**SC Amortization**

SC Billing transaction initiated for CASA where amortization flag is selected at definition level.

Daily amortization of charged SC amount of CNY149 over a period of 30 days

Transaction GL entry at the end of defined frequency of amortization.

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/11	01/01/11	Transactio n Branch	CASA Liability	Dr	CNY149	149	EOD	Billed SC to CASA
01/01/11	01/01/11	Transactio n Branch	SC Amortizatio n GL	Cr	CNY149	149	EOD	Transfer to amortizatio n GL (not same as SC income GL)

\*Amortized amount of last day of amortization (i.e. one day less than the term of amortization) = total Amortization amount – accumulated amortized amount until two days before the end date of amortization

Amortization GL entries :

GL Entries passed for Amortization on daily basis

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/11	01/01/11	Transaction Branch	SC Amortization GL	Dr	CNY 4.97	CNY 4.97	EOD	Amortized SC booked as income
01/01/11	01/01/11	Transaction Branch	SC Income GL	Cr	CNY 4.97	CNY 4.97	EOD	Transfer to SC income GL on expiry of amortization term.

TD Unclaimed Transfer

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	TD Maturity GL	Dr	CNY100	100	EOD	Matured TD without payout instruction
01/01/10	01/01/10	Transaction Branch	TD Unclaimed GL	Cr	CNY100	100	EOD	Transferred as unclaimed

**TD add uncollected interest to Principal**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	TD Interest payable GL	Dr	CNY100	100	EOD	Uncollected interest recovered
01/01/10	01/01/10	Transaction Branch	TD Liability GL	Cr	CNY100	100	EOD	Paid to Deposit account

**Scenario based Cases for Sweep In and Sweep Out****Scenario1 - Event-based sweep-out**Parent (Beneficiary) Account **A**Child (Provider) Account **B**

Set up in Oracle FLEXCUBE - CHM32 Sweep Out Maintenance

**Sweep-out instructions set up on Account B**

Sweep-out Type	Execution Type	Frequency	Sweep out Time (Only for Time Specific)	Minimum Balance to be Retained	Maximum Sweep-out Amount	Minimum Sweep-out Amount	Threshold Amount (reverse sweep out) or Upper Limit (for event-based sweep-out)	Fixed Amount	Sweep-out %age
Normal	Event based	N.A.	N.A.	10000 RMB	0	0	0	0	0

## Transactions in account B

Date	Time	Transaction	Dr/Cr	Transaction Amount	Balance	Remarks
01-01-10	10:00 AM	Initial Pay-in to CA1	Cr	10000	10000	Sweep-out did not occur, "10000" limit not breached.
02-01-10	11:00 AM	Cash Deposit to CA1	Cr	45000	55000	
02-01-10		Sweep-out from CA1 to PA1	Dr	45000	10000	Sweep-out occurred, "10000" limit breached.

## Scenario2 – Specific time sweep-out

Parent (beneficiary) Account **A**

Child (provider) Account **B**

Set up in Oracle FLEXCUBE - CHM32-Normal Sweep-Out Maintenance

## Sweep-out instructions set up on CA1:

Instruction #	Sweep-out Type	Execution Type	Frequency	Sweep out Time (Only for Time Specific)	Minimum Balance to be Retained	Maximum Sweep-out Amount	Minimum Sweep-out Amount	Threshold Amount (reverse sweep out) or Upper Limit (for event-based sweep-out)	Fixed Amount	Sweep-out %age
1	Normal	Specific Time	Daily	10:00 AM	10000 RMB	0	0	0	0	0
2	Normal	Specific Time	Daily	12:00 Noon	10000 RMB	0	0	0	0	0

## Transactions in account B

Date	Time	Transaction	Dr/Cr	Transaction Amount	Balance	Remarks
01-01-10	10:00	None	NA	NA	0	At 10:00 AM, instr 1 does not execute because Min Bal 10000 is not breached.
01-01-10	10:15 AM	Initial Pay-in to CA1	Cr	10000	10000	
02-01-10	11:00 AM	Cash Deposit to CA1	Cr	45000	55000	

## Transaction Scenarios

Date	Time	Transaction	Dr/Cr	Transaction Amount	Balance	Remarks
02-01-10	12:00 Noon	Sweep-out from CA1 to PA1	Dr	45000	10000	Instr 2 for 12:00 Noon executes because Min Bal setup of 10000 has been breached

### Scenario – 3 Specific time sweep-out

Parent (provider) Account **A**

Child (beneficiary) Account **B**

Set up in Oracle FLEXCUBE - CHM32-Reverse Sweep Out Maintenance

#### Sweep-out instructions set up on B:

Instruction #	Sweep-out Type	Execution Type	Frequency	Sweep out Time (Only for Time Specific)	Minimum Balance to be Retained	Maximum Sweep-out Amount	Minimum Sweep-out Amount	Threshold Amount (reverse sweep out) or Upper Limit (for event-based sweep-out)	Fixed Amount	Sweep-out %age
1	Reverse	Specific Time	Daily	10:00 AM	NA	NA	NA	10000	0	0
2	Reverse	Specific Time	Daily	12:00 Noon	NA	NA	NA	10000	0	0

