**Product Catalogue – Consumer Lending Module**

# Oracle FLEXCUBE Universal Banking

Accelerator Pack 14.4.0.2.0

**Part No. F36581-01**

# ORACLE
FINANCIAL SERVICES

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**Product Catalogue – Consumer Lending Module**

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# 1 Product Catalogue – Consumer Lending Module (CL)

This chapter describes the various products of CL. The products are described in the following sections:

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## 1.1 Product Code LRE3 – Home Loans (Amortized Loans Product)

### 1.1.1 Introduction

This product can be used to create home loans with bearing interest calculation. Schedule type for this loan product is Amortized Reducing. Negative Interest allowed Check box is checked for the main Interest Components. So both Positive and Negative Interest can be applied for the loans created using this products.Till full disbursement of loan pre emi interest calculated. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad-hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product. The loan contract is tracked in contingent GLs after it is written off.

### 1.1.2 Business Scenario

- Loans with Amortized type (Amortized and simple) can be booked.

- Interest calculation is based on principal expected and is Amortized Reducing (simple and amortized) based on frequencies.

- Loans with Negative Interest Can be booked.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is done through contingent accruals based on status movement.

- Reporting assets in different heads based on status movement with or without rule maintenance.

- Reporting assets in contingent heads after the contract reaches the worst status.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Manual rollover is set during maturity of loan.

### 1.1.3 Synopsis

- This product can be used to creating amortized loans.

- The disbursement mode is auto.

- The contracts are tracked in contingent heads after they reach adverse status.

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- Currency, customer type and Branch restrictions are applied on the contracts.

- VAMI and prepayment re-computation type is Change Installment.

## 1.1.4 Detailed Coverage

### 1.1.4.1 Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Liquidate all components for a date

- Holiday treatment for all schedules

  - Holidays ignored

- Account preferences

  - Track receivable auto liquidation enabled

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

- Rollover

  - Manual rollover.

  - Rolled over by days.

  - Product UDEs are captured during rollover.

  - Custom rollover is allowed.

- ▪ Rollover schedule type is based on contract schedules.

- ▪ Rollover components based on Principal and Interest.

- Re-computation of Amort Loan

  - ▪ Installment will be changed during VAMI action.

  - ▪ Multiple installments will be created during VAMI.

- Prepayment of loan

  - ▪ Basis of re-computing the schedules is change EMI.

  - ▪ Prepayment is effective from value date of payment.

  - ▪ Multiple installments will be created during payment.

## 1.1.4.2 Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- 4 days grace period is allowed for this component.

## 1.1.4.3 Main Interest Component

- Based on principal expected balance.

- This component has simple formula to calculate the pre emi interest before full disbursement of loan.

- This component has amortized formula to calculate the same repayment amount which includes principal and interest across schedules.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed or floating.

- Interest calculation method is Actual/365.

- 4 days grace period is allowed for this component.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.1.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.1.4.5 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.1.4.6 Equitable Mortgage Charge

Calculated based percentage based on amount financed.

### 1.1.4.7 Handling Charge

For handling charge, any amount can be input during contract booking.

### 1.1.4.8 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.1.4.9 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.1.4.10 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.1.4.11 With Holding Tax

With Holding tax enabled for Main Interest.

### 1.1.4.12 Service Tax Component

Service tax is calculated on processing charge.

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### 1.1.4.13    Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

### 1.1.4.14    Currency Restrictions

INR – Indian Rupee currency is restricted.

### 1.1.4.15    Customer Category Restrictions

Corporate category is restricted.

### 1.1.4.16    Branch Restrictions

Branch (002) is restricted.

## 1.1.5  Events Covered

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| ACCR | C | COL_INTINC | COL_INT_ACCR |
| ACCR | C | COL_INTINC | COL_INT_ACCR |
| ACCR | C | COL_INTINC | COL_INT_ACCR |
| ACCR | C | COL_INTINC | COL_INT_ACCR |
| ACCR | C | COL_INTINC | COL_INT_ACCR |
| ACCR | D | COL_INTREC | COL_INT_ACCR |
| ACCR | D | COL_INTREC | COL_INT_ACCR |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| ACCR | D | COL_INTREC | COL_INT_ACCR |
| ACCR | D | COL_INTREC | COL_INT_ACCR |
| ACCR | D | COL_INTREC | COL_INT_ACCR |
| ACCR | C | MAIN_INTINC | MAIN_INT_ACCR |
| ACCR | C | MAIN_INTINC | MAIN_INT_ACCR |
| ACCR | C | MAIN_INTINC | MAIN_INT_ACCR |
| ACCR | D | MAIN_INTREC | MAIN_INT_ACCR |
| ACCR | D | MAIN_INT_DOUB | MAIN_INT_ACCR |
| ACCR | D | MAIN_INT_SUBS | MAIN_INT_ACCR |
| ACCR | C | PROC_INTINC | PROC_INT_ACCR |
| ACCR | C | PROC_INTINC | PROC_INT_ACCR |
| ACCR | C | PROC_INTINC | PROC_INT_ACCR |
| ACCR | C | PROC_INTINC | PROC_INT_ACCR |
| ACCR | C | PROC_INTINC | PROC_INT_ACCR |
| ACCR | D | PROC_INTREC | PROC_INT_ACCR |
| ACCR | D | PROC_INTREC | PROC_INT_ACCR |

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| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| ACCR | D | PROC_INTREC | PROC_INT_ACCR |
| ACCR | D | PROC_INTREC | PROC_INT_ACCR |
| ACCR | D | PROC_INTREC | PROC_INT_ACCR |
| ACCR | C | SUSPED_LOSS | MAIN_INT_SACR |
| ACCR | C | SUSPED_WOFF | MAIN_INT_SACR |
| ACCR | D | SUSP_LOSS | MAIN_INT_SACR |
| ACCR | D | SUSP_WOFF | MAIN_INT_SACR |
| ACCR | D | MAIN_INTEXP | MAIN_INT_NEG_ACCR |
| ACCR | C | MAIN_INTPAY | MAIN_INT_NEG_ACCR |
| ADCH | C | ADCH_CHGINC | ADCH_CHG_ADCH |
| ADCH | D | DR_SETTL_BRIDGE | ADCH_CHG_ADCH |
| ALIQ | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | PROC_INT_LIQD |
| ALIQ | D | COL_INTEXP | COL_INT_WAVD |
| ALIQ | C | COL_INTREC | COL_INT_CAP |

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| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| ALIQ | C | COL_INTREC | COL_INT_LIQD |
| ALIQ | C | COL_INTREC | COL_INT_WAVD |
| ALIQ | C | CONTP_LOSS | PRINCIPAL_CLIQ |
| ALIQ | D | CONTRAP_LOSS | PRINCIPAL_CLIQ |
| ALIQ | D | CONTRA_LOSS | MAIN_INT_CLIQ |
| ALIQ | C | CONT_LOSS | MAIN_INT_CLIQ |
| ALIQ | D | DR_SETTL_BRIDGE | COL_INT_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | MAIN_INT_SACL |
| ALIQ | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| ALIQ | C | MAIN_INTINC | MAIN_INT_SACL |
| ALIQ | C | MAIN_INTREC | MAIN_INT_CAP |
| ALIQ | C | MAIN_INTREC | MAIN_INT_LIQD |
| ALIQ | D | LOAN_ACCOUNT | COL_INT_CAP |
| ALIQ | D | LOAN_ACCOUNT | MAIN_INT_CAP |
| ALIQ | D | LOAN_ACCOUNT | ODIN_PNLTY_CAP |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| ALIQ | D | LOAN_ACCOUNT | ODPR_PNLTY_CAP |
| ALIQ | C | LOAN_ACCOUNT | PRINCIPAL_LIQD |
| ALIQ | C | LOAN_ACCOUNT | PRINCIPAL_WAVD |
| ALIQ | D | LOAN_ACCOUNT | PROC_INT_CAP |
| ALIQ | D | MAIN_INTEXP | MAIN_INT_WAVD |
| ALIQ | C | MAIN_INTREC | MAIN_INT_WAVD |
| ALIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_CAP |
| ALIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| ALIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_CAP |
| ALIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| ALIQ | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| ALIQ | D | PROC_INTEXP | PROC_INT_WAVD |
| ALIQ | C | PROC_INTREC | PROC_INT_CAP |
| ALIQ | C | PROC_INTREC | PROC_INT_LIQD |
| ALIQ | C | PROC_INTREC | PROC_INT_WAVD |
| ALIQ | D | SUSPED_LOSS | MAIN_INT_SLIQ |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| ALIQ | C | SUSP_LOSS | MAIN_INT_SLIQ |
| ALIQ | C | LOAN_ACCOUNT | MAIN_INT_NEG_CAP |
| ALIQ | D | MAIN_INTPAY | MAIN_INT_NEG_CAP |
| ALIQ | C | CR_SETTL_BRIDGE | MAIN_INT_NEG_LIQD |
| ALIQ | D | MAIN_INTPAY | MAIN_INT_NEG_LIQD |
| BOOK | D | DR_SETTL_BRIDGE | PROC_CHARGE_LIQD |
| BOOK | D | DR_SETTL_BRIDGE | SERVICE_TAX_LIQD |
| BOOK | C | PROC_CHARGEINC | PROC_CHARGE_LIQD |
| BOOK | C | SERVICE_TAXPAY | SERVICE_TAX_LIQD |
| DSBR | C | CR_SETTL_BRIDGE | PRINCIPAL |
| DSBR | D | LOAN_ACCOUNT | PRINCIPAL |
| MLIQ | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | PRE_PENALTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | PROC_INT_LIQD |
| MLIQ | D | COL_INTEXP | COL_INT_WAVD |

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| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| MLIQ | C | COL_INTREC | COL_INT_CAP |
| MLIQ | C | COL_INTREC | COL_INT_LIQD |
| MLIQ | C | COL_INTREC | COL_INT_WAVD |
| MLIQ | C | CONTP_LOSS | PRINCIPAL_CLIQ |
| MLIQ | D | CONTRAP_LOSS | PRINCIPAL_CLIQ |
| MLIQ | D | CONTRA_LOSS | MAIN_INT_CLIQ |
| MLIQ | C | CONT_LOSS | MAIN_INT_CLIQ |
| MLIQ | D | DR_SETTL_BRIDGE | COL_INT_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | MAIN_INT_SACL |
| MLIQ | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| MLIQ | C | MAIN_INTINC | MAIN_INT_SACL |
| MLIQ | C | MAIN_INTREC | MAIN_INT_CAP |
| MLIQ | C | MAIN_INTREC | MAIN_INT_LIQD |
| MLIQ | D | LOAN_ACCOUNT | COL_INT_CAP |
| MLIQ | D | LOAN_ACCOUNT | MAIN_INT_CAP |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|------------|-----------------|-----------------|-------------|
| MLIQ | D | LOAN_ACCOUNT | ODIN_PNLTY_CAP |
| MLIQ | D | LOAN_ACCOUNT | ODPR_PNLTY_CAP |
| MLIQ | C | LOAN_ACCOUNT | PRINCIPAL_LIQD |
| MLIQ | C | LOAN_ACCOUNT | PRINCIPAL_WAVD |
| MLIQ | D | LOAN_ACCOUNT | PROC_INT_CAP |
| MLIQ | D | MAIN_INTEXP | MAIN_INT_WAVD |
| MLIQ | C | MAIN_INTREC | MAIN_INT_WAVD |
| MLIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_CAP |
| MLIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| MLIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_CAP |
| MLIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| MLIQ | C | PRE_PENALTYINC | PRE_PENALTY_LIQD |
| MLIQ | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| MLIQ | D | PROC_INTEXP | PROC_INT_WAVD |
| MLIQ | C | PROC_INTREC | PROC_INT_CAP |
| MLIQ | C | PROC_INTREC | PROC_INT_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| MLIQ | C | PROC_INTREC | PROC_INT_WAVD |
| MLIQ | D | SUSPED_LOSS | MAIN_INT_SLIQ |
| MLIQ | C | SUSP_LOSS | MAIN_INT_SLIQ |
| MLIQ | C | CR_SETTL_BRIDGE | MAIN_INT_NEG_LIQD |
| MLIQ | D | MAIN_INTPAY | MAIN_INT_NEG_LIQD |
| PROV | D | PROVEXP | PROV_PROV |
| PROV | C | PROVEXP | PROV_WBCK |
| PROV | C | PROVPAY | PROV_PROV |
| PROV | D | PROVPAY | PROV_WBCK |
| RACR | D | COL_INTINC | COL_INT_RACR_REAL |
| RACR | C | COL_INTREC | COL_INT_RACR_REAL |
| RACR | D | MAIN_INTINC | MAIN_INT_RACR_REAL |
| RACR | C | MAIN_INTREC | MAIN_INT_RACR_REAL |
| RACR | D | PROC_INTINC | PROC_INT_RACR_REAL |
| RACR | C | PROC_INTREC | PROC_INT_RACR_REAL |
| RACR | D | SUSPED_LOSS | MAIN_INT_RACR_SUSP |

