Retail Lending User Guide

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1. Preface

1.1 Introduction

This manual is designed to help acquaint you with the Retail/Consumer Lending module of Oracle FLEXCUBE.

It provides an overview of the module and guides you, through the various steps involved in granting loans to the customers of your bank.

You can further obtain information about to a particular field by placing the cursor on the relevant field and striking the <F1> key on the keyboard.

1.2 Audience

This manual is intended for the following User/User Roles:

Role	Function
Back office data entry clerk	Input functions for contracts
Back office managers/officers	Authorization functions
Product Managers	Product definition and authorization
End of Day operators	Processing during End of Day/ Beginning of Day
Financial Controller / Product Managers	Generation of reports

1.3 Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc.

1.4 Organization

This manual is organized into the following chapters:

Chapter	Description
Chapter 1	*About this Manual* gives information on the intended audience. It also lists the various chapters covered in this User Manual.
Chapter 2	*Retail Lending—an Overview* is a snapshot of the features that the module provides.
Chapter 3	*Maintenances and Operations* discusses the procedure to maintain details of the account which are necessary for disbursing the loan.
Chapter 4	*Defining Product* Categories and Products talks about defining the attributes specific to setting up a loan product.
Chapter 5	*Account Creation* talks about creating customer accounts.

Chapter 6	*Capturing Additional Details for a Loan* talks about the additional details that you can capture for a Loan account.
Chapter 7	*Branch Transfer of Loans* explains the procedure to transfer the finance and commitment of either a customer initiated or branch initiated transfers from one branch to another.
Chapter 8	*Making Manual Disbursements* describes the procedure to make a loan disbursement using the 'Manual' mode.
Chapter 9	*Operations* deals with the payments details and changes that you can effect on a loan.
Chapter 10	*Batch Processes* deals with processing the batch operations.
Chapter 11	*Annexure A: Accounting Entries for Consumer Lending* explains the types of accounting entries generated at each stage in the lifecycle of a loan.
Chapter 12	*Glossary* lists the important terms and its definition.
Chapter 13	*Function ID Glossary* has alphabetical listing of Function/Screen ID's used in the module with page references for quick navigation.

1.5 Related Documents

You may need to refer to any or all of the User Manuals while working on the Retail/Consumer Lending module:

- Core
- Procedures
- Settlements
- Interest
- User Defined

1.6 Glossary of Icons

This User Manual may refer to all or some of the following icons.

Icons	Function
	Exit
	Add row
	Delete row
	Option List

2. Retail Lending – An Overview

2.1 Introduction

The primary function of banks is to accept deposits and use it to dispense loans. Every time a bank sanctions a loan it is creating an asset in its books. The interest a bank earns from lending contributes substantially to its bottom line. Lending itself stimulates business activity in the economy. Loan products offered by banks can be of various tenors, rates of interest, repayment schedules and complexity. Thus, you can have short or long term loans; loans at fixed or floating rates or a combination of the two; loans disbursed and repaid as a bullet or in installments and so on.

This chapter contains the following sections:

- Section 2.2, "Loan Life Cycle"
- Section 2.3, "Interface with Other Modules"

2.2 Loan Life Cycle

A loan passes through various stages or events from the moment it is given till the time it is repaid. The process begins with a loan application form in which the borrower is asked to furnish their details and the kind of facility requested. The bank's loans or credit department appraises the application and takes a decision whether the applicant is eligible for the loan asked and whether loan can be extended to that customer. The bank will apply its own parameters in arriving at this decision. The factors which will go into this include the standing, character, track record and the collaterals (securities) offered to secure the loan. Assuming that the loan is sanctioned the bank gives a commitment and stipulates terms and conditions governing the same. The bank may levy a processing charge at this stage. The loan amount is then disbursed and credited to the settlement account of the borrower who draws the amount, uses it for the purpose for which it was taken. Interest accrues on the account which has to be serviced by the borrower besides repaying the principal amount as per the repayment schedule. If the loan is not repaid or there is a delay the loan asset's status is changed to reflect its deterioration. The bank may also charge penal interest or interest on interest in such a scenario. Moreover then bank may have to make provisions from its profits for such sub-standard loans. On the other hand if the loan account is conducted well it will close on the date the last installment is due and paid. On closure, the bank will return or lift the collaterals which it had taken. The loan cycle is now complete.

The CL module in Oracle FLEXCUBE captures and maintains the parameters with respect to the life cycle of the loan (outlined above) once the application moves to the account processing stage.

The application moves to an account processing stage when the applicant becomes a customer of your bank. The customer's record will now be available in the bank's customer database. A Loan account is created which will be used to service the customer. Loan account creation involves capturing the details of the final loan application into the features of the Loan. Loan Accounts in Oracle FLEXCUBE will be created under Account Templates called 'Products'. The system resolves the product category and product on the basis of the application details.

The Loan Account thus created, reports to the Asset GL of the bank. Disbursements will debit the loan account and hence a loan with outstanding balances will be in debit. Payments are credited to the loan account. At the end of complete re-payment, the account becomes zero balanced and is closed.

Product Categories are a logical grouping of certain products such as Vehicle Loans, Home Loans etc. The banks/ FIs can setup different products based on services they offer.

When a customer loan is sanctioned, a loan account will be created under a specific loan account product.

Hence, its' features would default from the account product. The Loan account so created will be used for further Loan servicing such as disbursements. The loan account balance will represent the outstanding Principal that was advanced to the Customer. Interests will be calculated on this balance based on the schedule and pricing setup. The Account processing stage involves the following:

- Loan Account Creation
- Loan Initiation and Schedule set-up
- Payments of Schedules
- Collections and Delinquency Management
- Loan Status Change Processing
- Amendments to Loans
- Disbursements

You can specify search criteria and query details pertaining to any records maintained in a particular screen in CL module and the details of the records are displayed in their respective summary screens. If multi-branch access is enabled for the user and the given summary function id, the query result will list the records from all the allowed branches of the logged in user.