## Transactions in child account B

Date	Time	Transaction	Dr/Cr	Transaction Amount	Balance	Remarks
01-01-10	10:00	None	NA	NA	0	At 10:00 AM, instr 1 does not execute because Min Bal 10000 is not breached.
01-01-10	10:15 AM	Initial Pay-in to B	Cr	10000	10000	
02-01-10	11:00 AM	Cash Deposit to B	Cr	45000	55000	
02-01-10	12:00 Noon	Sweep-out from B to A	Dr	45000	10000	Instr 2 for 12:00 Noon executes because Min Bal setup of 10000 has been breached
03-01-10	09:00 AM	Cash Deposit to B	Cr	25000	35000	
03-01-10	10:00 AM	Sweep-out from B to A	Dr	25000	10000	Instr 1 for 10:00 AM executes because Min Bal setup of 10000 has been breached



## Transaction Scenarios

Date	Time	Transaction	Dr/Cr	Transaction Amount	Balance	Remarks
03-01-10	10.30 AM	Sweep-in from A to B	Cr	10000	20000	Net sweep amt at this point for CA1 is 70000 (45000 + 25000). Hence sweep-in from A to B is successful. After this sweep-in Net sweep amt for CA1 is 60000 (45000+25000-10000).
03-01-10	10.30 A.M.	Cash Withdrawal	Dr	20000	0	Account has gone below the defined threshold amount of 10000

## Transaction Scenarios

Date	Time	Transaction	Dr/Cr	Transaction Amount	Balance	Remarks
03-01-10	12.00 AM	Reverse Sweep-out from A to B	Cr	10000	10000	Reverse sweep-out from A to B is done to meet the threshold amount of 10000  Net sweep amount at this point for CA1 is 50000 (45000 + 25000 – 10000 - 10000)
04-01-10	08.30 AM	Cash Withdrawal of 65000 in B	NA	NA	10000	Sweep-in from A does not execute because Net sweep amount for B is 50000 + available balance 10000 = 60000. The cash withdrawal is for 65000 deficit of 5000

1. If 'Sweep in at' option is chosen as EOD, then following new accounting entries are proposed.

**At the time of, sweep in instruction execution:**

Date	Branch	GL Head	Dr	Amount	Generated	Remarks
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Posting	Value			/ Cr	TCY	LCY-CNY	During	
01/01/10	01/01/10	Branch 1	Intermediate GL	Dr	RMB 1000	RMB 1000	Online	
01/01/10	01/01/10	Branch 1	Beneficiary CASA A/c Liability GL	Cr	RMB 1000	RMB 1000	Online	

## In EOD:

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch 1	Provider CASA A/c Liability GL	Dr	RMB 1000	RMB 1000	EOD	
01/01/10	01/01/10	Branch 1	Beneficiary CASA A/c Liability GL	Cr	RMB 1000	RMB 1000	EOD	

## In EOD:

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch 1	Provider CASA A/c Liability GL	Dr	RMB 1000	RMB 1000	EOD	
01/01/10	01/01/10	Branch 1	Intermediate GL	Cr	RMB 1000	RMB 1000	EOD	

2. In case, beneficiary and provider accounts are belonging to different branches, then intermediate GL belonging to beneficiary account's branch will always be used. This is explained with an example below.

Assume Beneficiary CASA is of Branch XXXX.

Provider CASA is of Branch YYYY.

Then accounting entries which will be passed are as below.

## At the time of, sweep in instruction execution:

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch 1	Intermediate GL	Dr	RMB 450	RMB 450	Online	
01/01/10	01/01/10	Branch 1	Beneficiary CASA A/c Liability GL	Cr	RMB 450	RMB 450	Online	

## In EOD:

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch 1	Provider CASA A/c Liability GL	Dr	RMB 450	RMB 450	EOD	
01/01/10	01/01/10	Branch 1	IB GL	Cr	RMB 450	RMB 450	EOD	
01/01/10	01/01/10	Branch 1	IB GL	Dr	RMB 450	RMB 450	EOD	
01/01/10	01/01/10	Branch 1	Beneficiary CASA A/c Liability GL	Cr	RMB 450	RMB 450	EOD	

## In EOD:

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch 1	Provider CASA A/c Liability GL	Dr	RMB 450	RMB 450	EOD	
01/01/10	01/01/10	Branch 1	Intermediate GL	Cr	RMB 450	RMB 450	EOD	

## Dormant Account Processing

TD account is marked dormant

Date		Branch	GL Head	D r/ C r	Amount		Generate d During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Matured Deposit / Redemptio n Payable GL	Dr	CNY100 0	1000	EOD	Matured TD, with no appropriatio n of maturity proceeds
01/01/1 0	01/01/1 0	Transactio n Branch	Dormant Deposit Credit GL	Cr	CNY100 0	1000	EOD	Transfer on classifying an account as dormant.

On reactivation from dormancy to normal account.