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| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| RACR | C | SUSP_LOSS | MAIN_INT_RACR_SUSP |
| RACR | C | MAIN_INTEXP | MAIN_INT_NEG_RACR_REAL |
| RACR | D | MAIN_INTPAY | MAIN_INT_NEG_RACR_REAL |
| REOP | C | CR_SETTL_BRIDGE | PRINCIPAL_INCR |
| REOP | D | LOAN_ACCOUNT | PRINCIPAL |
| REOP | D | LOAN_ACCOUNT | PRINCIPAL_INCR |
| REOP | C | SROL_SUSPENSE | PRINCIPAL |
| RNOG | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| RNOG | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| RNOG | D | DR_SETTL_BRIDGE | PROC_INT_LIQD |
| RNOG | D | COL_INTEXP | COL_INT_WAVD |
| RNOG | C | COL_INTREC | COL_INT_LIQD |
| RNOG | C | COL_INTREC | COL_INT_RNOG |
| RNOG | C | COL_INTREC | COL_INT_WAVD |
| RNOG | C | CONTP_LOSS | PRINCIPAL_CLIQ |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| RNOG | D | CONTRAP_LOSS | PRINCIPAL_CLIQ |
| RNOG | D | CONTRA_LOSS | MAIN_INT_CLIQ |
| RNOG | C | CONT_LOSS | MAIN_INT_CLIQ |
| RNOG | D | DR_SETTL_BRIDGE | COL_INT_LIQD |
| RNOG | D | DR_SETTL_BRIDGE | HANDLNG_CHG_LIQD |
| RNOG | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| RNOG | D | DR_SETTL_BRIDGE | MAIN_INT_SACL |
| RNOG | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| RNOG | D | MAIN_INTEXP | MAIN_INT_WAVD |
| RNOG | C | MAIN_INTINC | MAIN_INT_SACL |
| RNOG | C | HANDLNG_CHGINC | HANDLNG_CHG_LIQD |
| RNOG | C | LOAN_ACCOUNT | PRINCIPAL_LIQD |
| RNOG | C | LOAN_ACCOUNT | PRINCIPAL_WAVD |
| RNOG | C | MAIN_INTREC | MAIN_INT_LIQD |
| RNOG | C | MAIN_INTREC | MAIN_INT_RNOG |
| RNOG | C | MAIN_INTREC | MAIN_INT_WAVD |

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| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| RNOG | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| RNOG | C | ODIN_PNLTYINC | ODIN_PNLTY_RNOG |
| RNOG | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| RNOG | C | ODPR_PNLTYINC | ODPR_PNLTY_RNOG |
| RNOG | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| RNOG | D | PROC_INTEXP | PROC_INT_WAVD |
| RNOG | C | PROC_INTREC | PROC_INT_LIQD |
| RNOG | C | PROC_INTREC | PROC_INT_RNOG |
| RNOG | C | PROC_INTREC | PROC_INT_WAVD |
| RNOG | D | SROL_SUSPENSE | COL_INT_RNOG |
| RNOG | D | SROL_SUSPENSE | MAIN_INT_RNOG |
| RNOG | D | SROL_SUSPENSE | ODIN_PNLTY_RNOG |
| RNOG | D | SROL_SUSPENSE | ODPR_PNLTY_RNOG |
| RNOG | D | SROL_SUSPENSE | PROC_INT_RNOG |
| RNOG | D | SUSPED_LOSS | MAIN_INT_SLIQ |
| RNOG | C | SUSP_LOSS | MAIN_INT_SLIQ |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| ROLL | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | PROC_INT_LIQD |
| ROLL | D | COL_INTEXP | COL_INT_WAVD |
| ROLL | C | COL_INTREC | COL_INT_LIQD |
| ROLL | C | COL_INTREC | COL_INT_ROLL |
| ROLL | C | COL_INTREC | COL_INT_WAVD |
| ROLL | C | CR_SETTL_BRIDGE | PRINCIPAL_INCR |
| ROLL | D | DR_SETTL_BRIDGE | COL_INT_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | HANDLNG_CHG_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| ROLL | D | MAIN_INTEXP | MAIN_INT_WAVD |
| ROLL | C | HANDLNG_CHGINC | HANDLNG_CHG_LIQD |
| ROLL | D | LOAN_ACCOUNT | COL_INT_ROLL |
| ROLL | D | LOAN_ACCOUNT | MAIN_INT_ROLL |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| ROLL | D | LOAN_ACCOUNT | ODIN_PNLTY_ROLL |
| ROLL | D | LOAN_ACCOUNT | ODPR_PNLTY_ROLL |
| ROLL | D | LOAN_ACCOUNT | PRINCIPAL_INCR |
| ROLL | C | LOAN_ACCOUNT | PRINCIPAL_LIQD |
| ROLL | C | LOAN_ACCOUNT | PRINCIPAL_WAVD |
| ROLL | D | LOAN_ACCOUNT | PROC_INT_ROLL |
| ROLL | C | MAIN_INTREC | MAIN_INT_LIQD |
| ROLL | C | MAIN_INTREC | MAIN_INT_ROLL |
| ROLL | C | MAIN_INTREC | MAIN_INT_WAVD |
| ROLL | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| ROLL | C | ODIN_PNLTYINC | ODIN_PNLTY_ROLL |
| ROLL | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| ROLL | C | ODPR_PNLTYINC | ODPR_PNLTY_ROLL |
| ROLL | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| ROLL | D | PROC_INTEXP | PROC_INT_WAVD |
| ROLL | C | PROC_INTREC | PROC_INT_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| ROLL | C | PROC_INTREC | PROC_INT_ROLL |
| ROLL | C | PROC_INTREC | PROC_INT_WAVD |
| SROL | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| SROL | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| SROL | D | DR_SETTL_BRIDGE | PROC_INT_LIQD |
| SROL | D | COL_INTEXP | COL_INT_WAVD |
| SROL | C | COL_INTREC | COL_INT_LIQD |
| SROL | C | COL_INTREC | COL_INT_SROL |
| SROL | C | COL_INTREC | COL_INT_WAVD |
| SROL | D | DR_SETTL_BRIDGE | COL_INT_LIQD |
| SROL | D | DR_SETTL_BRIDGE | HANDLNG_CHG_LIQD |
| SROL | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| SROL | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| SROL | D | MAIN_INTEXP | MAIN_INT_WAVD |
| SROL | C | HANDLNG_CHGINC | HANDLNG_CHG_LIQD |
| SROL | C | LOAN_ACCOUNT | PRINCIPAL_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| SROL | C | LOAN_ACCOUNT | PRINCIPAL_SROL |
| SROL | C | LOAN_ACCOUNT | PRINCIPAL_WAVD |
| SROL | C | MAIN_INTREC | MAIN_INT_LIQD |
| SROL | C | MAIN_INTREC | MAIN_INT_SROL |
| SROL | C | MAIN_INTREC | MAIN_INT_WAVD |
| SROL | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| SROL | C | ODIN_PNLTYINC | ODIN_PNLTY_SROL |
| SROL | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| SROL | C | ODPR_PNLTYINC | ODPR_PNLTY_SROL |
| SROL | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| SROL | D | PROC_INTEXP | PROC_INT_WAVD |
| SROL | C | PROC_INTREC | PROC_INT_LIQD |
| SROL | C | PROC_INTREC | PROC_INT_SROL |
| SROL | C | PROC_INTREC | PROC_INT_WAVD |
| SROL | D | SROL_SUSPENSE | COL_INT_SROL |
| SROL | D | SROL_SUSPENSE | MAIN_INT_SROL |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAGS |
|---|---|---|---|
| SROL | D | SROL_SUSPENSE | ODIN_PNLTY_SROL |
| SROL | D | SROL_SUSPENSE | ODPR_PNLTY_SROL |
| SROL | D | SROL_SUSPENSE | PRINCIPAL_SROL |
| SROL | D | SROL_SUSPENSE | PROC_INT_SROL |
| VAMB | D | DR_SETTL_BRIDGE | HANDLNG_CHG_LIQD |
| VAMB | C | HANDLNG_CHGINC | HANDLNG_CHG_LIQD |
| VAMI | C | CR_SETTL_BRIDGE | PRINCIPAL_INCR |
| VAMI | D | LOAN_ACCOUNT | PRINCIPAL_INCR |

## 1.1.6 Advices/Statements

| Advice/Statement | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |

| Advice/Statement | Code |
|---|---|
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Account Simulation Advice | CL_ENQUIRY |
| Payment Advice | PAYMENT_ADVICE |
| Payment Simulation Advice | CL_PAY_SIM |

## 1.1.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.1.8 Additional Information (UDF)/Special Maintenance

- Character UDF - RL_RETAIL

**MIS:**

- MIS Classes

    - COS_CENTR

    - LOAN_TYPE

    - LOAN_TERM

## 1.2 Product Code LRE2 – Vehicle/Personal Loans (Amortized Loans Product)

### 1.2.1 Introduction

This product can be used to create vehicle/personal loans with bearing interest calculation. Schedule type for this loan product is amortized. Prepayment penalty, Penalty on overdue EMI Amount, Status processing, Provisioning, Ad-hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product.

### 1.2.2 Business Scenario

- Loans with bearing interest type (Amortized) can be booked.

- Interest calculation is based on principal expected and is amortized based on frequencies.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

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- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Automatic Rollover of principal (Special Amount) during maturity of loan.

### 1.2.3 Synopsis

- This product can be used to creating amortized loans.

- The disbursement mode is auto.

- VAMI and prepayment re-computation type is Change Tenor.

### 1.2.4 Detailed Coverage

#### 1.2.4.1 Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Liquidate all components for a date

  - Retries Auto Liquidation Days : 4

  - Retries for Advice : 3

- Holiday treatment for all schedules

  - Holidays ignored

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- Account preferences

  - Track receivable auto liquidation enabled

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

  - Partial block release enabled

- Rollover

  - Automatic rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Special rollover is allowed.

  - Rollover schedule type is based on contract schedules.

  - Principal and interest are rolled over during automatic rollover.

- Re-computation of Amort Loan

  - Tenor will be changed during VAMI action.

  - Multiple installments will be created during VAMI.

- Prepayment of loan

  - Basis of re-computing the schedules is Reduce tenor.

  - Prepayment is effective from Next Installment of the payment.

  - Single installment will be created during payment.

  - Interest pay back is applicable for prepayment.

## 1.2.4.2 Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- 4 days grace period is allowed for this component.

### 1.2.4.3 Main Interest Component

- Based on principal expected balance.

- This component has amortized formula to calculate the same repayment amount, which includes principal and interest across schedules.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed or floating.

- Interest calculation method is 30(Euro)/360.

- 4 days grace period is allowed for this component.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.2.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.2.4.5 Handling Charge

For handling charge, any amount can be input during contract booking.

### 1.2.4.6 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.2.4.7 Penalty on Overdue EMI Amount

- Penalty is calculated based on schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.2.4.8 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.2.4.9 Service Tax Component

Service tax is calculated on processing charge.

### 1.2.4.10    Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

### 1.2.4.11    Loan Top-Up

Principal increase can be restricted with certain conditions at Top-up details.

### 1.2.4.12    Collection Interest component

- Collection Interest is calculated on principal expected balance.

- This component has simple formula to calculate the repayment amount which is included in the EMI.

- This component has Include in EMI flag checked.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed or floating.

- Interest calculation method is 30(Euro)/360.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.2.4.13    Processing Interest component

- Processing Interest is calculated on principal expected balance.

- This component has simple formula to calculate the repayment amount which is included in the EMI.

- This component has Include in EMI flag checked.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed or floating.