In case if multi branch access is not enabled for either user or the given summary function id, then, the query result will display the records of the logged in branch only.

If a user tries to access the detailed record from the summary results for a particular record and if the record belongs to a branch other than logged in branch, system will check the following:

- If the user has multi branch access and the detailed function id has multi branch access
- If the branch is an allowed branch for the logged in user.

2.3 Interface with Other Modules

The CL Module interfaces with the following sub-systems/Modules of Oracle FLEXCUBE

- Security Management System (SMS)
- Core Services like Currency, General Ledger, End of Day, Accounting
- Central Liability (Limits)
- Bills

3. Maintenances and Operations

Before you begin using the Consumer Lending module, you must maintain the following information in the system:

Bank Parameters

These are parameters that you need to specify at the bank level. These will include the following:

- Interest calculation parameters
- Amount blocks on inactive accounts
- Splitting of accounting entries for the offset leg
- Site specific maintenances

Branch Parameters

These are parameters that you need to specify at the branch level. These will determine the following:

- Batch processing during holidays
- Netting of accounting entries for accrual, liquidation and status change
- Default Settlement Accounts
- Format/Mask for generation of Account numbers etc
- The structure of the schedule
- Schedule gap treatment

In addition, you also have to maintain the following:

UDE (User Data Elements) Rules

UDEs are used to build formulae to calculate the amount of interest applicable. These include entities like Interest Rate, Amount Slab etc. that will hold values you provide. The UDEs themselves are defined at the product level but you can use these UDEs to build rules with different conditions based on which the UDE value should be arrived at.

You can maintain the UDE values at Product and Account level. You can also maintain Fixed amount UDEs in other currencies.

Repayment holiday periods

For a calendar year, you can define holiday periods for customers during which they can avail a repayment holidays.

Check Lists

For different events, you can maintain check lists. The check lists that you maintain here will be validated during the execution of that event while processing the loan.

System Data Elements (SDEs)

Information that is constantly updated by the system, for instance, the balance in an account, number of transactions processed etc. is referred to as SDEs. This information is readily available for computation of penalties, Interest or charges. You need to identify the SDEs applicable for this module.

Floating Rate maintenance

You can maintain floating rates for a Rate Code, Currency, Amount Slab and Effective Date combination

User Defined Policies

These are validation and operations that are performed during the life cycle of a loan

Promotions

Promotions are special offers whereby you can offer special incentives/ concessions to customers. You can link loans to one or more promotions

The above maintenances are discussed in detail in this chapter.

This chapter contains the following sections:

- Section 3.1, "Inter Branch Account Maintenance"
- Section 3.2, "Lending Bank Parameters"
- Section 3.3, "Consumer Lending Branch Parameters"
- Section 3.4, "UDE Value Maintenance for Loans"
- Section 3.5, "Adhoc Charge Maintenance"
- Section 3.6, "Ad-hoc Charge Authorize"
- Section 3.7, "Holiday Period Maintenance"
- Section 3.8, "Maintaining Check Lists"
- Section 3.9, "Maintaining System Data Elements "
- Section 3.10, "Maintaining Floating Interest Rates"
- Section 3.11, "Maintaining User Defined Policies "
- Section 3.12, "Maintaining Standard Policies"
- Section 3.13, "Maintaining Bulk Payment Preferences"
- Section 3.14, "Account Class Status Maintenance"
- Section 3.15, "Lending Event Class Maintenance"
- Section 3.16, "Maintaining Special Condition"

3.1 Inter Branch Account Maintenance

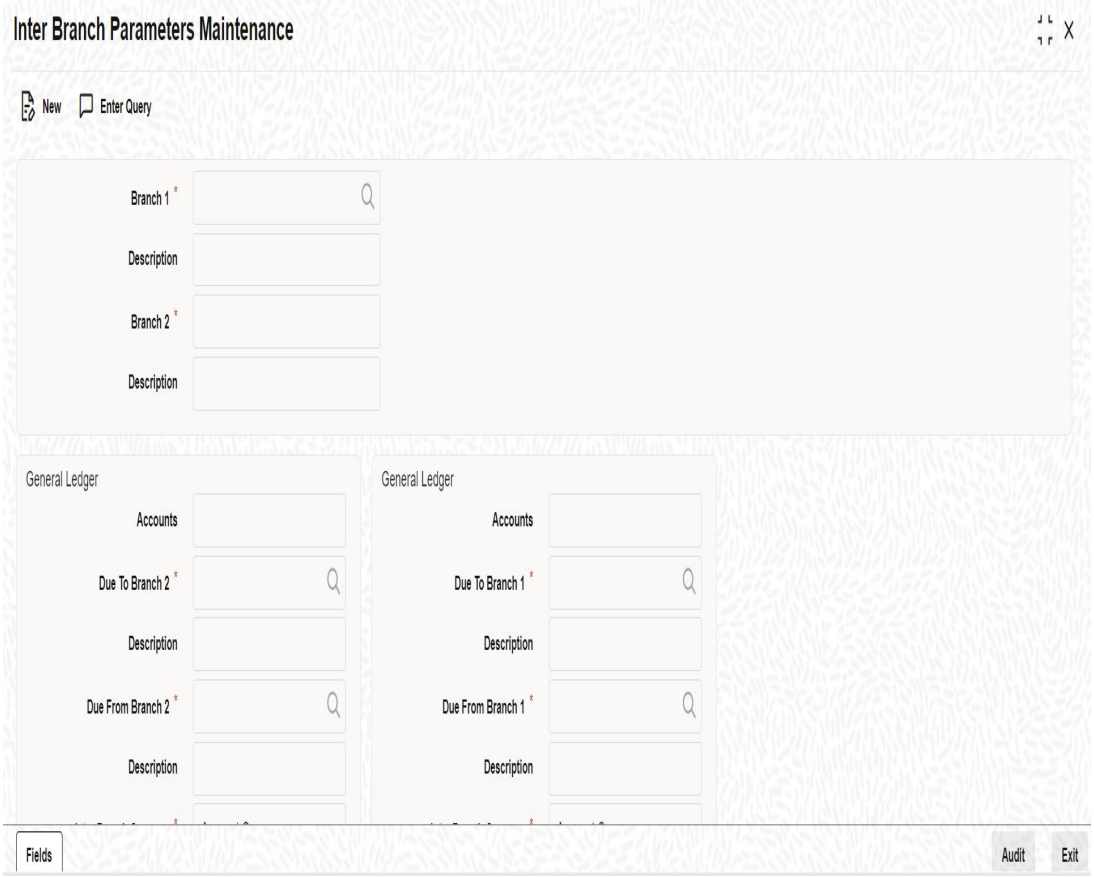
This section contains the following topic:

- Section 3.1.1, "Maintaining Inter Branch Parameters"

3.1.1 Maintaining Inter Branch Parameters

You can modify Inter branch parameters screen to capture inter branch parameters for Contingent GLs. The balances are transferred from contingent GL from one branch to another during branch transfer of commitments and for Loan, Islamic Financing and Mortgage accounts for which there is accrual for contingent GLs. During transfer of the balances from this GL, one leg (Dr/Cr) of the accounting entry would be posted from source branch and the other leg (Dr/Cr) from the target branch. System would use the GLs maintained in this screen

to post the Inter branch entries. You can invoke this screen by typing ‘ACDIBMNT’ in the field at the top right corner of the Application toolbar and clicking on the adjoining arrow button.



Specify the following here:

Due to Branch 2

Specify the intermediary GL due to branch 2.

Description

Specify the GL description.

Due to Branch 1

Specify the intermediary GL due to branch 1.

Description

Specify the GL description for Due to branch 1.

Due from Branch 2

Specify the intermediary GL due from branch 2.

Description

Specify the GL description for Due from Branch 2.

Due from Branch 1

Specify the intermediary GL due from branch 1.

Description

Specify the GL description for Due from branch 1.

3.2 Lending Bank Parameters

This section contains the following topic:

- Section 3.2.1, "Maintaining Bank Parameters"

3.2.1 Maintaining Bank Parameters

You can maintain the bank parameters in the 'Retail Lending – Bank Parameters' screen. You can invoke this screen by typing 'CLDBKPMT' in the field at the top right corner of the Application toolbar and clicking on the adjoining arrow button.



Here you can capture the following details:

Bank Code

Specify the code that represents your bank.

Include To date for Interest Calc

If you check this option, then accrual entries will be passed from the value date + 1 till the maturity date. However, if this box is not checked, then accrual entries will be passed from the value date till the maturity date - 1.

Amount Blocking for inactive account

Indicate whether an amount block needs to be imposed on an inactive account or not

Residual Adjustment during auto liquidation

Check this box to perform Excess/Lower payment adjustment during auto liquidation.This flag will be unchecked by default.

Split Offset Leg

Check this box if you wish to have split accounting entries for the offset leg of a transaction. For example, if a certain transaction debits a particular GL and credits two different GLs (as in off balance sheet entries), the system will pass two debit entries for the first GL to be in sync with the credit entries to the other GLs. If this option is not checked the accounting entries will be as under:

Dr/ Cr	Account	Amount
Dr	00000001	50
Cr	00000011	20
Cr	00000022	30

If this option is checked the accounting entries will be as under:

Dr/ Cr	Account	Amount
Dr	00000001	20
Cr	00000011	20
Dr	00000001	30
Cr	00000022	30

Branch Transfer Parameters

Re-pickup Float Rate

Check Re-pickup Float rate to specify if re-pickup of float rate should be done for the new branch on transfer.

Re-pickup Holiday

Check Re-pickup Holiday to specify if re-pickup of holiday needs to be done for the new branch on transfer.

Account Number Unique Across Bank

Check this box to specify if account number has to be unique across bank or not.

Account number is unique for branch transfer. It can be unchecked for banks that do not implement branch transfer feature.

Account Mask

Account Number Mask is unique across the bank so that the account number can be retained while transferring loans to branches. To retain the account number the account number mask is maintained at the bank level or the branch code is maintained at the branch level.

Accounting Mask Required

Check Accounting Mask Required to specify if accounting mask is required or not.

Account Mask

Specify the Account Mask

If the account number is manually input, then the system validates the account number as unique across the bank and if not, system displays an error message.

Archive Processed Records from events diary

The parameter Reference Date, Frequency, Unit will be used to archive the processed records in Event Diary

The archival will be done in EOD by batch function. If this parameter is not set then no archive will be done.

Purge Inactive Loans

Specify the tenor in units of days, months and year, for which you want to keep the inactive loans for purging.

Cut off Transactions

Select the Cutoff GL from the option list. Transactions after 2:00 pm on a day will be considered on the next working day. The accounting entries for such transactions will be passed into the Cutoff GL and not the Settlement GL.