Date		Branch	GL Head	D r/ C r	Amount		Gener ated During	Remarks
Postin g	Value				TCY	LCY -CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Dormant Deposit Credit GL	Dr	CNY1000	1000	EOD	Dormant TD on becoming normal A/c
01/01/1 0	01/01/1 0	Transactio n Branch	Matured Deposit / Redemptio n Payable GL	Cr	CNY1000	1000	EOD	Transfer on TD account becoming normal.

## Transfer to Unclaimed Status

Date		Branch	GL Head	D r/ C r	Amount		Gener ated During	Remarks
Postin g	Value				TCY	LCY- CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Matured Deposit / Redemptio n Payable GL	D r	CNY1000	1000	EOD	Dormant TD on becoming normal A/c
01/01/1 0	01/01/1 0	Transactio n Branch	Unclaimed Deposit Credit GL	C r	CNY1000	1000	EOD	Transfer on TD account becoming normal.

On reactivation from Unclaimed to normal

Date		Branch	GL Head	D r/ C r	Amount		Gener ated During	Remarks
Postin g	Value				TCY	LCY- CNY		
01/01/1 0	01/01/1 0	Transactio n Branch	Unclaimed Deposit Debit GL	D r	CNY1000	1000	EOD	Dormant TD on becoming normal A/c
01/01/1 0	01/01/1 0	Transactio n Branch	Matured Deposit / Redemptio n Payable GL	C r	CNY1000	1000	EOD	Transfer on TD account becoming normal.

## Inventory

Inventory related accounting entries will be passed in the following scenarios and based on the various statuses that the inventory gets during its lifecycle. Here the linkages are considered as the Multi Currency Account (MCA) linked to the inventory/ies:

- When Branch/Sub-branch/outlet issues stock to the customer.
- Delinking of an MCA linked to the inventory and linking to another inventory (Move In – Move Out from Inventory)

- When Inventory is kept in safe custody and is returned back to the customer.
- When Inventory issued is reversed.
- When re-issuing inventory against an inventory marked as 'Lost'.
- When inventory is collected from the customer and kept in safe custody.
- 

Following are the two types of entries that will be passed:

- Collect –
- When the linkages between the Multi Currency Account (MCA) and the inventory number is deleted.
- When the new status of the inventory is 'Converted'.
- Pay –
- When the status of the inventory is marked as 'Normal'.
- When inventory is sold or linked to a Multi Currency Account (MCA).
- When the previous status of the inventory is 'Converted'.
- 
- The accounting entries are explained in the following sections:

**Inventory status is updated as 'Normal' /**

**If the MCA to be linked to 'To Inventory' is the first MCA /**

**Sale of Inventory to an MCA or returning of inventory to customer from safe custody**

**In all the above scenarios system will pass 'Pay' type off balance sheet accounting entry**

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	Inventory Branch	Inventory Memo GL	Dr	50 (Quantity * Denomination)	EOD	MCA is linked to the Inventory
05/01/05	05/01/05	Inventory Branch	Inventory Offset GL (Dummy Memo account)	Cr	50(Quantity * Denomination)	EOD	Corresponding matching entry - MCA is linked to the Inventory

## Reversal of inventory issuance (RED ink reversal)

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	Inventory Branch	Inventory Memo GL	Dr	50 (Quantity * Denomination) = - 50	EOD	Reversal of inventory issuance
05/01/05	05/01/05	Inventory Branch	Inventory Offset GL (Dummy Memo account)	Cr	50(Quantity * Denomination) = - 50	EOD	Corresponding matching entry - Reversal of inventory issuance

## Inventory kept by bank in safe custody - system will pass 'Collect' type off balance sheet accounting entry

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	Inventory Branch	Inventory Offset GL (Dummy Memo account)	Dr	50 (Quantity * Denomination)	EOD	Inventory collection in safe custody
05/01/05	05/01/05	Inventory Branch	Inventory Memo GL	Cr	50(Quantity * Denomination)	EOD	Corresponding matching entry - Inventory collection in safe custody



Linkage between the MCA and the inventory is deleted i.e. the sale of inventory to the MCA is cancelled - system will pass 'Collect' type off balance sheet accounting entry

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	Inventory Branch	Inventory Offset GL (Dummy Memo account)	Dr	50 (Quantity * Denomination)	EOD	MCA linkage to inventory is cancelled
05/01/05	05/01/05	Inventory Branch	Inventory Memo GL	Cr	50(Quantity * Denomination)	EOD	Corresponding matching entry - MCA linkage to inventory is cancelled

When an Inventory which is in the possession of the bank having previous status as 'Converted' is lost - system will pass 'Pay' type off balance sheet accounting entry

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	Inventory Branch	Inventory Memo GL	Dr	50 (Quantity * Denomination)	EOD	Inventory with prior status 'Converted' is lost by bank
05/01/05	05/01/05	Inventory Branch	Inventory Offset GL (Dummy Memo account)	Cr	50(Quantity * Denomination)	EOD	Corresponding matching entry - Inventory with prior status 'Converted' is lost by bank

Inventory with previous status as 'Lost' and the lost reporting is cancelled. Further, prior to the cancellation of the lost report if the inventory status was 'Converted' and the new status post cancellation of lost report is marked back to its erstwhile status i.e. 'Converted' - system will pass 'Collect' type off balance sheet accounting entry