- Interest calculation method is 30(Euro)/360.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

## 1.2.5  Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADBK | Ad hoc Charge Booking |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| REVN | Rate Revision |

| Event Code | Nomenclature |
|---|---|
| RNOG | Re-Negotiation |
| ARVN | Automatic Rate Revision |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| REOP | Reopen of the Account |
| INPL | Interest Pay Back |
| RINP | Reversal of Interest Pay back |
| SROL | Special Rollover |

## 1.2.6 Advices/Statements

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |

| Advices/Statements | Code |
|---|---|
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Account Simulation Advice | CL_ENQUIRY |
| Payment Advice | PAYMENT_ADVICE |
| Payment Simulation Advice | CL_PAY_SIM |

## 1.2.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.2.8 Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF - RL_RETAIL

**MIS:**

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

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## 1.3  Product Code LRT3 – Education Loans

### 1.3.1 Introduction

This product can be used to create education loans with bearing interest calculation. Schedule type for this loan product is amortized. Moratorium interest calculation is allowed in this product. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad-hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product.

### 1.3.2 Business Scenario

- Loans with bearing interest type (Amortized) can be booked.

- Interest calculation is based on principal expected and is amortized based on frequencies.

- Moratorium interest calculation is allowed in this product.

- An Intermediate formula is used for Interest calculation.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Automatic Rollover of principal and interest during maturity of loan.

### 1.3.3 Synopsis

- This product can be used to creating amortized loans.

- The disbursement mode is manual.

- Moratorium period is applicable on loan contract. No repayment is allowed during this period. The interest accrued during this schedule is settled in the first amortized schedule.

## 1.3.4  Detailed Coverage

### 1.3.4.1 Preferences

- Disbursement Mode

    - Manual

- Rate (Cross currency transaction preference)

    - Normal variance: 5

    - Maximum variance: 15

    - Standard Middle rate is used

- Liquidation

    - Auto liquidation

- Holiday treatment for all schedules

    - Holidays ignored

- Account preferences

    - Track receivable auto liquidation enabled

    - Interest statement is enabled

    - Back period entry allowed

- Rollover

    - Automatic rollover

    - Rolled over by days

    - Contract UDEs are captured during rollover

    - Custom rollover is allowed

    - Rollover schedule type is based on contract schedules

    - Principal and interest are rolled over during automatic rollover

- Re-computation of Amort Loan

  - Change Installment - VAMI action

  - Single installments will be created during VAMI

- Prepayment of loan

  - Basis of re-computing the schedules is change EMI

  - Prepayment is effective from value date of payment

  - Multiple installments will be created during payment

## 1.3.4.2 Principal Component

- Verify funds enabled.

- 4 days grace period is allowed for this component.

## 1.3.4.3 Main Interest Component

- Based on principal expected balance.

- This component has amortized formula to calculate the same repayment amount, which includes principal and interest across schedules.

- Moratorium schedules are also available. Formulas are maintained for interest calculation during moratorium period and for settlement after the moratorium schedule.

- Accrued Monthly.

- Verify funds enabled.

- Interest type can be fixed or floating.

- Interest calculation method is actual/365.

- 4 days grace period is allowed for this component.

- Moratorium interest is calculated initially from value date of contract.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

## 1.3.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.3.4.5 Handling Charge

For handling charge, any amount can be input during contract booking.

### 1.3.4.6 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.3.4.7 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Accrued Daily.

- Separate rate can be maintained for calculation of penalty.

### 1.3.4.8 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Accrued Daily.

- Separate rate can be maintained for calculation of penalty.

### 1.3.4.9 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.3.4.10 Service Tax Component

Service tax is calculated on processing charge.

### 1.3.4.11 Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

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- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.3.5 Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADBK | Ad hoc Charge Booking |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| REVN | Rate Revision |
| RNOG | Re-Negotiation |
| ARVN | Automatic Rate Revision |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| ROLB | Rollover Booking |

| Event Code | Nomenclature |
|---|---|
| ROLL | Rollover of Contract |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| SROL | Special Rollover |
| REOP | Reopen of the Account |

## 1.3.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |

| Advices/Statements | Code |
|---|---|
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Account Simulation Advice | CL_ENQUIRY |
| Payment Advice | PAYMENT_ADVICE |
| Payment Simulation Advice | CL_PAY_SIM |

## 1.3.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

### 1.3.8 Additional Information (UDF)/Special Maintenance:

**UDF:**

- Character UDF - RL_RETAIL

**MIS:**

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

## 1.4 Product Code LRT4 – Demand Loans (Compounding)

### 1.4.1 Introduction

This product can be used to create long-term loans with bearing interest calculation. Interest is compounded in this product. Loans created using this product can have Principal and interest schedules in different dates or in same dates. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product. The interest component is also re-compounded when it becomes overdue.

### 1.4.2 Business Scenario

- Loans with bearing interest type can be booked.

- Interest calculation based on principal expected and is compounded.

- Interest is compounded on overdue.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

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- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Manual Rollover during maturity of loan.

### 1.4.3 Synopsis

- This product can be used to creating bearing loans with compounding interest.

- The disbursement mode is auto.

- The interest is compounded on overdue.

- Demand Loans can be transferred from source branch to any other branch.

### 1.4.4 Detailed Coverage

#### 1.4.4.1 Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 5

  - Maximum variance: 15

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Partial liquidation allowed

- Holiday treatment

  - Ignored

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- Account preferences

    - Liquidate back value dated schedules allowed

    - Interest statement is enabled

    - Back period entry allowed

- Rollover

    - Manual rollover.

    - Rolled over by days.

    - Contract UDEs are captured during rollover.

    - Custom rollover is allowed.

    - Rollover schedule type is based on contract schedules.

## 1.4.4.2 Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- Repayment schedule starts from value date of contract and is paid at the maturity of the contract.

- 4 days grace period is allowed for this component.

## 1.4.4.3 Main Interest Component

- Based on principal expected balance

- Compounded monthly

- Compounded on Overdue

- Accrued Daily

- Verify funds enabled

- Interest type can be fixed or floating

- Interest calculation method is Actual/365

- 4 days grace period is allowed for this component

- Repayment value date of contract and is paid at the maturity of the contract

### 1.4.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.4.4.5 Handling Charge

For handling charge, any amount can be input during contract booking.

### 1.4.4.6 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.4.4.7 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.4.4.8 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.4.4.9 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.4.4.10 Service Tax Component

Service tax is calculated on processing charge.

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### 1.4.4.11 Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.4.5 Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADBK | Adhoc Charge Booking |
| ADCH | Adhoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| ARVN | Automatic Rate Revision |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| REVN | Rate Revision |

| Event Code | Nomenclature |
|---|---|
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| REOP | Reopen of the Account |
| RNOG | Renegotiation of Contract |
| TRFR | Branch Transfer |
| TADJ | Transfer Adjustments |

## 1.4.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |

| Advices/Statements | Code |
|---|---|
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Payment Advice | PAYMENT_ADVICE |

## 1.4.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.4.8 Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF - RL_RETAIL

**MIS:**

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

# 1.5 Product Code LR78 – Amortized Rule of 78 Product

## 1.5.1 Introduction

This product can be used to create home loans with bearing interest calculation. Schedule type for this loan product is amortized with the calculation based on the Rule of 78. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product.

## 1.5.2 Business Scenario

- Loans with interest calculated through Rule of 78 can be booked.

- Interest calculation is based on principal expected and is amortized based on frequencies.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

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- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Manual Rollover during maturity of loan.

### 1.5.3 Synopsis

- This product can be used to creating amortized loans where the interest is calculated by Rule of 78.

- The disbursement mode is auto.

### 1.5.4 Detailed Coverage

#### 1.5.4.1 Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Liquidate all components for a day

- Holiday treatment for all schedules

  - Holidays ignored

- Account preferences

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

- Rollover

  - Manual rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Custom rollover is allowed.

  - Rollover schedule type is based on contract schedules.

- Re-computation of Amort Loan

  - Installment will be changed during VAMI action.

  - Multiple installments will be created during VAMI.

- Prepayment of loan

  - Basis of re-computing the schedules is change EMI.

  - Prepayment is effective from value date of payment.

  - Multiple installments will be created during payment.

## 1.5.4.2 Principal Component

- Disbursement schedule starts from value date of contract.

- No grace period is allowed for this component.

## 1.5.4.3 Main Interest Component

- Based on principal expected balance.

- This component has amortized Rule of 78 formula.

- Accrued Daily.

- Interest type can be fixed or floating.

- Interest calculation method is Actual/365.

- No grace period is allowed for this component.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

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### 1.5.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.5.4.5 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.5.4.6 Equitable Mortgage Charge

Calculated based percentage based on amount financed.

### 1.5.4.7 Handling Charge

For handling charge, any amount can be input during contract booking.

### 1.5.4.8 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.5.4.9 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.5.4.10 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.5.4.11 Service Tax Component

Service tax is calculated on processing charge.

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### 1.5.4.12 Provision Component

- Provision is calculated based on Customer Credit Rating.

- Depending on the Credit rating of the Customer Different rate of Provision Is applied.

## 1.5.5 Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADBK | Ad hoc Charge Booking |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| REVN | Rate Revision |
| ARVN | Automatic Rate Revision |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |

| Event Code | Nomenclature |
|---|---|
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| REOP | Reopen of the Account |
| RNOG | Renegotiation of Contract |
| SROL | Special Rollover |

## 1.5.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |

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| Advices/Statements | Code |
|---|---|
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Account Simulation Advice | CL_ENQUIRY |
| Payment Advice | PAYMENT_ADVICE |
| Payment Simulation Advice | CL_PAY_SIM |

## 1.5.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

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- Linked Contract Utilization Report

### 1.5.8 Additional Information (UDF)/Special Maintenance

**MIS:**

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

## 1.6 Product Code LCT1 – Short and Medium Term Loan (Bearing Loan with Auto Disbursement)

### 1.6.1 Introduction

This product can be used to create short and medium term loans with bearing interest calculation. Negative Interest allowed Check box is checked for the main Interest Components. So both Positive and Negative Interest can be applied for the loans created using this products. Loans created using this product can have Principal and interest schedules in different dates or in same dates. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product.

### 1.6.2 Business Scenario

- Loans with bearing interest type can be booked.

- Loans with Negative Interest Can be booked.

- Interest calculation based on principal expected.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Rollover for principal is automatic during maturity of loan.

## 1.6.3 Synopsis

- This product can be used to creating simple bearing loans.

- The disbursement mode is auto.

- If the loans become bad assets (based on the number of days the principal and interest are overdue), the outstanding mount will move to the GLs earmarked for bad assets.

- Provisioning is done for outstanding principal amount.

## 1.6.4 Detailed Coverage

### 1.6.4.1 Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Partial Liquidation Allowed

  - Liquidate all components for a date

- Holiday treatment

  - Schedules are cascaded

  - Schedule movement is move forward

- Account preferences

  - Interest statement is enabled

  - Back period entry allowed

  - Track receivables on Auto Liquidation

  - Liquidate Back value Dated schedules allowed

- Rollover

  - Automatic rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Custom rollover is allowed.

  - Rollover schedule type is based on Product schedules.

  - Principal is rolled over during automatic rollover.

## 1.6.4.2 Principal Component

- Verify funds enabled.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

- 4 days grace period is allowed for this component.

## 1.6.4.3 Main Interest Component

- Based on principal expected balance

- Calculation method – Actual/Actual

- Accrued monthly

- IRR enabled

- Verify funds enabled

- Interest type can be fixed or floating

- Interest calculation method defaulted from currency definitions

- 4 days grace period is allowed for this component

- Repayment schedule starts from value date of contract and schedule frequency is monthly

- Rate Revision schedules starts form value date of contract and schedule frequency is monthly

### 1.6.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

### 1.6.4.5 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.6.4.6 Disbursement Charge Component

For disbursement charge, any amount can be input during disbursements.

### 1.6.4.7 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.6.4.8 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.6.4.9 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.6.4.10 Service Tax Component

Service tax is calculated on processing charge.