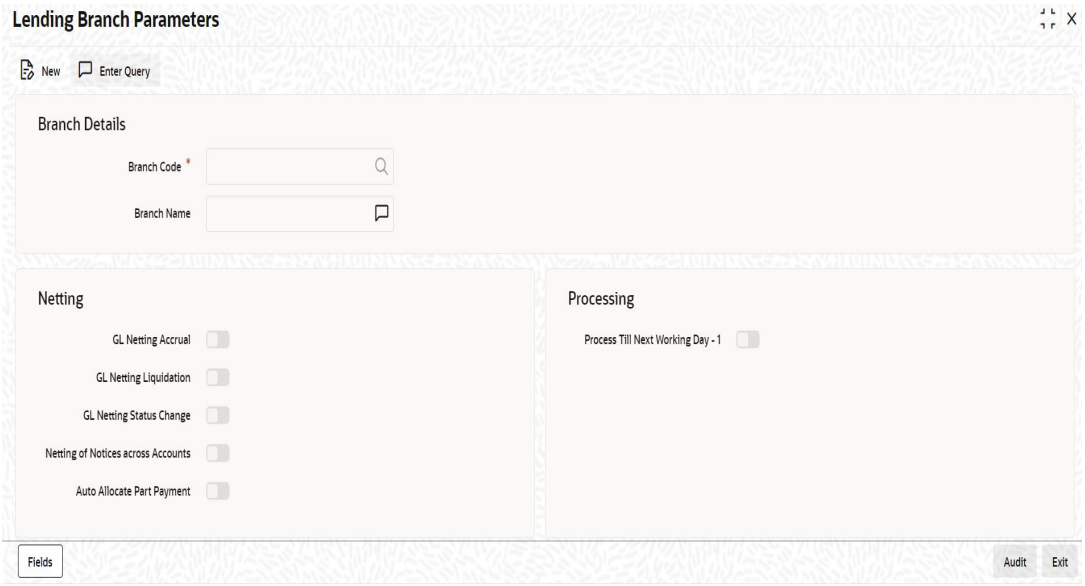
3.3 Consumer Lending Branch Parameters

This section contains the following topics:

- Section 3.3.1, "Maintaining Branch Parameters"

3.3.1 Maintaining Branch Parameters

You can maintain the branch parameters in the ‘Consumer Lending – Branch Parameters’ screen. You can invoke this screen by typing ‘CLDBRNPT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Branch parameters include the following:

Branch Details

Branch Code

You have to indicate the code of the branch for which the parameters have to be maintained. The codes of the various branches of your bank are available in the option list provided.

When you select the code, the branch name is also displayed alongside.

Processing

Process Till Next Working Day – 1

This specification will determine the day on which automatic events such accrual, liquidation etc. falling due on a holiday, should be processed. If you select this option, events scheduled for a holiday will be processed on the last working day before the holiday.

If you do not select this option, processing will be done upto the system date i.e. the current date. The automatic events due on a holiday will be processed as part of the batch program run at BOD on the next working day after the holiday.

Consider the example discussed above, if you do not check this option, the events due on 16th and 17th will be processed as part of BOD operations on 18th May ’05, which the next working day after the holidays.

Netting

Here, you need to indicate the netting preference for posting entries during accrual, liquidation and status change.

If you opt to net, the system will post a single consolidated entry for a GL and Currency combination. If you do not select this option, entries are posted individually for each account.

The GL netting status change option can also be used to indicate installment level status change.

The Netting of Notices across Accounts can be used to indicate that for or all accounts for which the payments falls due on a particular date, the requests for invoice generation should be consolidated.

The loan accounts for which the reminder or demand note should be sent is tracked based on the status of the account. The SDE 'Next Schedule Date' is set up to arrive at how many no. of days in advance the payment notice should be generated. Based on the status of the loan account the corresponding payment invoice format is set up.

The Auto allocate part payment option can be used if you want to do a partial payment through auto allocation. For accounts which are marked for manual allocation of partial amount the payment can be done in bulk using the 'Consumer Lending – Bulk Payments' screen.

For more details on Bulk payments refer section 'Bulk Payments' in the 'Operations' chapter of Retail lending module.

Statement

The settlement accounts for processing lending transactions have to be specified here. You have to specify the Bridge GL/Account to be used for the settlement of the debit and credit legs of transactions that would be processed at your branch. You can select the accounts from the option lists provided for the same.

In order to interact with multimode settlement with CL, this bridge settlement concept was brought so that the GL defined can interface with the other system and that would be the single GL for reconciliation in the multimode settlement for the external system maintained over there.

Auto Generation

Account Auto Generated

You can select this option for automatic generation of account numbers. The system generates the account numbers automatically when you create loan accounts through the 'Account Details' screen. If this option is not checked, you have to capture the account number yourself.

For details on creating an account, refer the 'Account Creation' chapter of this User Manual.

Account Mask

Accounting Mask Required and Account Mask

To maintain uniformity in the account numbers generated/captured across a branch, you can specify a format/mask for account numbers. If you specify that account numbers should conform to a specific format, you have to specify the mask in the 'Account Mask' field.

For example,

You may want the account numbers of your branch to be a combination of:

- Branch Code (3 Characters)
- Product (4 Characters)
- Currency (3 Character currency code)
- 5 digit running sequence number

The account mask in this case would be: @ (BRN)@(PROD)@(CCY)@(SEQ:5)

An example of an account number conforming to the above mask would be DOC3ROLUSD60021.

If you opt for auto generation of account numbers but do not specify a mask, the generated number will, by default, conform to the following format:

- 3 character Branch Code
- 4 character Product Code
- Date in Julian format (YYDDD)
- 4 digit running sequence number

An example of an account conforming to the above format is 'DOCVSIM040960021' where:

- 'DOC' is the Branch Code
- 'VSIM' is the Product Code
- '04096' is the date equivalent to 5th April 2004 (04 – Year and 096 is the number of days that have elapsed in the year).
- '0021' is the running sequence number.

Also, if you maintain an account mask but do not opt to auto generate the account numbers, then, during account capture you have to conform to the account mask maintained for the branch. If the account is not as per the mask, an error message is displayed as "Account number entered is not conforming to the account mask".

User Reference

User Reference Number in Messages

Check this box to indicate that the User Reference Number provided in the account screen has to be used in Tag 20 of MT103 and Tag 21 of MT202. If the box is unchecked, the loan account number will be used instead of the User Ref no.

Auto Generate User Reference

Check this box to auto generate user ref no during account creation.

Unique Reference per Message

Check this box to generate unique reference number for each payment message generated for the loan account. If unchecked, payment messages will be populated with account number or user reference number as selected in branch parameters for all payment messages.