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	Inventory Branch	Inventory Offset GL (Dummy Memo account)	Dr	50 (Quantity * Denomination)	EOD	Lost reporting is cancelled and new status is marked as 'Converted'
05/01/05	05/01/05	Inventory Branch	Inventory Memo GL	Cr	50(Quantity * Denomination)	EOD	Corresponding matching entry - Lost reporting is cancelled and new status is marked as 'Converted'

Reissuance of Inventory due to loss/damage/exhaustion (e.g. pages of passbook) the status of the reissued inventory is marked as 'Normal' / 'Converted' – system will pass 'Pay' type off balance sheet accounting entry

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	Inventory Branch	Inventory Memo GL	Dr	50 (Quantity * Denomination)	EOD	Inventory re-issued
05/01/05	05/01/05	Inventory Branch	Inventory Offset GL (Dummy Memo account)	Cr	50(Quantity * Denomination)	EOD	Corresponding matching entry - Inventory re-issued

If status of the new inventory post re-issuance is 'Converted' the following additional 'Collect' type off balance sheet accounting entry

Date		Branch	GL Head	Dr / Cr	Amount	Generated During	Remarks
Posting	Value						
05/01/05	05/01/05	Inventory Branch	Inventory Offset GL (Dummy Memo account)	Dr	50 (Quantity * Denomination)	EOD	Inventory is re-issued and new status is marked as 'Converted'
05/01/05	05/01/05	Inventory Branch	Inventory Memo GL	Cr	50(Quantity * Denomination)	EOD	Corresponding matching entry - Inventory is re-issued and new status is marked as 'Converted'

### Cash Management

The following accounting entries depict the scenarios of cash being transferred between banks. Banks would mean the Central Bank of the country/other banks. It also covers internal cash transfer across branches and booking cash shortage/ overage. In current OFCR framework, though system provides an option to buy/ sell cash from/to central bank using task codes 'Buy Cash From Central Bank' (FP: 9009) and 'Sell Cash To Central Bank' (FP: 9010). The accounting entries given below assume the existence of mirror CASA account to which the GL entries are passed which are otherwise not supported in these two options. The Mirror CASA accounts opened report to CAS Asset GL.

### Cash deposit to Central Bank / other bank

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	CASA Asset GL	Dr	CNY10000	10000	Online	Cash deposit in Central Bank/other bank

## Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Cash GL	Cr	CNY10000	10000	Online	Cash payout

### Cash withdrawal from Central Bank / other bank

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Transaction Branch	Cash GL	Dr	CNY10000	10000	Online	Cash withdrawal from Central Bank/other bank
01/01/10	01/01/10	Transaction Branch	CASA Asset GL	Cr	CNY10000	10000	Online	Cash withdrawal from Central Bank/other bank
01/01/10	01/01/10	Transaction Branch	Inventory Memo GL	Dr	CNY1	1	EOD	Pay (off balance sheet entry) for cheque inventory used for withdrawal
01/01/10	01/01/10	Transaction Branch	Inventory Offset GL (Dummy Memo account)	Cr	CNY1	1	EOD	Corresponding matching entry -

## Cash handing over / selling by Outlet / sub-branch to HO (superior) branch

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	HO (superior) branch	Cash GL	Dr	CNY10000	10000	Online	Cash received by HO (superior branch) from outlet/sub-branch
01/01/10	01/01/10	HO (superior) branch	IB GL	Cr	CNY10000	10000	EOD	Contra entry
01/01/10	01/01/10	Outlet/sub-branch	IB GL	Dr	CNY10000	10000	EOD	Contra entry
01/01/10	01/01/10	Outlet/sub-branch	Cash GL	Cr	CNY10000	10000	Online	Cash handed over to HO (superior branch) by outlet/sub-branch

## Cash receiving by Outlet/sub-branch from HO (superior) branch

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Outlet/sub-branch	Cash GL	Dr	CNY10000	10000	Online	Cash received by outlet/sub-branch from HO (superior branch)
01/01/10	01/01/10	Outlet/sub-branch	IB GL	Cr	CNY10000	10000	EOD	Contra entry
01/01/10	01/01/10	HO (superior) branch	IB GL	Dr	CNY10000	10000	EOD	Contra entry
01/01/10	01/01/10	HO (superior) branch	Cash GL	Cr	CNY10000	10000	Online	Cash handed over to outlet/sub-branch by HO (superior branch)

## Booking of Cash shortage

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch where shortage is booked	Cash Shortage GL	Dr	CNY100	100	Online	Cash shortage booked to Asset GL

Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch where shortage is booked	Cash GL	Cr	CNY100	100	Online	Cash shortage booked

Cash received/recovered subsequently against the cash shortage booked

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch where shortage was booked	Cash GL	Dr	CNY100	100	Online	Cash recovered against cash shortage booked
01/01/10	01/01/10	Branch where shortage was booked	Cash Shortage GL	Cr	CNY100	100	Online	Cash shortage booking reversed