### 1.6.4.11    Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.6.5  Events Covered

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| ACCR | C | MAIN_INTINC | MAIN_INT_ACCR |
| ACCR | D | MAIN_INTREC | MAIN_INT_ACCR |
| ACCR | D | MAIN_INT_SUBS | MAIN_INT_ACCR |
| ACCR | C | SUBS_INTINC | MAIN_INT_ACCR |
| ACCR | D | MAIN_INTEXP | MAIN_INT_NEG_ACCR |
| ACCR | C | MAIN_INTPAY | MAIN_INT_NEG_ACCR |
| ADCH | C | ADCH_CHGINC | ADCH_CHG_ADCH |
| ADCH | D | DR_SETTL_BRIDGE | ADCH_CHG_ADCH |
| ALIQ | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| ALIQ | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| ALIQ | D | MAIN_INTEXP | MAIN_INT_WAVD |
| ALIQ | D | MAIN_INTEXP | MAIN_INT_WAVD |
| ALIQ | C | MAIN_INTINC | MAIN_INT_LIQD |
| ALIQ | C | MAIN_INTREC | MAIN_INT_CAP |
| ALIQ | C | MAIN_INTREC | MAIN_INT_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | SERV_FEE_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | SERV_FEE_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| ALIQ | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| ALIQ | D | DR_SETTL_BRIDGE | SERV_FEE_LIQD |
| ALIQ | D | LOAN_ACCOUNT | MAIN_INT_CAP |
| ALIQ | D | LOAN_ACCOUNT | ODIN_PNLTY_CAP |
| ALIQ | D | LOAN_ACCOUNT | ODPR_PNLTY_CAP |
| ALIQ | C | LOAN_ACCOUNT | PRINCIPAL_LIQD |
| ALIQ | C | LOAN_ACCOUNT | PRINCIPAL_WAVD |
| ALIQ | D | LOAN_ACCOUNT | ODIN_PNLTY_CAP |
| ALIQ | D | LOAN_ACCOUNT | ODPR_PNLTY_CAP |
| ALIQ | D | LOAN_AC_DOUB | MAIN_INT_CAP |
| ALIQ | D | LOAN_AC_DOUB | ODIN_PNLTY_CAP |
| ALIQ | D | LOAN_AC_DOUB | ODPR_PNLTY_CAP |
| ALIQ | C | LOAN_AC_DOUB | PRINCIPAL_LIQD |
| ALIQ | C | LOAN_AC_DOUB | PRINCIPAL_WAVD |
| ALIQ | D | LOAN_AC_SUBS | MAIN_INT_CAP |
| ALIQ | C | LOAN_AC_SUBS | PRINCIPAL_LIQD |
| ALIQ | C | LOAN_AC_SUBS | PRINCIPAL_WAVD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| ALIQ | D | MAIN_INTEXP | MAIN_INT_WAVD |
| ALIQ | C | MAIN_INTREC | MAIN_INT_WAVD |
| ALIQ | C | MAIN_INTREC | MAIN_INT_CAP |
| ALIQ | C | MAIN_INTREC | MAIN_INT_LIQD |
| ALIQ | C | MAIN_INTREC | MAIN_INT_WAVD |
| ALIQ | C | MAIN_INT_SUBS | MAIN_INT_CAP |
| ALIQ | C | MAIN_INT_SUBS | MAIN_INT_LIQD |
| ALIQ | C | MAIN_INT_SUBS | MAIN_INT_WAVD |
| ALIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_CAP |
| ALIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| ALIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_CAP |
| ALIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| ALIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_CAP |
| ALIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| ALIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_CAP |
| ALIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|------------|-----------------|-----------------|------------|
| ALIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_CAP |
| ALIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| ALIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_CAP |
| ALIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| ALIQ | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| ALIQ | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| ALIQ | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| ALIQ | C | SERV_FEEINC | SERV_FEE_LIQD |
| ALIQ | C | SERV_FEEINC | SERV_FEE_LIQD |
| ALIQ | C | SERV_FEEINC | SERV_FEE_LIQD |
| ALIQ | D | SUBS_INTINC | MAIN_INT_LIQD |
| ALIQ | C | LOAN_ACCOUNT | MAIN_INT_NEG_CAP |
| ALIQ | D | MAIN_INTPAY | MAIN_INT_NEG_CAP |
| ALIQ | C | CR_SETTL_BRIDGE | MAIN_INT_NEG_LIQD |
| ALIQ | D | MAIN_INTPAY | MAIN_INT_NEG_LIQD |
| BOOK | D | DR_SETTL_BRIDGE | PROC_CHARGE_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| BOOK | D | DR_SETTL_BRIDGE | SERVICE_TAX_LIQD |
| BOOK | C | PROC_CHARGEINC | PROC_CHARGE_LIQD |
| BOOK | C | SERVICE_TAXPAY | SERVICE_TAX_LIQD |
| DSBR | C | CR_SETTL_BRIDGE | PRINCIPAL |
| DSBR | D | LOAN_ACCOUNT | PRINCIPAL |
| MLIQ | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | PRE_PENALTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| MLIQ | D | MAIN_INTEXP | MAIN_INT_WAVD |
| MLIQ | D | MAIN_INTEXP | MAIN_INT_WAVD |
| MLIQ | C | MAIN_INTINC | MAIN_INT_LIQD |
| MLIQ | C | MAIN_INTREC | MAIN_INT_CAP |
| MLIQ | C | MAIN_INTREC | MAIN_INT_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | SERV_FEE_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| MLIQ | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | PRE_PENALTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | SERV_FEE_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | PRE_PENALTY_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| MLIQ | D | DR_SETTL_BRIDGE | SERV_FEE_LIQD |
| MLIQ | D | LOAN_ACCOUNT | MAIN_INT_CAP |
| MLIQ | D | LOAN_ACCOUNT | ODIN_PNLTY_CAP |
| MLIQ | D | LOAN_ACCOUNT | ODPR_PNLTY_CAP |
| MLIQ | C | LOAN_ACCOUNT | PRINCIPAL_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| MLIQ | C | LOAN_ACCOUNT | PRINCIPAL_WAVD |
| MLIQ | D | LOAN_ACCOUNT | ODIN_PNLTY_CAP |
| MLIQ | D | LOAN_ACCOUNT | ODPR_PNLTY_CAP |
| MLIQ | D | LOAN_AC_DOUB | MAIN_INT_CAP |
| MLIQ | D | LOAN_AC_DOUB | ODIN_PNLTY_CAP |
| MLIQ | D | LOAN_AC_DOUB | ODPR_PNLTY_CAP |
| MLIQ | C | LOAN_AC_DOUB | PRINCIPAL_LIQD |
| MLIQ | C | LOAN_AC_DOUB | PRINCIPAL_WAVD |
| MLIQ | D | LOAN_AC_SUBS | MAIN_INT_CAP |
| MLIQ | C | LOAN_AC_SUBS | PRINCIPAL_LIQD |
| MLIQ | C | LOAN_AC_SUBS | PRINCIPAL_WAVD |
| MLIQ | D | MAIN_INTEXP | MAIN_INT_WAVD |
| MLIQ | C | MAIN_INTREC | MAIN_INT_WAVD |
| MLIQ | C | MAIN_INTREC | MAIN_INT_CAP |
| MLIQ | C | MAIN_INTREC | MAIN_INT_LIQD |
| MLIQ | C | MAIN_INTREC | MAIN_INT_WAVD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| MLIQ | C | MAIN_INT_SUBS | MAIN_INT_CAP |
| MLIQ | C | MAIN_INT_SUBS | MAIN_INT_LIQD |
| MLIQ | C | MAIN_INT_SUBS | MAIN_INT_WAVD |
| MLIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_CAP |
| MLIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| MLIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_CAP |
| MLIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| MLIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_CAP |
| MLIQ | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| MLIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_CAP |
| MLIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| MLIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_CAP |
| MLIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| MLIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_CAP |
| MLIQ | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| MLIQ | C | PRE_PENALTYINC | PRE_PENALTY_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| MLIQ | C | PRE_PENALTYINC | PRE_PENALTY_LIQD |
| MLIQ | C | PRE_PENALTYINC | PRE_PENALTY_LIQD |
| MLIQ | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| MLIQ | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| MLIQ | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| MLIQ | C | SERV_FEEINC | SERV_FEE_LIQD |
| MLIQ | C | SERV_FEEINC | SERV_FEE_LIQD |
| MLIQ | C | SERV_FEEINC | SERV_FEE_LIQD |
| MLIQ | D | SUBS_INTINC | MAIN_INT_LIQD |
| MLIQ | C | CR_SETTL_BRIDGE | MAIN_INT_NEG_LIQD |
| MLIQ | D | MAIN_INTPAY | MAIN_INT_NEG_LIQD |
| PROV | D | PROVEXP | PROV_PROV |
| PROV | C | PROVEXP | PROV_WBCK |
| PROV | C | PROVPAY | PROV_PROV |
| PROV | D | PROVPAY | PROV_WBCK |
| RACR | D | MAIN_INTINC | MAIN_INT_RACR_REAL |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| RACR | C | MAIN_INTREC | MAIN_INT_RACR_REAL |
| RACR | C | MAIN_INT_SUBS | MAIN_INT_RACR_REAL |
| RACR | D | SUBS_INTINC | MAIN_INT_RACR_REAL |
| RACR | C | MAIN_INTEXP | MAIN_INT_NEG_RACR_REAL |
| RACR | D | MAIN_INTPAY | MAIN_INT_NEG_RACR_REAL |
| RNOG | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| RNOG | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| RNOG | D | DR_SETTL_BRIDGE | HANDLNG_CHG_LIQD |
| RNOG | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| RNOG | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| RNOG | D | MAIN_INTEXP | MAIN_INT_WAVD |
| RNOG | D | DR_SETTL_BRIDGE | SERV_FEE_LIQD |
| RNOG | C | HANDLNG_CHGINC | HANDLNG_CHG_LIQD |
| RNOG | C | LOAN_ACCOUNT | PRINCIPAL_LIQD |
| RNOG | C | LOAN_ACCOUNT | PRINCIPAL_WAVD |

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| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| RNOG | C | MAIN_INTREC | MAIN_INT_LIQD |
| RNOG | C | MAIN_INTREC | MAIN_INT_RNOG |
| RNOG | C | MAIN_INTREC | MAIN_INT_WAVD |
| RNOG | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| RNOG | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| RNOG | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| RNOG | C | SERV_FEEINC | SERV_FEE_LIQD |
| RNOG | C | SERV_FEEINC | SERV_FEE_RNOG |
| RNOG | D | SROL_SUSPENSE | MAIN_INT_RNOG |
| RNOG | D | SROL_SUSPENSE | SERV_FEE_RNOG |
| ROLL | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| ROLL | C | CR_SETTL_BRIDGE | PRINCIPAL_INCR |
| ROLL | C | CR_SETTL_BRIDGE | PRINCIPAL_INCR |
| ROLL | D | DR_SETTL_BRIDGE | HANDLNG_CHG_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| ROLL | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| ROLL | D | MAIN_INTEXP | MAIN_INT_WAVD |
| ROLL | D | MAIN_INTEXP | MAIN_INT_WAVD |
| ROLL | C | MAIN_INTINC | MAIN_INT_LIQD |
| ROLL | C | MAIN_INTINC | MAIN_INT_ROLL |
| ROLL | C | MAIN_INTINC | MAIN_INT_WAVD |
| ROLL | D | DR_SETTL_BRIDGE | SERV_FEE_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | MAIN_INT_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | ODIN_PNLTY_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | ODPR_PNLTY_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | PRINCIPAL_LIQD |
| ROLL | D | DR_SETTL_BRIDGE | SERV_FEE_LIQD |
| ROLL | C | HANDLNG_CHGINC | HANDLNG_CHG_LIQD |
| ROLL | D | LOAN_ACCOUNT | MAIN_INT_ROLL |
| ROLL | D | LOAN_ACCOUNT | ODIN_PNLTY_ROLL |
| ROLL | D | LOAN_ACCOUNT | ODPR_PNLTY_ROLL |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| ROLL | D | LOAN_ACCOUNT | PRINCIPAL_INCR |
| ROLL | C | LOAN_ACCOUNT | PRINCIPAL_LIQD |
| ROLL | C | LOAN_ACCOUNT | PRINCIPAL_WAVD |
| ROLL | D | LOAN_ACCOUNT | SERV_FEE_ROLL |
| ROLL | D | LOAN_ACCOUNT | MAIN_INT_ROLL |
| ROLL | D | LOAN_AC_SUBS | ODIN_PNLTY_ROLL |
| ROLL | D | LOAN_AC_SUBS | ODPR_PNLTY_ROLL |
| ROLL | D | LOAN_AC_SUBS | PRINCIPAL_INCR |
| ROLL | C | LOAN_AC_SUBS | PRINCIPAL_LIQD |
| ROLL | C | LOAN_AC_SUBS | PRINCIPAL_WAVD |
| ROLL | D | LOAN_AC_SUBS | SERV_FEE_ROLL |
| ROLL | C | MAIN_INTREC | MAIN_INT_LIQD |
| ROLL | C | MAIN_INTREC | MAIN_INT_ROLL |
| ROLL | C | MAIN_INTREC | MAIN_INT_WAVD |
| ROLL | C | MAIN_INT_SUBS | MAIN_INT_LIQD |
| ROLL | C | MAIN_INT_SUBS | MAIN_INT_ROLL |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| ROLL | C | MAIN_INT_SUBS | MAIN_INT_WAVD |
| ROLL | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| ROLL | C | ODIN_PNLTYINC | ODIN_PNLTY_ROLL |
| ROLL | C | ODIN_PNLTYINC | ODIN_PNLTY_LIQD |
| ROLL | C | ODIN_PNLTYINC | ODIN_PNLTY_ROLL |
| ROLL | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| ROLL | C | ODPR_PNLTYINC | ODPR_PNLTY_ROLL |
| ROLL | C | ODPR_PNLTYINC | ODPR_PNLTY_LIQD |
| ROLL | C | ODPR_PNLTYINC | ODPR_PNLTY_ROLL |
| ROLL | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| ROLL | D | PRINCIPALEXP | PRINCIPAL_WAVD |
| ROLL | C | SERV_FEEINC | SERV_FEE_LIQD |
| ROLL | C | SERV_FEEINC | SERV_FEE_ROLL |
| ROLL | C | SERV_FEEINC | SERV_FEE_LIQD |
| ROLL | C | SERV_FEEINC | SERV_FEE_ROLL |
| ROLL | D | SUBS_INTINC | MAIN_INT_LIQD |

| EVENT_CODE | DR/CR INDICATOR | ACCOUNTING ROLE | AMOUNT TAG |
|---|---|---|---|
| ROLL | D | SUBS_INTINC | MAIN_INT_ROLL |
| ROLL | D | SUBS_INTINC | MAIN_INT_WAVD |
| VAMB | D | DR_SETTL_BRIDGE | HANDLNG_CHG_LIQD |
| VAMB | C | HANDLNG_CHGINC | HANDLNG_CHG_LIQD |
| VAMI | C | CR_SETTL_BRIDGE | PRINCIPAL_INCR |
| VAMI | D | LOAN_ACCOUNT | PRINCIPAL_INCR |