Others

IRR Processing

Check this box to trigger the YACR (Yield Accrual) event for the branch batch.

Schedule Structure

This option is used to indicate if the schedule definitions should honour the end dates or honor the frequencies when the two contradict. The options are:

- Frequency Based
- Non-Frequency Based (the end dates contradict each other)

First Payment Schedule Gap Treatment

Here, you have to specify the manner in which you would like to treat the period/gap between the loan disbursement date and the first payment. The options are:

- Treat as Payment
- Treat as Moratorium

Intermediate Schedule Gap Treatment

Here, you have to specify the manner in which the system should handle gaps between two schedules. The available options are:

- Create New Schedule
- Advance current schedule
- Extend previous schedule

Pre-Payment Penalty Year

Indicate the type of pre-payment penalty year. You can select one of the following options:

- Loan Year
- Financial Year
- Calendar Year

Computation of prepaid amount in a year depends upon the selection of the above option. Based on the option selected, the date range is interpreted by the system for considering the ceiling of prepaid amount in a year. You can not change this option after the first authorization of the CL branch parameters.

Loan Year ranges between value date of the loan and completion of that particular year. Financial Year ranges between start date of the financial year and the end date of the financial year. Calendar Year ranges between the start date of the calendar year and end date of the calendar year.

The amount prepaid is stored in a data store year-wise. This data store is value date based. This table is updated at the time of save of payment. Also during deletion and reversal operations this table is updated correctly. The impact of prepaid amount is cancelled from the table during deletion/reversal. The pre-payment penalty amount collected is also stored in the same data store.

At the product level you have to maintain a UDE for handling maximum prepayment amount in a financial year. Let us assume that the UDE is maintained as MAX_PREPAID_PCT. You can maintain the default value of the above UDE from the product. System validates that the extent of pre-paid amount doesn't exceed the percentage maintained at product level at the time of pre-payment.

After setting up the branch parameters, you have to save the details. Click Save icon to save the details in the system. However, the parameters take effect only after your supervisor authorizes the same.

3.4 UDE Value Maintenance for Loans

This section contains the following topics:

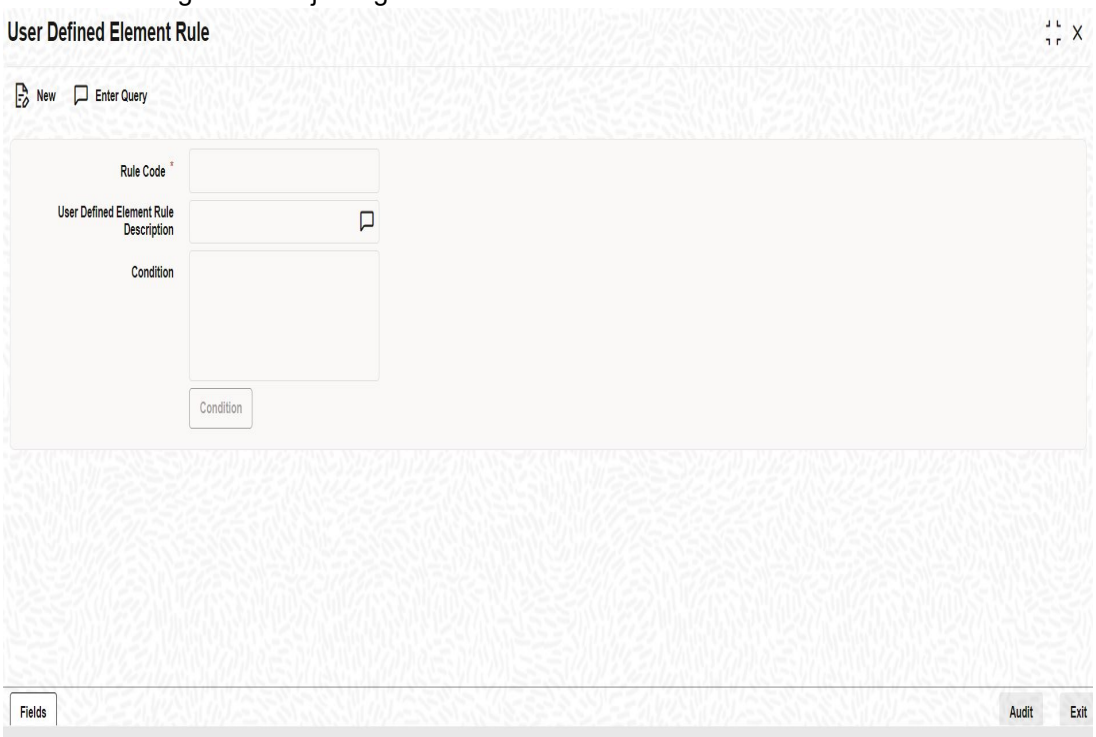
- Section 3.4.1, "Defining UDE Rules"
- Section 3.4.2, "Providing UDE Values "
- Section 3.4.3, "Applying the UDE Cascade Function"

3.4.1 Defining UDE Rules

User Defined Elements (UDEs) refer to entities like Interest Rates, Amount/Tier Slabs whose value you can specify and at the same time maintain different values with different effective dates. For instance, you can indicate that interest should be calculated at five percent on a certain date and specify a higher rate effective at a later date.

The UDEs, per say, are defined at the product level and the actual values are provided for a combination of Product, Currency, UDE Rule, and Effective Date in the ‘UDE Values’ screen. This will be defaulted at the account level and you can override the same with account specific values.