## Recovery of cash shortage booked from customers CASA account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account branch	CASA Asset/Liability GL	Dr	CNY100	100	Online	Customers CASA account debited after tracing the cash shortage
01/01/10	01/01/10	Branch where shortage was booked	Cash Shortage GL	Cr	CNY100	100	Online	Cash shortage booking reversed

## Absorbing of cash shortage booked by booking expense

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch where shortage was booked	Non Business expense GL	Dr	CNY100	100	Online	Cash shortage booking reversed by booking as an expense
01/01/10	01/01/10	Branch where shortage was booked	Cash Shortage GL	Cr	CNY100	100	Online	Cash shortage booking reversed



## Booking of Cash overage

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch where overage is booked	Cash GL	Dr	CNY100	100	Online	Cash overage booked
01/01/10	01/01/10	Branch where overage is booked	Cash Overage GL	Cr	CNY100	100	Online	Cash overage booked to Liability GL

## Refund of Cash overage against Cash

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch where overage was booked	Cash Overage GL	Dr	CNY100	100	Online	Cash overage booking reversed
01/01/10	01/01/10	Branch where overage is booked	Cash GL	Cr	CNY100	100	Online	Cash paid out towards cash overage booked

## Refund of Cash overage against customers CASA account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch where overage was booked	Cash Overage GL	Dr	CNY100	100	Online	Cash overage booking reversed
01/01/10	01/01/10	Account branch	CASA Asset/Liability GL	Cr	CNY100	100	Online	Amount paid out to customer towards cash overage booked

## Cash overage booked to Income GL

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Branch where overage was booked	Cash Overage GL	Dr	CNY100	100	Online	Cash overage booking reversed
01/01/10	01/01/10	Branch where overage was booked	Non Business Income GL	Cr	CNY100	100	Online	Cash overage amount booked to income GL

## Loans

'**Entrusted Loan**' is a unique product which is offered by the Banks in China. The Entrusted Loan works on the fundamental of lending on behalf of another entity/body/financial Institution. There are financial Institutions/entities, NBFC's (Non Banking Financial Companies), Individuals etc., who do not have appropriate rights directly to lend in the market i.e., to the end customer (as per People's Bank of China regulations). Hence, these companies approach the Bank (who have a right to lend in the market directly) and strike a deal with them on the terms that they would pass on the funds to the Bank and the Bank should lend the same to the market (Individual Borrowers) on their behalf. The Interest and Principal after recovery from the borrowers will be returned back to these financial institutions.

The following accounting entries depict the scenarios considering the Entrusted Loans functionality.

The entrusted loans related accounting entries given below will be passed only upon:

Checking of the flag 'Entrusted Loans' in the Definition tab of Product Master Maintenance (Fast Path: LNM11).

The value in Product Class drop down in CASA Product Master Maintenance (Fast Path: CHM01) is maintained as 'Entrusted'.

The 3 CASA accounts viz., Entrusted Settlement (Principal Remittance & No Principal Remittance), Entrusted Deposit and Entrusted Mirror accounts are opened under CASA Liability Products.

The Entrusted Deposit CASA account number is entered in the Loan Direct Account Opening screen (Fast Path: LN057).

### Transfer of funds from Entrusted Settlement (Principal Remittance) CASA Account to Entrusted Deposit CASA Account (Fast Path: 1103)

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	CASA Liability GL	Dr	CNY10000	10000	EOD	Funds transferred from Entrusted Settlement (Principal Remittance) CASA account to Entrusted Deposit CASA account

## Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	CASA Liability GL	Cr	CNY10000	10000	EOD	Funds transferred to Entrusted Deposit CASA account from Entrusted Settlement (Principal Remittance) CASA account

**Note:** Loan account opening will be possible only if and to the extent of the funds available in the Entrusted Deposit CASA account.

### Loan Disbursement to CASA account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	Loan Asset GL	Dr	CNY10000	10000	EOD	Disbursement by Transfer to borrowers CASA account
01/01/10	01/01/10	CASA Account Branch	CASA Asset/Liability GL	Cr	CNY10000	10000	EOD	Disbursement by Transfer to borrowers CASA account

**Note:** As mentioned above the Loan account opening and disbursement will be possible only if and to the extent of the funds available in the Entrusted Deposit CASA account.

## Funds transfer from Entrusted Deposit CASA to Entrusted Mirror CASA account

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	CASA Liability GL	Dr	CNY10000	10000	EOD	Funds transferred from Entrusted Deposit CASA account to Entrusted Mirror CASA account
01/01/10	01/01/10	Account Branch	CASA Liability GL	Cr	CNY10000	10000	EOD	Funds transferred to Entrusted Mirror CASA account from Entrusted Deposit CASA account

**Note:** As part of loan disbursement system will automatically reduce the amount of available balance in the Entrusted Deposit CASA account to the extent of the loan amount disbursed and credit Entrusted Mirror CASA account.