## 1.6.6 Advices/Statements

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |

| Advices/Statements | Code |
|---|---|
| Rollover Advice | CL_ROLL_ADV |
| Payment Message | PAYMENT_MESSAGE |
| Payment Advice | PAYMENT_ADVICE |
| CL Amendment Advice | CLAMDADV |

## 1.6.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.6.8 Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF - RL_CORPORATE

- Number UDF - LOAN_CUST_PAN_NUMBER

- Date UDF - LOAN_DATE

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**MIS:**

- MIS Group

  - MIS_GRP1

- Pool Code

  - POOL2

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

## 1.7 Product Code LCT2 – Long Term Loans (Bearing loan with Manual Disbursement)

### 1.7.1 Introduction

This product can be used to create long term loans with bearing interest calculation. Loans created using this product can have Principal and interest schedules in different dates or in same dates. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad-hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product.

### 1.7.2 Business Scenario

- Loans with bearing interest type can be booked.

- Interest calculation based on principal expected.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Rollover for principal is automatic during maturity of loan.

### 1.7.3 Synopsis

- This product can be used to creating simple bearing loans.

- The disbursement mode is manual.

### 1.7.4 Detailed Coverage

#### 1.7.4.1 Preferences

- Disbursement Mode

  - Manual

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Manual liquidation

  - Liquidate each component across dates

- Holiday treatment

  - Ignored

- Account preferences

  - Track receivable on automatic liquidation

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

- Rollover

  - Automatic rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Custom rollover is allowed.

  - Rollover schedule type is based on Product schedules.

  - Principal and Main Interest are rolled over during automatic rollover.

### 1.7.4.2 Principal Component

- Verify funds enabled.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

- 4 days grace period is allowed for this component.

### 1.7.4.3 Main Interest Component

- Based on principal expected balance

- Calculation method – 30(Euro)/360

- Accrued Daily

- Verify funds enabled

- Interest type can be fixed or floating

- 4 days grace period is allowed for this component

- Repayment schedule starts from value date of contract and schedule frequency is monthly

- First Prepayment schedule is a Moratorium Schedule

### 1.7.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

### 1.7.4.5 Disbursement Charge Component

For disbursement charge, any amount can be input during disbursements.

### 1.7.4.6 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.7.4.7 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.7.4.8 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.7.4.9 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.7.4.10 Service Tax Component

Service tax is calculated on processing charge.

### 1.7.4.11 Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.7.5  Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| NOVA | Novation (Customer change) |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| RNOG | Re-Negotiation |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |
| SROL | Special Rollover |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |

| Event Code | Nomenclature |
|---|---|
| TRFR | Branch Transfer |
| TADJ | Transfer Adjustments |

## 1.7.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| Payment Advice | PAYMENT_ADVICE |

## 1.7.7  Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.7.8  Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF - RL_CORPORATE

**MIS:**

- MIS Group

  ▪ MIS_GRP1

- Pool Code

  ▪ POOL1

- MIS Classes

  ▪ COS_CENTR

  ▪ LOAN_TYPE

  ▪ LOAN_TERM

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## 1.8  Product Code LCT3 – Capitalized Loans

### 1.8.1  Introduction

This product can be used to create loans with bearing interest calculation and interest is capitalized based on frequencies. Loans created using this product can have Principal and interest schedules in different dates or in same dates. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Adhoc charges, Handlings charges, Processing charges, and Stamp Duty are handled in this product.

### 1.8.2  Business Scenario

- Loans with bearing interest type can be booked.

- Interest calculation is based on principal expected and is capitalized based on frequencies.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- The loan contract is tracked in contingent GLs after it is moved to Doubtful Status.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- User defined Role to head mapping for assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Automatic principal rollover during maturity of loan.

### 1.8.3  Synopsis

- This product can be used to creating simple bearing loans.

- The disbursement mode is manual.

- Stamp Duty can be collected on the loan contracts created through this product.

- The asset GL is user defined for different status.

## 1.8.4  Detailed Coverage

### 1.8.4.1 Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Partial liquidation allowed

  - Retry Auto Liquidation days – 5

  - Retries For Advices – 3

  - Liquidate All components for a date

- Holiday treatment

  - Schedule can move across months

  - Schedule movement is move backward

- Account preferences

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

  - Track receivable Auto Liquidation allowed

- Rollover is not allowed

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### 1.8.4.2 Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- Repayment schedule starts from value date of contract and is paid as bullet amount at the maturity date of the contract.

- 4 days grace period is allowed for this component.

### 1.8.4.3 Main Interest Component

- Based on principal expected balance.

- This component is capitalized towards principal.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed or floating.

- Interest calculation method is Actual/365.

- 4 days grace period is allowed for this component.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.8.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

### 1.8.4.5 Disbursement Charge Component

For disbursement charge, any amount can be input during disbursements.

### 1.8.4.6 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

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### 1.8.4.7 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.8.4.8 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.8.4.9 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.8.4.10     Stamp Duty Component

- Stamp Duty is calculated on the total outstanding amount.

- The stamp duty is collected on every calendar quarter-end.

### 1.8.4.11     Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.8.5  Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |

| Event Code | Nomenclature |
|---|---|
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| NOVA | Novation (Customer change) |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| REOP | Re-Open of Loan Account |
| RNOG | Re-Negotiation |
| SROL | Special Rollover |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| STDX | Stamp Duty |

## 1.8.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |

| Advices/Statements | Code |
|---|---|
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| CL Amendment Advice | CLAMDADV |

## 1.8.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

### 1.8.8 Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF - RL_CORPORATE

**MIS:**

- MIS Group

  - MIS_GRP1

- Pool Code

  - POOL2

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

## 1.9  Product Code LCL1 – Home Loans (For Loan Against Salary)

### 1.9.1 Introduction

This product can be used to create home loans with bearing interest (Amortized) calculation. Schedule type for this loan product is amortized. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product. The product can be used for loans against salary.

### 1.9.2 Business Scenario

- Loans with bearing interest type can be booked.

- Interest calculation is based on principal expected and is amortized based on frequencies.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Rollover for principal is automatic during maturity of loan.

- The loan account is settled through salary account.

## 1.9.3 Synopsis

- This product can be used to creating amortized loans.

- The disbursement mode is auto.

- The loan contracts created through this product can be settled through salary account.

## 1.9.4 Detailed Coverage

### 1.9.4.1 Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 10

  - Maximum variance: 20

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

- Holiday treatment for all schedules

  - Holidays ignored

- Account preferences

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

  - Notary Confirmation Required is enabled

  - Amend Past Paid schedules allowed

- Rollover

  - Automatic rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Custom rollover is allowed.

  - Rollover schedule type is based on contract schedules.

  - Principal and Main Interest are rolled over during automatic rollover.

- Re-computation of Amortized Loan at Amendments

  - Change Installment action is followed.

  - Installment Calculation type followed is Multiple installments.

- Prepayment of loan

  - Basis of re-computing the schedules is change EMI.

  - Prepayment is effective from value date of payment.

  - Prepay Equated Monthly Installment Type is Multiple installments.

- Rate Plan Change Frequency

  - Tenor is 1 Year.

- Rate Plan Window

  - Tenor is one Month.

- Interest Preference

  - Interest only is period to be given maximum of 10 months.

- For Loan against salary.

- Track Receivable auto liquidation.

### 1.9.4.2 Principal Component

- Disbursement schedule starts from value date of contract.

- No grace period is allowed for this component.

### 1.9.4.3 Main Interest Component

- Based on principal expected balance.

- This component has amortized formula to calculate the same repayment amount which includes principal and interest across schedules.

- Accrued Daily.

- Interest type can be fixed or floating.

- Interest calculation method is Actual/365.

- No grace period is allowed for this component.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.9.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

### 1.9.4.5 Ad-hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.9.4.6 Handling Charge

For handling charge, any amount can be input during contract booking.

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### 1.9.4.7 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.9.4.8 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.9.4.9 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.9.4.10 Service Tax Component

Service tax is calculated on processing charge.

### 1.9.4.11 Provision Component

- Provision is calculated based on Customer Credit Rating.

- Depending on the Credit rating of the Customer Different rate of Provision Is applied.

## 1.9.5 Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADCH | Adhoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| REVN | Rate Revision |
| ARVN | Automatic Rate Revision |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| PWOF | Partial Write Off |

## 1.9.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |

## 1.9.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

### 1.9.8 Additional Information (UDF)/Special Maintenance

**MIS:**

- MIS Group

  - MIS_GRP1

- Pool Code

  - POOL3

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

## 1.10 Product Code LCL2 – Home Loans (Loans with Guarantor)

### 1.10.1 Introduction

This product can be used to create home loans with bearing interest calculation. Schedule type for this loan product is amortized. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Adhoc charges, Handlings charges, Processing charges, VAT on processing charge are handled in this product. A guarantor's account can be used for settlement of loan account if the borrowers account doesn't have sufficient balance.

### 1.10.2 Business Scenario

- Loans with bearing interest type can be booked.

- Interest calculation is based on principal expected and is amortized based on frequencies.

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- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- An Intermediate formula has been introduced to derive the interest rate for Main interest component.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Rollover for principal is automatic during maturity of loan.

- A guarantor's account can be used for settlement of loan account, in case the borrower's account doesn't have sufficient balance.

## 1.10.3  Synopsis

- This product can be used to creating amortized loans.

- The disbursement mode is auto.

- The loan contracts created through this product can be settled through a guarantor's account.

## 1.10.4  Detailed Coverage

### 1.10.4.1    Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

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- Liquidation

  - Auto liquidation

- Holiday treatment for all schedules

  - Holidays ignored

- Account preferences

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

  - Amend Past Paid schedules allowed

- Rollover

  - Automatic rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Custom rollover is allowed.

  - Rollover schedule type is based on contract schedules.

  - Principal is rolled over during automatic rollover.

- Re-computation of Amortized Loan at Amendments

  - Change Installment action is followed.

  - Installment Calculation type followed is single installments.

- Prepayment of loan

  - Basis of re-computing the schedules is Reduce Tenor.

  - Prepayment is effective from value date of payment.

  - Prepay Equated Monthly Installment Type is Multiple installments.

- Rate Plan Change Frequency

  - Tenor is 1 Year.

- Rate Plan Window

  - Tenor is 1 Month.

- Guarantor Account Applicable Status (NORM).

### 1.10.4.2    Principal Component

- Disbursement schedule starts from value date of contract.

- No grace period is allowed for this component.

### 1.10.4.3    Main Interest Component

- Based on principal expected balance.

- This component has simple formula to calculate the pre emi interest before full disbursement of loan.

- This component has amortized formula to calculate the same repayment amount which includes principal and interest across schedules.

- Accrued Daily.

- Intermediate formula is maintained where in the Main Interest will be calculated based on Z_INTRMDT_RATE.

- Interest type can be fixed or floating.

- Interest calculation method is 30(US)/360.