You can define UDE Rules based on which the UDE Values will be picked up at the account level. UDE Rules are conditional expressions built using the SDEs like Loan Amount, Tenor, Rate, Customer Category etc. These rules can be created independently and later attached at the time of maintaining UDE Values. You can associate multiple rules and specify UDE values for each rule. You can maintain the rules in the ‘UDE Rules’ screen. You can invoke this screen by typing ‘CLDUDRMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The following information should be captured to create a UDE Rule:

Rule Code

You have to specify a unique code consisting of a maximum of four alphanumeric characters, to identify the rule in Oracle FLEXCUBE. This is mandatory to save the record.

Condition

You can build multiple conditions for a rule. To do this, click on 'Condition' in the screen above. The following screen is displayed:



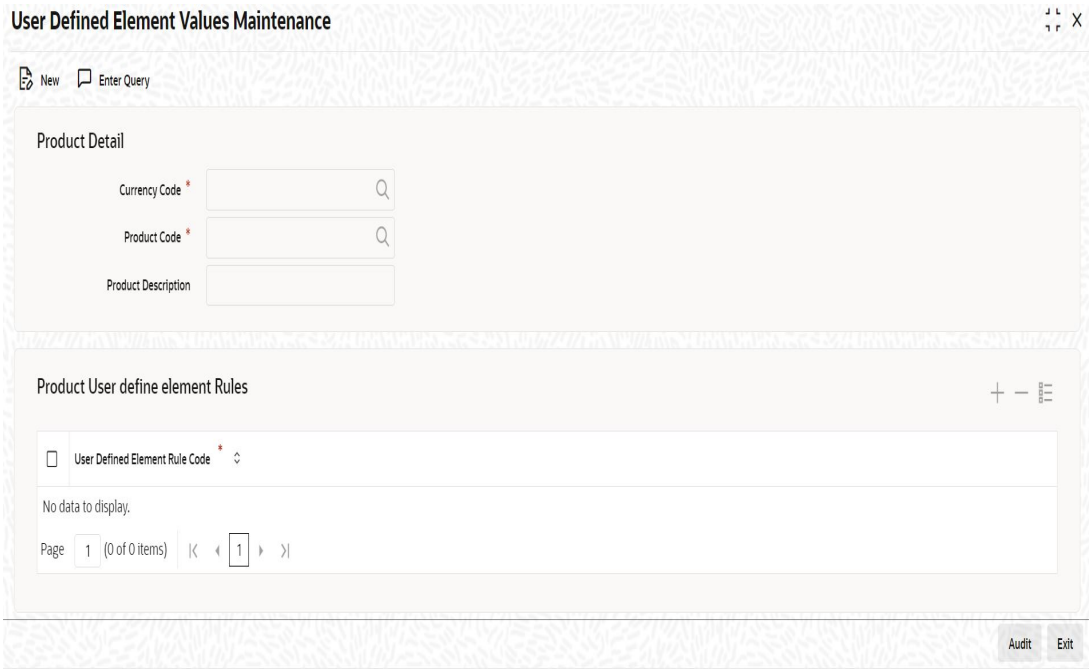
You can create conditions using the following:

- Fields: The SDEs that are factory shipped or maintained in the 'System Data Elements' screen are available in this list.
- Operators: This list includes the mathematical operators:
  - Equal To
  - Greater Than
  - Greater Than or Equal To
  - Less Than
  - Less Than or Equal To
  - Like
  - Not Like
  - Not Equal To
- Logical Operators:
  - And: Use 'And'
  - Or: Use 'OR"
- Value: The value of the SDE selected to define the condition should be entered here. The value may be numeric or alphanumeric, as required for the condition.

Refer the section titled 'Specifying product Main details' in the 'Defining Product Categories and Products' chapter of this User Manual for details on defining UDEs.

3.4.2 Providing UDE Values

The actual values for the UDEs defined during product creation (in the 'Main' tab of the 'Consumer Lending Product' screen) is maintained in the 'UDE Values' screen. You can invoke this screen by typing 'CLDUDVNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



In this screen, you can maintain values for a ‘Product Code + Description + Currency Code + UDE Rules + UDE Dates + UDE Values’ combination. The following details have to be captured here.

Product Code

You have to select the product for which the UDE values have to be maintained. The products offered at your bank are available for selection in the option list provided.

Description

After selecting the product the system will automatically generate a description for the product.

Currency Code

For the product selected, specify the relevant currency. This becomes the UDE currency and the values you capture for the UDE is expressed in this currency. The option list will include the currencies maintained in the ‘Currency Definition’ screen. You can select a relevant code from this list.

For details on ‘Currency Definition’ screen, refer the ‘Currency Maintenance’ chapter of the Core Services User Manual.

UDE Rules

Here, you have to associate the relevant UDE Rule(s). The rules maintained in the ‘UDE Rules’ screen are available in the option list. For each associated rule, you can specify UDE values with different effective dates and depending on the rule that the loan satisfies, the corresponding UDE values become applicable to the loan and same are picked for Interest, Charge, Tax, Commission and Fee computation.

Note

The UDE Rule is mandatory to save the record. The system will automatically link the default rule if you do not associate a rule.

Effective Date

You have to specify the effective dates for the UDE values. This is the date on which the UDE value becomes applicable in the system. The date should be in MM-DD-YYYY format. For a rule, you can maintain UDE values with different effective dates.

UDE ID

The UDEs defined for the selected product is automatically displayed here.

UDE Value

For each UDE displayed for the selected product, enter the UDE value**.** As mentioned, you can maintain values with different effective dates. Note that the UDE values should fall within the minimum and maximum limit specified for the UDEs linked to the product.

You can capture negative value for a CL product if negative interest rate is allowed for a product with main component of type Interest.

Rate Code

If you want the UDE to have a floating interest rate, select the applicable rate code from the option list. Depending on the rate code selected, the rates are picked up from the 'Floating Rate Code Definition' screen. In this case, the value captured for the UDE becomes the spread against the rate code. Term deposit is attached to rate code to link the term deposit interest rate with loan interest rate. When term deposit interest rate changes the interest rate of loan account also changes to same rate based on code usage defined for the account.