**Funds transfer from Entrusted Mirror CASA to Entrusted Deposit CASA account on account of disbursement reversal**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	CASA Liability GL	Dr	CNY10000	10000	EOD	Funds transferred from Entrusted Mirror CASA account to Entrusted Deposit CASA account due to disbursement reversal
01/01/10	01/01/10	Account Branch	CASA Liability GL	Cr	CNY10000	10000	EOD	Funds transferred to Entrusted Deposit CASA account from Entrusted Mirror CASA account due to disbursement reversal

**Loans Drawdown and Repayment – Principal**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		

Transaction Scenarios

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	CASA Asset/Liability GL	Dr	CNY1000	1000	EOD	Loan Installment payment (principal) from borrowers CASA account
01/01/10	01/01/10	CASA Account Branch	Unapplied Advance (RPA) GL	Cr	CNY1000	1000	EOD	Loan Installment payment (principal) from borrowers CASA account

Principal Repayment

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	Unapplied Advance (RPA) GL	Dr	CNY1000	1000	EOD	Loan Installment payment (principal)
01/01/10	01/01/10	CASA Account Branch	Loan Asset GL	Cr	CNY1000	1000	EOD	Loan Installment payment (principal)

**Transfer of funds from Entrusted Mirror CASA Account to Entrusted Deposit CASA Account**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	CASA Liability GL	Dr	CNY1000	1000	EOD	Funds transferred from Entrusted Mirror CASA account to Entrusted Deposit CASA account to the extent of principal repayment
01/01/10	01/01/10	Account Branch	CASA Liability GL	Cr	CNY1000	1000	EOD	Funds transferred to Entrusted Deposit CASA account from Entrusted Mirror CASA account to the extent of principal repayment

**Note:** The above entries will be passed to the extent of the principal repayment done



**Transfer of funds from Entrusted Deposit CASA Account to Entrusted Settlement (Principal Remittance) CASA Account (FP: 1103)**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	CASA Liability GL	Dr	CNY1000	1000	EOD	Funds transferred from Entrusted Deposit CASA account to Entrusted Settlement (Principal Remittance) CASA account to the extent of principal repayment
01/01/10	01/01/10	Account Branch	CASA Liability GL	Cr	CNY1000	1000	EOD	Funds transferred to Entrusted Settlement (Principal Remittance) CASA account from Entrusted Deposit CASA account to the extent of principal repayment

**Note:** The above entries will be passed to the extent of the principal repayment done. The above entry will be passed by the system itself during the batch processing if the Remittance mode is "Automatic". If the Remittance mode is "Manual", then the above entry is to be passed manually from screen 1103.

## Loans Interest Accrual

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	Interest Accrued GL	Dr	CNY100	100	EOD	Interest accrued on loan account
01/01/10	01/01/10	Account Branch	Interest Income GL	Cr	CNY100	100	EOD	Interest accrued on loan account

## Loans Interest Charging

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	Interest Receivable GL	Dr	CNY100	100	EOD	Interest charged on loan account
01/01/10	01/01/10	Account Branch	Interest Accrued GL	Cr	CNY100	100	EOD	Interest charged on loan account

## Loans Drawdown and Repayment – Interest

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	CASA Asset/Liability GL	Dr	CNY100	100	EOD	Loan Installment payment (interest) from borrowers CASA account
01/01/10	01/01/10	CASA Account Branch	Unapplied Advance (RPA) GL	Cr	CNY100	100	EOD	Loan Installment payment (interest) from borrowers CASA account

## Interest Repayment

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	Unapplied Advance (RPA) GL	Dr	CNY100	100	EOD	Loan Interest repayment
01/01/10	01/01/10	CASA Account Branch	Interest Receivable GL	Cr	CNY100	100	EOD	Loan Interest repayment

**Credit to Entrusted Settlement (Non Principal Remittance) CASA account to the extent of Interest repayment done as part of batch process**

Date		Branch	GL Head	Dr / Cr	Amount		Generated During	Remarks
Posting	Value				TCY	LCY-CNY		
01/01/10	01/01/10	Account Branch	Interest Income GL	Dr	CNY100	100	EOD	Loan Interest repayment
01/01/10	01/01/10	CASA Account Branch	CASA Liability GL	Cr	CNY100	100	EOD	Loan Interest repayment

**Note:** The interest income recognised for loan accounts under the entrusted product is not the bank's income since the funds for lending are provided by a third party. Hence though the income recognition will take place in the bank's books, the income booked will be transferred to the entrusted settlement (Non Principal Remittance) CASA after the borrower makes the repayment. Thus interest income GL is debited and credited to Entrusted Settlement (Non Principal Remittance) CASA account after repayment. The above entry is passed by the system itself during the batch processing irrespective of the Remittance mode (Automatic / Manual).