- 4 Grace Days are allowed for this component.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.10.4.4    Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

### 1.10.4.5    Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.10.4.6    Handling Charge

For handling charge, any amount can be input during contract booking.

### 1.10.4.7    Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.10.4.8    Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.10.4.9    Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty

### 1.10.4.10    VAT Component

VAT is calculated on processing charge.

### 1.10.4.11    Provision Component

- Provision is calculated based on Loan Status.

- Depending on the Credit rating of the Customer Different rate of Provision Is applied.

## 1.10.5    Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |

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| Event Code | Nomenclature |
|---|---|
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |

### 1.10.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |

| Advices/Statements | Code |
|---|---|
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rollover Advice | CL_ROLL_ADV |

## 1.10.7  Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

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### 1.10.8   Additional Information (UDF)/Special Maintenance

**MIS:**

- MIS Group

  - MIS_GRP1

- Pool Code

  - POOL1

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

## 1.11 Product Code LDS1 – Discounted Loans

### 1.11.1   Introduction

This product can be used to create discounted loans. Interest is discounted and collected upfront during disbursement. Loans created using this product can have only one interest schedule on the disbursement date. Penalty on overdue principal, Status processing, Provisioning, Adhoc charges, Processing charges, Service tax on charges are handled in this product.

### 1.11.2   Business Scenario

- Loans with discounted interest type can be booked.

- Interest calculation based on principal expected.

- Overdue penalty calculation based on principal schedule overdue.

- Assigning status to loans based on overdue days.

- Reporting assets in different heads based on status movement.

### 1.11.3   Synopsis

- This product can be used to create discounted loans.

- The disbursement mode is auto.

- Discounted Loans can be transferred from source branch to any other branch.

## 1.11.4    Detailed Coverage

### 1.11.4.1        Preferences

- Disbursement Mode

    - Auto

- Rate (Cross currency transaction preference)

    - Normal variance : 1

    - Maximum variance: 3

    - Standard Middle rate is used

- Liquidation

    - Auto liquidation

    - Retries Auto Liquidation Days : 5

    - Retries for Advice : 2

- Holiday treatment

    - Move forward

- Account preferences

    - Track receivable on automatic liquidation

    - Interest statement is enabled

    - Back period entry allowed

- Rollover

    - Rollover not allowed

### 1.11.4.2        Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- Repayment schedule starts from value date of contract and is paid monthly.

- 4 days grace period is allowed for this component.

### 1.11.4.3    Main Interest Component

- Based on discounted interest calculation.

- Calculation based on principal expected balance.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed only.

- Interest calculation method is Actual/365.

- Interest is paid during disbursement of loan.

### 1.11.4.4    Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.11.4.5    Ad hoc Charge Component

- Any amount could be charged at any time during the lifecycle of the contract.

- Penalty on overdue principal component:

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.11.4.6    Service Tax Component

Service tax is calculated on processing charge.

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### 1.11.4.7 Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.11.5 Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADCH | Adhoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| TRFR | Branch Transfer |
| TADJ | Transfer Adjustments |

### 1.11.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| Payment Advice | PAYMENT_ADVICE |

### 1.11.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

### 1.11.8 Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF- RL_RETAIL

**MIS:**

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

## 1.12 Product Code LDS2 – True Discounted Loans

### 1.12.1 Introduction

This product can be used to create true discounted loans. Interest is discounted and collected upfront during disbursement. Loans created using this product can have only one interest schedule on the disbursement date. Penalty on overdue principal, Status processing, Provisioning, Ad-hoc charges, Processing charges, Service tax on charges are handled in this product.

### 1.12.2 Business Scenario

- Loans with true discounted interest type can be booked.

- Interest calculation based on principal expected.

- Overdue penalty calculation based on principal schedule overdue.

- Assigning status to loans based on overdue days.

- Reporting assets in different heads based on status movement.

### 1.12.3 Synopsis

- This product can be used to creating true discounted loans.

- The disbursement mode is auto.

### 1.12.4 Detailed Coverage

#### 1.12.4.1 Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Retries Auto Liquidation Days : 5

  - Retries for Advice : 3

- Holiday treatment

  - Ignored

- Account preferences

  - Track receivable on automatic liquidation

  - Interest statement is enabled

  - Back period entry allowed

- Rollover

  - Not allowed

### 1.12.4.2 Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- Repayment schedule starts from value date of contract and is paid monthly.

- 4 days grace period is allowed for this component.

### 1.12.4.3 Main Interest Component

- Based on true discounted interest calculation.

- Calculation based on principal expected balance.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed only.

- Interest calculation method is Actual/365.

- Interest is paid during disbursement of loan.

### 1.12.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.12.4.5 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.12.4.6 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.12.4.7    Service Tax Component

Service tax is calculated on processing charge.

### 1.12.4.8    Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.12.5   Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADCH | Adhoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| PROV | Provisioning |
| RACR | Reversal Accrual |

## 1.12.6  Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| Payment Advice | PAYMENT_ADVICE |

## 1.12.7  Reports

- Loan Maturity Report
- Accrual Control List
- Overdue Schedule Report
- Periodic Rate Revision Report
- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

### 1.12.8  Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF- RL_RETAIL

**MIS:**

- MIS Classes

    - COS_CENTR

    - LOAN_TYPE

    - LOAN_TERM

## 1.13 Product Code LPA1 – Bearing Loan with Payment in Advance

### 1.13.1  Introduction

This product can be used to create short and medium term loans with bearing interest calculation. Loans created using this product can have Principal and interest schedules in different dates or in same dates. One principal schedules is created on the date of disbursement which has to be paid in advance. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad-hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product.

### 1.13.2  Business Scenario

- Loans with bearing interest type and payment in advance can be booked.

- Interest calculation based on principal expected.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Rollover for principal is automatic during maturity of loan.

### 1.13.3  Synopsis

- This product can be used to create simple bearing loans with payment in advance.

- When a loan is created, a payment schedule will be created by default for the principal component with value date same as the disbursement date. The amount will be equal to the principal due for the remaining schedules.

- The disbursement mode is auto.

### 1.13.4  Detailed Coverage

#### 1.13.4.1    Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Partial liquidation allowed

- Liquidate Each Component Across Dates

- Holiday treatment

  - Ignored

- Account preferences

  - Track receivable on automatic liquidation

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

- Rollover

  - Automatic rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Custom rollover is allowed.

  - Rollover schedule type is based on product schedules.

  - Principal is rolled over during automatic rollover.

- Payment in Advance

### 1.13.4.2    Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

- 4 days grace period is allowed for this component.

### 1.13.4.3    Main Interest Component

- Based on principal expected balance

- Rule type is Simple payment in advance

- Accrued Daily

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- Verify funds enabled

- Interest type can be fixed or floating

- Interest calculation method is Actual/Actual

- 4 days grace period is allowed for this component

- Repayment schedule starts from value date of contract and schedule frequency is monthly

### 1.13.4.4    Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.13.4.5    Ad-hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.13.4.6    Handling Charge Component

For handling charge, any amount can be input during disbursements.

### 1.13.4.7    Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.13.4.8    Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.13.4.9 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.13.4.10 Service Tax Component

Service tax is calculated on processing charge.

### 1.13.4.11 Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.13.5 Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADBK | Ad hoc Charge Booking |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |

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| Event Code | Nomenclature |
|---|---|
| NOVA | Novation (Customer change) |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| REOP | Re- Open of Loan Account |
| RNOG | Re- Negotiation |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |
| SROL | Special Rollover |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| ARVN | Automatic Rate Revision |
| REVN | Periodic Rate Revision |

## 1.13.6  Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |

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| Advices/Statements | Code |
|---|---|
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Payment Advice | PAYMENT_ADVICE |

## 1.13.7  Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

### 1.13.8  Additional Information (UDF)/Special Maintenance

**UDF:**

- Number UDF - LOAN_CUST_PAN_NUMBER

- Character UDF      - RL_CORPORATE

- Date UDF - LOAN_DATE

**MIS:**

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

## 1.14 Product Code LPA2 – Amortized Loan with Payment in Advance

### 1.14.1  Introduction

This product can be used to create short and medium term loans with amortized interest calculation. One principal schedules is created on the date of disbursement which has to be paid in advance. The amount paid in advance is equal to the EMI which is paid in the remaining schedules. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad-hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product.

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### 1.14.2 Business Scenario

- Amortized loans with payment in advance can be booked.

- Interest calculation based on principal expected.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Rollover for principal is automatic during maturity of loan.

### 1.14.3 Synopsis

- This product can be used to creating amortized loans with payment in advance.

- When a loan is created, a payment schedule will be created by default for the principal component with value date same as the disbursement date. The amount will be equal to the EMI for the remaining schedules.

- The disbursement mode is auto.

### 1.14.4 Detailed Coverage

#### 1.14.4.1 Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Partial liquidation allowed

  - Liquidate Each Component Across Dates

- Holiday treatment

  - Ignored

- Account preferences

  - Track receivable on automatic liquidation

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

- Rollover

  - Automatic rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Custom rollover is allowed.

  - Rollover schedule type is based on product schedules.

  - Principal is rolled over during automatic rollover.

- Payment in Advance

### 1.14.4.2    Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- 4 days grace period is allowed for this component.

### 1.14.4.3 Main Interest Component

- Based on principal expected balance

- Rule type is Amortized payment in advance

- Accrued Daily

- Verify funds enabled

- Interest type can be fixed or floating

- Interest calculation method is Actual/Actual

- 4 days grace period is allowed for this component

- Repayment schedule starts from value date of contract and schedule frequency is monthly

### 1.14.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.14.4.5 Ad-hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.14.4.6 Handling Charge Component

For handling charge, any amount can be input during disbursements.

### 1.14.4.7 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.14.4.8 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.14.4.9 Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.14.4.10 Service Tax Component

Service tax is calculated on processing charge.

### 1.14.4.11 Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.14.5 Events Covered

| Event Code | Nomenclature |
| --- | --- |
| ACCR | Accrual |
| ADBK | Ad hoc Charge Booking |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |

| Event Code | Nomenclature |
|---|---|
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| NOVA | Novation (Customer change) |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| REOP | Re-Open of Loan Account |
| RNOG | Re-Negotiation |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |
| SROL | Special Rollover |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| ARVN | Automatic Rate Revision |
| REVN | Periodic Rate Revision |

## 1.14.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |

| Advices/Statements | Code |
|---|---|
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Payment Advice | PAYMENT_ADVICE |

## 1.14.7  Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.14.8   Additional Information (UDF)/Special Maintenance

**UDF:**

- Number UDF - LOAN_CUST_PAN_NUMBER

- Character UDF - RL_CORPORATE

- Date UDF - LOAN_DATE

**MIS:**

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

# 1.15 Product Code OLL1 – Open Line Loans (Minimum Amount Due Method)

## 1.15.1   Introduction

This product can be used to create open line loans with bearing interest calculation. The amount for auto liquidation for the current billing period is calculated with a user defined formula. Penalty on overdue minimum amount, Status processing, Processing Fee, Prepayment penalty are handled in this product.

## 1.15.2    Business Scenario

- Open Line Loans (like a credit card loan) with bearing interest type can be booked.

- The amount to be auto liquidated for a billing period is calculated through user defined formula.

- Interest calculation is based on principal expected.

- Overdue penalty calculation based on minimum amount schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

## 1.15.3    Synopsis

- This product can be used to creating open line loans.

- The disbursement mode is manual.

- For auto liquidation, the amount is calculated through the minimum amount due method.

- A user defined formula is maintained to calculate the minimum amount due.

## 1.15.4    Detailed Coverage

### 1.15.4.1    Preferences

- Disbursement Mode

  - Manual

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Partial Liquidation Allowed

  - Retries Auto Liquidation Days: 5

  - Liquidate All Components for a Date

- Holiday treatment for all schedules

  - Holidays ignored

- Re-computation of Amortized Loan

  - Installment will be changed during VAMI action.

  - Single installments will be created during VAMI.

- Revolving Type

- Open Line Loans

- Credit Days - 10

- Auto Liquidation Basis –Minimum Amount Due

### 1.15.4.2    Principal Component

- 1 day grace period is allowed for this component.

- Repayment schedule starts from value date of contract and is paid as bullet amount at the maturity date of the contract.

### 1.15.4.3    Main Interest Component

- Based on principal expected balance.

- This component has simple formula to calculate the interest

- Accrued Daily.

- Interest type can be fixed.

- Interest calculation method is Actual/365.

- 1 day grace period is allowed for this component.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.15.4.4    Processing Fee Component

Fixed amount is maintained.