Note

If the main interest UDE has a term deposit account in Rate Code and UDE has future effective dated values, then the system displays an error message.

For instance, assume that the rate code is 'MIBOR' and the UDE value is 2 (positive spread). If the rate picked up as per the rate code (taking into consideration the effective date, amount slab and tenor) is 5%, then the actual interest applicable would be 7% (5 + 2). Similarly, if it were a negative spread, the interest would be 3% (5 – 2).

For details on maintaining floating rate codes, refer the section titled 'Maintaining Floating Interest Rates' in this chapter.

UDE Currency

The Currency of the UDE for UDE of Amount type will be captured.

Rate Basis

The system displays the rate basis based on product maintenance. You can modify the value if required.

Code Usage

This is applicable only if you associate a 'Rate Code' with the UDE. It indicates the frequency at which you want to refresh the floating rates. The options are:

- Automatic: This implies that the rates will be automatically refreshed every time a rate change occurs. Therefore, rates are reapplied to the loans as and when there is a rate change.
- Periodic: This means that the rates will be refreshed based on the Rate Revision Schedule maintained at the component level (in the 'Components' tab of the 'Consumer Lending Product' screen).

It is mandatory to specify the Rate Code usage if the rate code is maintained.

Cascade

You can change the UDE values even after creating accounts under the product. The cascade feature is used to determine the manner in which the change should be handled. If you choose to cascade (select 'YES'), the change becomes applicable to all the existing accounts under the product. However, if you do not cascade the changes, the new UDE values become applicable only to accounts created subsequent to the change.

3.4.2.1 Maintaining Fixed Amount UDEs in other Currency

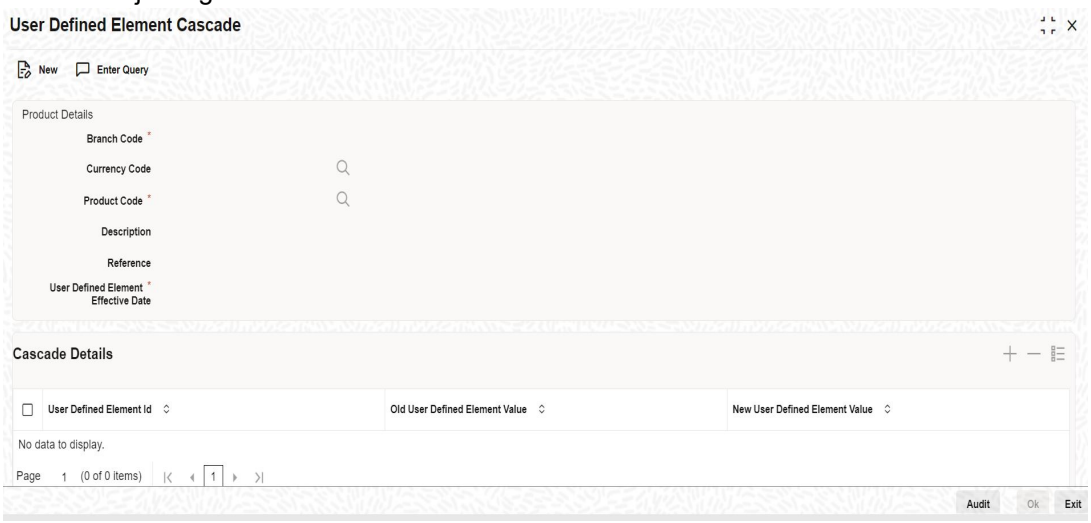
To maintain UDEs in a currency different from the loan currency, you have to maintain the values separately for each currency. At the time of loan creation, the values defined for the UDE Currency is picked up and is displayed (in the 'UDE Value' field of the 'Account Details' screen) after conversion into the loan currency equivalent.

The values, however, are displayed after conversion into the loan currency equivalent.

3.4.3 Applying the UDE Cascade Function

You also have the feature to change the value of a UDE for all the existing accounts under a product. However, the change will be applicable only to the existing accounts. UDE values for new accounts created under the product will be picked as per your specifications in the 'UDE Values' screen.

You can define new UDE values for existing accounts in the 'UDE Cascade' screen. To invoke this screen type 'CLDUDCMT' in the field at the top right corner of the Application tool bar and click the adjoining arrow button.



The code of the login branch is displayed here. The following information is captured in this screen:

Reference

After saving the UDE cascade function, Reference will be generated by system itself

Branch code

Input the branch code in which the relevant data is maintained

CCY Code

Select a currency maintained for the product from the option list provided. The UDE value is applied in the currency selected here

Product Code

Select a product for which you have to change the UDE value. The change becomes applicable to all the existing accounts under the product.

Product Description

The system displays description of the specified product code.

UDE Effective Date

The date on which the new UDE value is brought into effect is captured here. The date format should be 'MM-DD-YYYY'

After you specify the effective date, the system automatically generates a unique 'Reference' Number

UDE Id

The option list will display the UDEs defined for the selected product. Select the UDE that requires a change in value. When you select the UDE, the 'Old Ude Value' is also displayed in the next field.

New UDE Value

Provide the new value for the selected UDE.