**Advance Payment against Letter of Credit, Bank Guarantee and Acceptance Bill**

The following accounting entries depict the scenarios of Advance Payment granted by the banks to its beneficiary customers in the case of

Letter of Credit (LC) wherein the exporters bank requests for payment

Invoking of Bank Guarantee (BG) by the beneficiary of the BG

Presentment of Acceptance Bill (AB) by the manufacturer on the due date

A new loan product category is maintained at the Product Master Maintenance screen (FP: LNM11) in the existing product category field to highlight LC/BG/Bill product. Following accounts of the customer will be involved for this kind of advance payment:

Sr.No.	Account Type	Purpose	Module/GL
1	Margin TD Account	As part of the Advance Payment facility for LC/BG/AB the customer deposits the margin amount in this TD account. Funds from this account including accrued interest will be used to make the payment.	TD/TD Liability GL
2	Margin CASA Account	As part of the Advance Payment facility for LC/BG/AB the customer deposits the margin amount in this CASA account. Funds from this account (available balance excluding the accrued interest) will be used to make the payment.	CASA/CASA Asset/Liability GL

3	Settlement Account	This is the CASA account of the customer which will be debited in case of non-existence or shortfall in the Margin Account CASA/TD account.	CASA/CASA Asset/Liability GL
4	Drafts & TT Payable CASA	During the funds preparation process, the funds recovered from the respective margin account/s and settlement account are parked in the drafts and TT payable CASA.	CASA/CASA Asset/Liability GL
5	Dummy GL	In event of the funds in the margin and settlement accounts being insufficient to pay the bill, the bank pays for the same. In this case a pre-designated Misc. Dr/Cr. Type GL (Dummy GL) will be debited for the shortfall and credit is passed to the Drafts & TT payable CASA. In such cases, system will mark a hold on the settlement CASA at BOD to the extent of the shortfall. This hold will be marked for the entire day till the loan account is created in case the customer does not make a payment. If the customer makes a payment which is adequate to recover the shortfall amount, the amount will be transferred back to the Dummy GL at EOD. The hold will be subsequently removed. If the customer makes partial payment, the amount paid will be transferred to the Dummy GL and hold to the extent of the payment made will be removed—residual hold will continue. The shortfall amount will be reduced to the extent of the payment made by the customer. In case of non funding or partial funding the residual balance in Dummy GL will be finally reversed by means of proceeds from a Loan account. This amount is referred to as Advance Payment record.	GL/Liability GL
6	Loan account	In case an Advance Payment record exists, a loan account will be opened at EOD and funds will be credited to the Dummy GL account to that extent and nullified.	Loans/Asset GL

**Note:** Only one Margin CASA or one Margin TD or a combination of one margin CASA and one margin deposit is allowed.

Only one Settlement CASA account is allowed.

All the Margin CASA/TD, Settlement, Dummy GL and Loan account related details will be maintained as part of Funding Preparation screen (FP: BA070).

Inter branch entries will be passed by the system wherever applicable.

All the below examples and its related accounting entries are assuming that the transaction and account branch are the same.

Balance in margin accounts adequate to pay the bill proceeds.( Bill type – Bill)

Bill amount – RMB 100,000.00

Margin accounts :

The accounts are added in the margin account grid in the following sequential order.

Bill Type – Acceptance Bill

Account no	Type	Available balance(RMB)
A	CASA	60,000.00
D	Time Deposit	35,000.00

Accrued Interest on Time deposit D = RMB 8000

Accounting entries for CASA (Entries will be passed during the beginning of day )

Dr/ Cr	GL Head	Branch	Amount	Currency
DR	CASA Asset/Liability GL (CASA A)	Transaction branch	60,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT Payable CASA)	Transaction branch	60,000.00	RMB

Accounting entries for Time deposits (Entries will be passed during the beginning of day)

Dr/ Cr	GL Head	Branch	Amount	Currency
DR	Regular Deposits GL	Transaction branch	35,000.00	RMB
CR	Redemption Payable GL (TDD)	Transaction branch	35,000.00	RMB
DR	Redemption Payable GL (TDD)	Transaction Branch	35,000.00	RMB
CR	Payment GL (TDD)	Transaction Branch	35,000.00	RMB

## Transaction Scenarios

Dr/ Cr	GL Head	Branch	Amount	Currency
DR	Payment GL (TDD)	Transactio n Branch	35,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT Payable CASA)	Transactio n Branch	35,000.00	RMB
DR	Interest Expense GL (Accrual entry )	Account Branch	8000.00	RMB
CR	Interest Accrued GL (Accrual entry)	Account Branch	8000.00	RMB
DR	Interest Accrued GL	Account Branch	8000.00	RMB
CR	Interest Payable GL	Account Branch	8000.00	RMB
DR	Interest Payable GL	Transactio n Branch	8000.00	RMB
CR	Payment GL	Transactio n Branch	8000.00	RMB
DR	Payment GL	Transactio n Branch	8000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT Payable CASA)	Transactio n Branch	5000.00	RMB
CR	CASA Asset/Liability GL (Settlement CASA)	Transactio n Branch	3000.00	RMB

Combination of margin and settlement accounts to pay the bill proceeds. ( Bill type –LC/BG)

Bill amount – RMB 150,000.00

Margin accounts : The accounts are added in the margin account grid in the following sequential order.

Account no	Type	Available balance(RMB)
A	CASA	100,000.00

Settlement CASA – CASA E

Available balance for CASA E – RMB 50,000.00

Accrued interest for CASA E – RMB 6,500.00

Accounting entries for margin CASA.

CASA accounts are updated online however the GL entries will be passed at EOD.