### 1.15.4.5    Penalty on Overdue Minimum Amount Component

- Penalty is calculated based on minimum amount schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.15.4.6    Prepayment Penalty Component

- Penalty is prepaid amount.

- Separate rate can be maintained for calculation of penalty.

### 1.15.4.7    Minimum Amount Due Method

- Multiple user-defined formulas is maintained. Minimum Amount due is calculated based on status of loan.

- The amount is calculated based on principal expected, Total Outstanding, Principal Outstanding or Amount financed.

## 1.15.5   Events Covered

| Event Code | Nomenclature |
|------------|--------------|
| ACCR | Accrual |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |

| Event Code | Nomenclature |
|---|---|
| MLIQ | Manual Liquidation |
| REVN | Rate Revision |
| ARVN | Automatic Rate Revision |
| BNTC | Billing Notice Event |
| RACR | Reversal Accrual |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| CLOS | Closure for Off - Balance Sheet Comp |

### 1.15.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Payment Advice | PAYMENT_ADVICE |

### 1.15.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

### 1.15.8   Additional Information (UDF)/Special Maintenance

**MIS:**

- MIS Classes

    - COS_CENTR

    - LOAN_TYPE

    - LOAN_TERM

## 1.16 Product Code OLL2 – Open Line Loans (Percentage of Amount Due)

### 1.16.1   Introduction

This product can be used to create open line loans with bearing interest calculation. The amount for auto liquidation for the current billing period is calculated based on the percentage of total amount due. Penalty on minimum amount overdue, Status processing, Processing Fee, Prepayment penalty are handled in this product.

### 1.16.2   Business Scenario

- Open Line Loans (like a credit card loan) with bearing interest type can be booked.

- The amount to be auto liquidated for a billing period is based on percentage of total amount due.

- Interest calculation is based on principal expected.

- Overdue penalty calculation based on minimum amount schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

## 1.16.3    Synopsis

- This product can be used to creating open line loans.

- The disbursement mode is manual.

- For auto liquidation, the amount is calculated as a percentage of total amount due.

- A fixed percentage is maintained to calculate the amount due.

## 1.16.4    Detailed Coverage

### 1.16.4.1      Preferences

- Disbursement Mode

  - Manual

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Allow Partial Liquidation

  - Liquidate All Components for a Date

- Holiday treatment for all schedules

  - Holidays ignored

- Re-computation of Amort Loan

  - Installment will be changed during VAMI action.

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- ▪ Multiple installments will be created during VAMI.

- Revolving Type

- Open Line Loans

- Credit days - 10

- Auto Liquidation Basis – % of Amount Due

- Percentage - 90

### 1.16.4.2    Principal Component

- 1 day grace period is allowed for this component.

- Repayment schedule starts from value date of contract and is paid as bullet amount at the maturity date of the contract.

### 1.16.4.3    Main Interest Component

- Based on principal expected balance.

- This component has simple formula to calculate the interest.

- Accrued Daily.

- Interest type can be fixed.

- Interest calculation method is Actual/365.

- 1 day grace period is allowed for this component.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.16.4.4    Processing Fee component

Fixed amount is maintained.

### 1.16.4.5    Penalty on Overdue Minimum Amount Component

- Penalty is calculated based on minimum amount schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.16.4.6      Prepayment Penalty Component

- Penalty is prepaid amount.

- Separate rate can be maintained for calculation of penalty.

### 1.16.4.7      Minimum Amount Due Method

User defined formula is maintained. The amount is calculated based on principal expected.

## 1.16.5   Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| REVN | Rate Revision |
| ARVN | Automatic Rate Revision |
| CLOS | Closure for Off- Balance Sheet Comp |
| RACR | Reversal Accrual |
| BNTC | Billing Notice Event |

| Event Code | Nomenclature |
|---|---|
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |

## 1.16.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Payment Advice | PAYMENT_ADVICE |

## 1.16.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.16.8   Additional Information (UDF)/Special Maintenance

**MIS:**

- MIS Classes

    - COS_CENTR

    - LOAN_TYPE

    - LOAN_TERM

# 1.17 Product Code LCPR – Loans for LC Against Bill

## 1.17.1   Introduction

This product can be used to create loans against the bill, with bearing interest calculation. Loans created using this product can have Principal and interest schedules in different dates or in same dates. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Ad hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product. The interest component is also re-compounded when it becomes overdue.

## 1.17.2   Business Scenario

- Loans against the Bill, with bearing interest type can be booked.

- Interest calculation based on principal expected.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Automatic Rollover for principal during maturity of loan.

## 1.17.3   Synopsis

- This product can be used to creating bearing loans with compounding interest.

- The disbursement mode is auto.

- The interest is compounded on overdue.

## 1.17.4   Detailed Coverage

### 1.17.4.1      Preferences

- Disbursement Mode

    - Auto

- Rate (Cross currency transaction preference)

    - Normal variance : 5

    - Maximum variance: 15

    - Standard Middle rate is used

- Liquidation

- ▪ Auto liquidation

- ▪ Partial liquidation allowed

- • CL against Bill – YES

- • Holiday treatment

  - ▪ Ignored

- • Account preferences

  - ▪ Track receivable on automatic liquidation

  - ▪ Liquidate back value dated schedules allowed

  - ▪ Interest statement is enabled

  - ▪ Back period entry allowed

- • Rollover

  - ▪ Automatic rollover.

  - ▪ Rolled over by days.

  - ▪ Contract UDEs are captured during rollover.

  - ▪ Custom rollover is allowed.

  - ▪ Rollover schedule type is based on Product schedules.

  - ▪ Principal is rolled over during automatic rollover.

## 1.17.4.2    Principal Component

- • Verify funds enabled.

- • Disbursement schedule starts from value date of contract.

- • Repayment schedule starts from value date of contract and is paid at the maturity of the contract.

- • 4 days grace period is allowed for this component.

## 1.17.4.3    Main Interest Component

- • Based on principal expected balance

- • Compounded monthly

- Compounded on Overdue

- Accrued Daily

- Verify funds enabled

- Interest type can be fixed or floating

- Interest calculation method is Actual/Actual

- 4 days grace period is allowed for this component

- Repayment value date of contract and is paid at the maturity of the contract

### 1.17.4.4 Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.17.4.5 Handling Charge

For handling charge, any amount can be input during contract booking.

### 1.17.4.6 Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.17.4.7 Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.17.4.8 Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.17.4.9      Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.17.4.10     Service Tax Component

Service tax is calculated on processing charge.

### 1.17.4.11     Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.17.5   Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| RNOG | Renegotiation of Contract |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| ARVN | Automatic Rate Revision |
| DSBR | Disbursement |
| INIT | Contract Initiation |

| Event Code | Nomenclature |
|---|---|
| MLIQ | Manual Liquidation |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| REVN | Rate Revision |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |

## 1.17.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |

| Advices/Statements | Code |
|---|---|
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Payment Advice | PAYMENT_ADVICE |

## 1.17.7  Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.17.8 Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF        - RL_CORPORATE

**MIS:**

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

# 1.18 Product Code LCPC – Loans for LC (Packing Credit)

## 1.18.1 Introduction

This product can be used to create loans with packing credit, with bearing interest calculation. Loans created using this product can have Principal and interest schedules in different dates or in same dates. Prepayment penalty, Penalty on overdue interest & principal, Status processing, Provisioning, Adhoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product. The interest component is also re-compounded when it becomes overdue.

## 1.18.2 Business Scenario

- Loans with packing credit, with bearing interest type can be booked.

- Interest calculation based on principal expected.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

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- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Automatic Rollover for principal during maturity of loan.

## 1.18.3   Synopsis

- This product can be used to creating bearing loans with compounding interest.

- The disbursement mode is auto.

- The interest is compounded on overdue.

## 1.18.4   Detailed Coverage

### 1.18.4.1      Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 5

  - Maximum variance: 15

  - Standard Middle rate is used

- Liquidation

  - Manual liquidation

- Packing Credit product – YES

- Holiday treatment

  - Ignored

- Account preferences

  - Track receivable on automatic liquidation

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

- Rollover

  - Manual rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Custom rollover is allowed.

  - Rollover schedule type is based on Product schedules.

  - Principal is rolled over during automatic rollover.

### 1.18.4.2    Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- Repayment schedule starts from value date of contract and is paid at the maturity of the contract.

- 4 days grace period is allowed for this component.

### 1.18.4.3    Main Interest Component

- Based on principal expected balance

- Compounded monthly

- Compounded on Overdue

- Accrued Daily

- Verify funds enabled

- Interest type can be fixed or floating

- Interest calculation method is Actual/Actual

- 4 days grace period is allowed for this component

- Repayment value date of contract and is paid at the maturity of the contract

### 1.18.4.4    Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.18.4.5    Handling Charge

For handling charge, any amount can be input during contract booking.

### 1.18.4.6    Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.18.4.7    Penalty on Overdue Interest Component

- Penalty is calculated based on main interest schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.18.4.8    Penalty on Overdue Principal Component

- Penalty is calculated based on principal schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.18.4.9    Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.18.4.10    Service Tax Component

Service tax is calculated on processing charge.

### 1.18.4.11    Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion is less than the loan outstanding then separate rate for provisioning is applied.

## 1.18.5 Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| RNOG | Renegotiation of Contract |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| ARVN | Automatic Rate Revision |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| REVN | Rate Revision |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |

| Event Code | Nomenclature |
|---|---|
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |

## 1.18.6   Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |

| Advices/Statements | Code |
|---|---|
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Payment Advice | PAYMENT_ADVICE |

## 1.18.7 Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

- Periodic Rate Revision Report

- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.18.8 Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF- RL_CORPORATE

**MIS:**

- MIS Classes

    - COS_CENTR

    - LOAN_TYPE

    - LOAN_TERM

# 1.19 Product Code PRVN – Provisioning/Status Change (Amortized Loans Product)

## 1.19.1 Introduction

This product can be used to create Provisioning/Status change bearing interest calculation. Schedule type for this loan product is amortized. Prepayment penalty, Penalty on overdue EMI Amount, Status processing, Provisioning, Ad-hoc charges, Handlings charges, Processing charges, Service tax on charges are handled in this product.

## 1.19.2 Business Scenario

- Loans with bearing interest type (Amortized) can be booked.

- Interest calculation is based on principal expected and is amortized based on frequencies.

- Overdue penalty calculation based on principal schedule overdue and interest schedule overdue.

- Assigning status to loans based on overdue days.

- Income recognition is stopped based on status movement.

- Unrecognized interest is reversed based on status movement.

- Reporting assets in different heads based on status movement.

- Automatic reverse status movements and rebooking reversed interest amounts based on payments.

- Automatic Rollover of principal (Special Amount) during maturity of loan.

## 1.19.3   Synopsis

- This product can be used to creating amortized loans.

- The disbursement mode is auto.

- VAMI and prepayment re-computation type is Change Tenor.

## 1.19.4   Detailed Coverage

### 1.19.4.1      Preferences

- Disbursement Mode

  - Auto

- Rate (Cross currency transaction preference)

  - Normal variance : 1

  - Maximum variance: 3

  - Standard Middle rate is used

- Liquidation

  - Auto liquidation

  - Liquidate all components for a date

  - Retries Auto Liquidation Days : 4

  - Retries for Advice : 3

- Holiday treatment for all schedules

  - Holidays ignored

- Account preferences

  - Track receivable auto liquidation enabled

  - Liquidate back value dated schedules allowed

  - Interest statement is enabled

  - Back period entry allowed

  - Partial block release enabled

- Rollover

  - Automatic rollover.

  - Rolled over by days.

  - Contract UDEs are captured during rollover.

  - Special rollover is allowed.

  - Rollover schedule type is based on contract schedules.

  - Principal and interest are rolled over during automatic rollover.

- Re-computation of Amort Loan

  - Tenor will be changed during VAMI action.

  - Multiple installments will be created during VAMI.

- Prepayment of loan

  - Basis of re-computing the schedules is Reduce tenor.

  - Prepayment is effective from Next Installment of the payment.

  - Single installment will be created during payment.

  - Interest pay back is applicable for prepayment.

### 1.19.4.2    Principal Component

- Verify funds enabled.

- Disbursement schedule starts from value date of contract.

- 4 days grace period is allowed for this component.

### 1.19.4.3    Main Interest Component

- Based on principal expected balance.

- This component has amortized formula to calculate the same repayment amount which includes principal and interest across schedules.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed or floating.

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- Interest calculation method is 30(Euro)/360.

- 4 days grace period is allowed for this component.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.19.4.4    Processing Charge Component

- Minimum and maximum charges are maintained.