Dr/ Cr	GL Head	Branch	Amount	Currency
DR	CASA Asset/Liability GL (CASA A)	Transaction branch	100,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT Payable CASA)	Transaction branch	100,000.00	RMB

Accounting entries for settlement CASA.

CASA accounts are updated online however the GL entries will be passed at EOD.

Dr/ Cr	GL Head	Branch	Amount	Currency
DR	CASA Asset/Liability GL (CASA E)	Transaction branch	50,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT Payable CASA)	Transaction branch	50,000.00	RMB

The assumption here is that there is no accrued interest.

Balance insufficient in margin and settlement accounts – subsequent end of day processing

Bill amount – RMB 100,000.00

Margin accounts : The accounts are added in the margin account grid in the following sequential order.

Account no.	Type	Available balance(RMB)
A	CASA	60,000.00

Settlement CASA – CASA C

Available balance for CASA C – RMB 20,000.00

Shortfall amount – RMB 20,000.00

Flexcube will place a hold on settlement CASA C to the extent of RMB 20000. No other processing will take place during the beginning of day.

Assuming that the customer deposits RMB 40000 during the day in the settlement CASA C – Flexcube will pass the accounting entries for the available balance by debiting the margin and settlement accounts and crediting the drafts and tt payable CASA.



## Transaction Scenarios

The dummy GL will also be debited simultaneously and credit will be passed to the Drafts and TT Payable CASA account.

In the end of day, the settlement CASA account will be debited for the shortfall amount and the hold will be removed.

The pre designated GL viz., Dummy GL will be credited for the shortfall which was debited earlier in the beginning of day.

Accounting entries for margin and settlement CASA ( Entries will be passed during the beginning of day )

Dr/ Cr	GL Head	BranchH	Amount	Currency
DR	CASA Asset/Liability GL (CASA A)	Transaction branch	60,000.00	RMB
DR	CASA Asset/Liability GL (CASA C)	Transaction branch	20,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT payable CASA)	Transaction branch	80,000.00	RMB
DR	Dummy GL	Transaction Branch	20,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT Payable CASA)	Transaction Branch	20,000.00	RMB

Accounting entries passed during the end of day after the customer has deposited funds in the settlement CASA

Dr/ Cr	GL Head	BranchH	Amount	Currency
DR	CASA Asset/Liability GL (CASA C)	Transaction branch	20,000.00	RMB
CR	Dummy GL	Transaction branch	20,000.00	RMB

Balance insufficient in margin and settlement accounts – creation of loan account and related end of day processing)

Bill amount – RMB 100,000.00

Account no	Type	Available balance(RMB)
A	Margin CASA	20,000.00
B	Settlement CASA	40,000.00

Shortfall amount – RMB 40,000.00

Hold will be placed on settlement CASA account for RMB 40,000.00

Accounting entries passed during the beginning of day

Dr/ Cr	GL Head	BranchH	Amount	Currency
DR	CASA Asset/Liability GL (CASA A)	Transaction branch	20,000.00	RMB
DR	CASA Asset/Liability GL (CASA B)	Transaction branch	40,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT payable CASA)	Transaction branch	60,000.00	RMB
DR	Dummy GL	Transaction branch	40,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT payable CASA)	Transaction branch	40,000.00	RMB

Accounting entries passed during the end of day

Dr/ Cr	GL Head	BranchH	Amount	Currency
DR	Loans Asset GL	Transaction Branch	40,000.00	RMB
CR	Dummy GL	Transaction	40,000.00	RMB

## Transaction Scenarios

Dr/ Cr	GL Head	BranchH	Amount	Currency
		Branch		

Hold placed on settlement CASA will be removed in the end of day after the loan is booked.  
The assumption here is that there is no accrued interest.

Balance insufficient in margin and settlement accounts – creation of loan account and related end of day processing – All processing in local currency (RMB).

LC amount – RMB 100,000.00

Account no	Type	Available balance(RMB)
A	Margin CASA	20,000.00
B	Settlement CASA	40,000.00

Shortfall amount – RMB 40,000.00

CASA and Dummy GL accounts are updated online (GL accounting entries will be passed at EOD)

Dr/ Cr	GL Head	BranchH	Amount	Currency
DR	CASA Asset/Liability GL (CASA A)	Transaction branch	20,000.00	RMB
DR	CASA Asset/Liability GL (CASA B)	Transaction branch	40,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT Payable CASA)	Transaction branch	60,000.00	RMB
DR	Dummy GL	Transaction Branch	40,000.00	RMB
CR	CASA Asset/Liability GL (Drafts and TT Payable CASA)	Transaction Branch	40,000.00	RMB

Hold will be placed on the settlement CASA for the shortfall amount of RMB 40,000.00.

Accounting entries passed during end of day

<b>Dr/ Cr</b>	<b>GL Head</b>	<b>BranchH</b>	<b>Amount</b>	<b>Currency</b>
DR	Loans Asset GL	Transaction Branch	40,000.00	RMB
CR	Dummy GL	Transaction Branch	40,000.00	RMB

Hold placed on the settlement CASA will be deleted after the above loan is booked.



**Accounting Entries User Manual**

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