- Any amount can be input during booking of contract.

- If calculated charge is less than minimum charge, then minimum charge is collected.

- If calculated charge is more than maximum charge, then maximum charge is collected.

- If calculated charge is neither less than minimum charge nor more than maximum charge, then charge calculated based on amt financed is collected.

### 1.19.4.5    Handling Charge

For handling charge, any amount can be input during contract booking.

### 1.19.4.6    Ad hoc Charge Component

Any amount could be charged at any time during the lifecycle of the contract.

### 1.19.4.7    Penalty on Overdue EMI Amount

- Penalty is calculated based on schedule overdue.

- Separate rate can be maintained for calculation of penalty.

### 1.19.4.8    Prepayment Penalty Component

- Penalty is calculated on prepaid amount.

- Separate rate can be maintained for prepayment penalty.

### 1.19.4.9    Service Tax Component

Service tax is calculated on processing charge.

### 1.19.4.10    Provision Component

- Provision is calculated based on status of loan, loan outstanding and secured portion of loan.

- If secured portion (Bank Guarantee/Standby LC) is more than the loan outstanding then separate rate for provisioning is applied.

- If secured portion (Bank Guarantee/Standby LC) is less than the loan outstanding then separate rate for provisioning is applied.

### 1.19.4.11 Loan Top-Up

Principal increase can be restricted with certain conditions at Top-up details.

### 1.19.4.12 Collection Interest Component

- Collection Interest is calculated on principal expected balance.

- This component has simple formula to calculate the repayment amount which is included in the EMI.

- This component has Include in EMI flag checked.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed or floating.

- Interest calculation method is 30(Euro)/360.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

### 1.19.4.13 Processing Interest Component

- Processing Interest is calculated on principal expected balance.

- This component has simple formula to calculate the repayment amount which is included in the EMI.

- This component has Include in EMI flag checked.

- Accrued Daily.

- Verify funds enabled.

- Interest type can be fixed or floating.

- Interest calculation method is 30(Euro)/360.

- Repayment schedule starts from value date of contract and schedule frequency is monthly.

## 1.19.5 Events Covered

| Event Code | Nomenclature |
|---|---|
| ACCR | Accrual |
| ADBK | Ad hoc Charge Booking |
| ADCH | Ad hoc Charge Application |
| ALIQ | Automatic Liquidation |
| BOOK | Booking of contract |
| DSBR | Disbursement |
| INIT | Contract Initiation |
| MLIQ | Manual Liquidation |
| REVN | Rate Revision |
| RNOG | Re-Negotiation |
| ARVN | Automatic Rate Revision |
| PROV | Provisioning |
| RACR | Reversal Accrual |
| ROLB | Rollover Booking |
| ROLL | Rollover of Contract |

| Event Code | Nomenclature |
|---|---|
| VAMB | Value Dated Amendment Booking |
| VAMI | Value Dated Amendment Initiation |
| REOP | Reopen of the Account |
| INPL | Interest Pay Back |
| RINP | Reversal of Interest Pay back |
| SROL | Special Rollover |

## 1.19.6 Advices/Statements Supported

| Advices/Statements | Code |
|---|---|
| Loan Initiation Advice | CL_INIT_ADV |
| Contract Advice | CL_CONT_ADV |
| Loan Summary statement Advice | CLST_SUMMARY |
| Credit Advice | CR_ADV |
| Loan detailed Statement Advice | CLST_DETAILED |
| Debit Advice | DR_ADV |
| Delinquency Advice | DELINQYADV |
| Billing Advice | BILNOTC |
| Interest Statement Advice | CL_INT_STMT |

| Advices/Statements | Code |
|---|---|
| Rate Change Advice | RATECH_ADV |
| Rollover Advice | CL_ROLL_ADV |
| Coupon Book generation | COUPON |
| Capitalization Advice | CL_CAP |
| Payment Message | PAYMENT_MESSAGE |
| CL Amendment Advice | CLAMDADV |
| Account Simulation Advice | CL_ENQUIRY |
| Payment Advice | PAYMENT_ADVICE |
| Payment Simulation Advice | CL_PAY_SIM |

## 1.19.7  Reports

- Loan Maturity Report

- Accrual Control List

- Overdue Schedule Report

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- Customer Loan Agreement

- Interest Calculation Analysis

- Loan History

- Loan Register

- Event Report

- Adverse Status Report

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- Loan Rollover Monitoring Report

- Linked Contract Utilization Report

## 1.19.8  Additional Information (UDF)/Special Maintenance

**UDF:**

- Character UDF- RL_RETAIL

**MIS:**

- MIS Classes

  - COS_CENTR

  - LOAN_TYPE

  - LOAN_TERM

# 2   Consumer Lending – Gateway Services

Oracle FLEXCUBE is using synchronous and asynchronous gateway services to ensure data flow from external system to FCUBS in XML format.

Bank can use gateway services for communicating external system to FLEXCUBE. Loans module is also supporting gateway operations.

## 2.1   Supported Gateway Services for Loans

Following gateway services are major contributor to Loans Module:

| Serivce Name | Service Description | Operations | Operation Description |
|---|---|---|---|
| FCUBSCLService | Consumer Lending Online Service | QueryCustSum | Query of Consumer Lending Customer Summary |
| FCUBSCLService | Consumer Lending Online Service | QueryClInfo | Query of Consumer Lending Account |
| FCUBSCLService | Consumer Lending Online Service | QueryAutosuspInfo | Query of Consumer Lending Liquidation Suspension |
| FCUBSCLService | Consumer Lending Online Service | QueryAccount | Query of Consumer Lending Account |
| FCUBSCLService | Consumer Lending Online Service | ModifyProduct | Modification of Consumer Lending Product |
| FCUBSCLService | Consumer Lending Online Service | DeleteVami | Deletion of Consumer Lending Value Dated Amendments |
| FCUBSCLService | Consumer Lending Online Service | DeleteStatusChange | Deletion of Consumer Lending Status Change |
| FCUBSCLService | Consumer Lending Online Service | DeleteRollover | Deletion of Consumer Lending Account Rollover |

| Serivce Name | Service Description | Operations | Operation Description |
|---|---|---|---|
| FCUBSCLService | Consumer Lending Online Service | DeleteRenog | Deletion of Consumer Lending Account Renegotiation |
| FCUBSCLService | Consumer Lending Online Service | DeleteProduct | Deletion of Consumer Lending Product |
| FCUBSCLService | Consumer Lending Online Service | DeleteNotaryConfirm | DeleteNotaryConfirm |
| FCUBSCLService | Consumer Lending Online Service | DeleteInstStatChg | Deletion of Consumer Lending Installment Status Change |
| FCUBSCLService | Consumer Lending Online Service | DeleteCLAdhoc | Deletion of Consumer Lending Adhoc Charge |
| FCUBSCLService | Consumer Lending Online Service | DeleteAccount | Deletion of Consumer Lending Account |
| FCUBSCLService | Consumer Lending Online Service | CreateVami | Creation of Consumer Lending Value Dated Amendments |
| FCUBSCLService | Consumer Lending Online Service | CreateProduct | Creation of Consumer Lending Product |
| FCUBSCLService | Consumer Lending Online Service | CreateNotaryConfirm | CreateNotaryConfirm |
| FCUBSCLService | Consumer Lending Online Service | CreateAccount | Creation of Consumer Lending Account |

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| Serivce Name | Service Description | Operations | Operation Description |
|---|---|---|---|
| FCUBSCLService | Consumer Lending Online Service | AuthorizeProduct | Authorization of Consumer Lending Product |
| FCUBSCLService | Consumer Lending Online Service | AuthorizeNotaryConfirm | AuthorizeNotaryConfirm |
| FCUBSCLService | Consumer Lending Online Service | AuthorizeMortgage | AuthorizeMortgage |
| FCUBSCLService | Consumer Lending Online Service | AuthorizeAccount | Authorization of Consumer Lending Account |
| FCUBSCLService | Consumer Lending Online Service | AuthVami | Authorization of Consumer Lending Value Dated Amendments |
| FCUBSCLService | Consumer Lending Online Service | AuthStatusChange | Authorization of Consumer Lending Account Status Change |
| FCUBSCLService | Consumer Lending Online Service | AuthRollover | Authorization of Consumer Lending Account Rollover |
| FCUBSCLService | Consumer Lending Online Service | AuthRenog | Authorization of Consumer Lending Account Renegotiation |
| FCUBSCLService | Consumer Lending Online Service | AuthReassign | Authorization of Consumer Lending Account Reassignment |

| Serivce Name | Service Description | Operations | Operation Description |
|---|---|---|---|
| FCUBSCLService | Consumer Lending Online Service | AuthInstStatChg | Authorization of Consumer Lending Installment Status Change |
| FCUBSCLService | Consumer Lending Online Service | AuthDisbursement | Authorization of Consumer Lending Disbursement |
| FCUBSCLService | Consumer Lending Online Service | AuthCLAdhoc | Authorization of Consumer Lending Adhoc Charge |
| FCUBSCLService | Consumer Lending Online Service | ActiveRollover | Input of Consumer Lending Account Rollover |
| FCUBSCLService | Consumer Lending Online Service | SimPayment | Input of Consumer Lending Payment Simulation |
| FCUBSCLService | Consumer Lending Online Service | SaveStatusChange | Input of Consumer Lending Account Status Change |
| FCUBSCLService | Consumer Lending Online Service | SaveRollover | Input of Consumer Lending Account Rollover |
| FCUBSCLService | Consumer Lending Online Service | SaveReversal | Input of Consumer Lending Account Reversal |
| FCUBSCLService | Consumer Lending Online Service | SaveRenog | Input of Consumer Lending Account Renegotiation |
| FCUBSCLService | Consumer Lending Online Service | SaveReassign | Input of Consumer Lending Account Reassignment |
| FCUBSCLService | Consumer Lending Online Service | SaveInstStatChg | Input of Consumer Lending Installment Status Change |

| Serivce Name | Service Description | Operations | Operation Description |
|---|---|---|---|
| FCUBSCLService | Consumer Lending Online Service | SaveInactive | Input of Consumer Lending Inactive Account |
| FCUBSCLService | Consumer Lending Online Service | SaveCLAdhoc | Input of Consumer Lending Adhoc Charge |
| FCUBSCLService | Consumer Lending Online Service | SaveAccountActivate | Input of Consumer Lending Account Activation |
| FCUBSCLService | Consumer Lending Online Service | SaveAccSim | Input of Consumer Lending Account Simulation |
| FCUBSCLService | Consumer Lending Online Service | SaveALiqdSusp | Input of Consumer Lending Liquidation suspension |
| FCUBSCLService | Consumer Lending Online Service | ReverseRollover | Reversal of Consumer Lending Account Rollover |
| FCUBSCLService | Consumer Lending Online Service | ReverseRenog | Reversal of Consumer Lending Account Renegotiation |
| FCUBSCLService | Consumer Lending Online Service | ReverseInstStatChg | Reversal of Consumer Lending Installment Status Change |
| FCUBSCLService | Consumer Lending Online Service | RevCLAdhoc | Reverse of Consumer Lending Adhoc |
| FCUBSCLService | Consumer Lending Online Service | QueryVami | Query of Consumer Lending Value Dated Amendments |

| Serivce Name | Service Description | Operations | Operation Description |
|---|---|---|---|
| FCUBSCLService | Consumer Lending Online Service | QueryRollover | Query of Consumer Lending Account Rollover |
| FCUBSCLService | Consumer Lending Online Service | QueryRenog | Query of Consumer Lending Account Renegotiation |
| FCUBSCLService | Consumer Lending Online Service | QueryProduct | Query of Consumer Lending Product |
| FCUBSCLService | Consumer Lending Online Service | QueryPmntSch | Query of Consumer Lending Payment Schedules |
| FCUBSCLService | Consumer Lending Online Service | QueryNotaryConfirm | QueryNotaryConfirm |
| FCUBSCLService | Consumer Lending Online Service | DeleteInactiveRoll | delete of Consumer Lending Account Inactive Rollover |
| FCUBSCLService | Consumer Lending Online Service | SaveInactiveRoll | Save of Consumer Lending Account Inactive Rollover |
| FCUBSCLService | Consumer Lending Online Service | ReverseInactiveRoll | Reverseof Consumer Lending Account Inactive Rollover |
| FCUBSCLService | Consumer Lending Online Service | QueryInactiveRoll | Query of Consumer Lending Account Inactive Rollover |
| FCUBSCLService | Consumer Lending Online Service | QueryALiqdSusp | Query of Consumer Lending Liquidation Suspension |

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