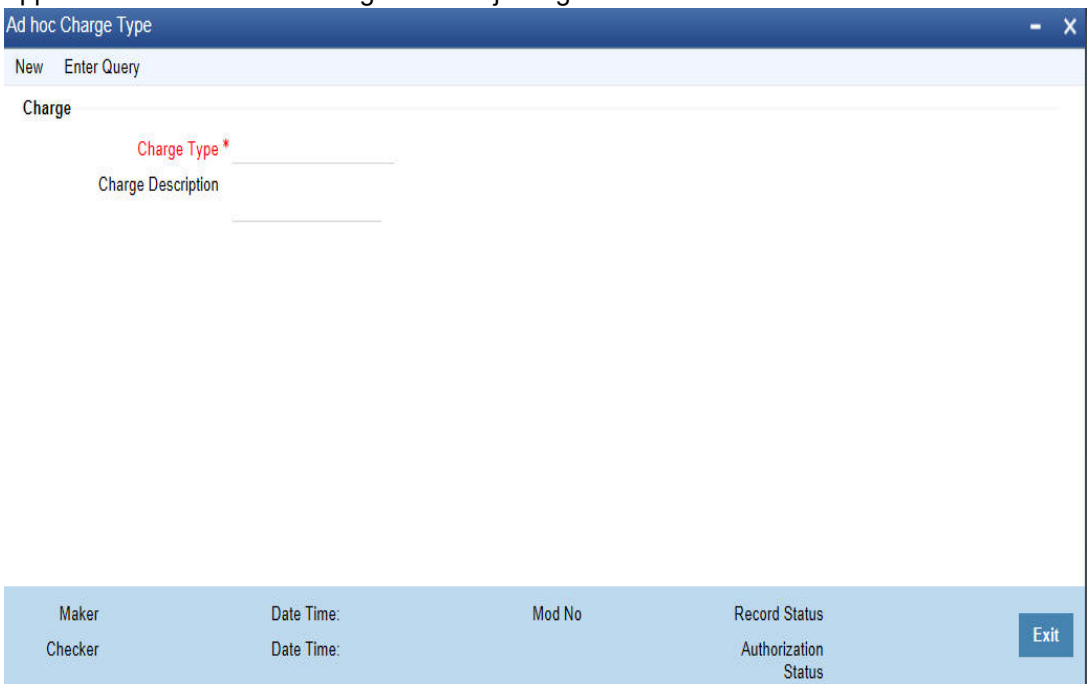
3.5 Adhoc Charge Maintenance

This section contains the following topics:

- Section 3.5.1, "Maintaining Adhoc Charge Types"
- Section 3.5.2, "Maintaining Adhoc Charges"

3.5.1 Maintaining Adhoc Charge Types

In order to maintain the various ad hoc charge types invoke the 'Adhoc Charges Type' screen. This screen allows you to capture and store ad hoc charge types such as legal fees, notary fees, and administration fees etc. which are applicable at the collection stage of the loan. You can invoke this screen by typing 'CLDADCHT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Charge Type

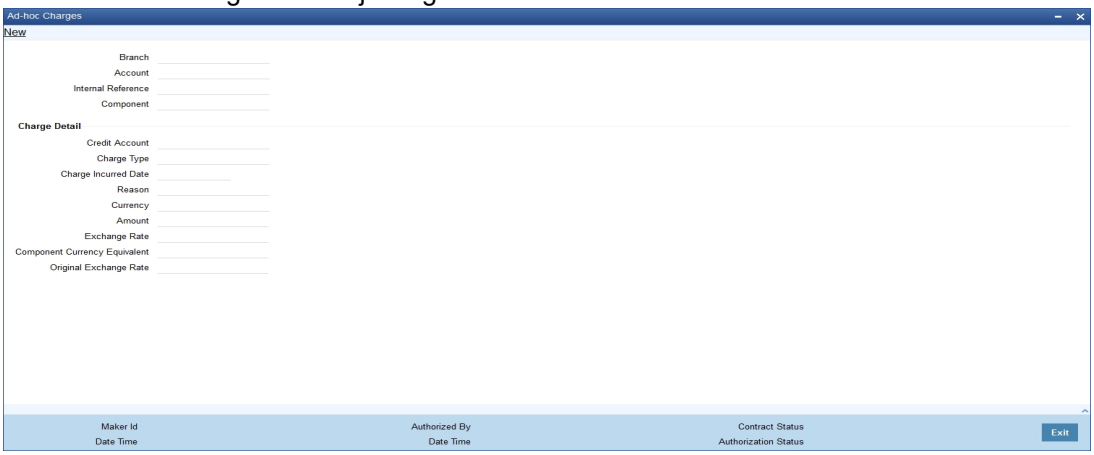
Specify the charge type that can be levied on a loan in case of any delayed repayments. The valid values are of the type Admin Fee, Legal Fee, etc

Charge Desc

Specify a detailed description of the Charge Type.

3.5.2 Maintaining Adhoc Charges

You can maintain adhoc charges in the system using the 'Adhoc Charges' screen. You can invoke this screen by typing 'CLDADOCH' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You need to enter the following details in the screen above:

Branch

Select the branch code of the bank that is servicing the loan.

Account Number

Select the account number on which the charges are to be levied from the option list.

Internal Ref No

A unique identifier for the specific ad hoc charge is displayed here. This is system generated.

Component Name

Select the component that is to be used to track the ad hoc charge from the option list.

Customer ID

The system displays ID of the customer holding the specified account number.

Customer Name

The system displays name of the displayed customer ID.

Credit Account

The system defaults the credit settlement account based on the details maintained for account number and component. However, you can specify the account (GL) to which the ad hoc charges collected are to be credited from the option list. This in most cases is the account of the Collection Agency.

Account Description

The system displays description for the credit account after you specify the account number. If you change the credit account, then the system defaults the description from list option list.

Charge Type

Select the charge type to be levied on a loan from the option list. The values in the option list are the charge types maintained using the Adhoc Charge Type maintenance.

Charge Incurred date

Specify the date on which the charge is to be levied on the customer. This cannot be a future date. Also, it should pass the accounting for ad hoc charges with a back date.

Reason

Specify the reason for which the charge is being levied on the account.

Currency

Select the currency for the adhoc charge.

Amount

Specify the amount of the ad hoc charge to be levied on the customer account.

Original Exchange Rate

The base or actual exchange rate between the adhoc charge component currency and account currency gets displayed here.

Exchange Rate

For a customer availing any Relationship Pricing scheme, the customer specific exchange rate derived by adding the original exchange rate and the customer spread maintained for the relationship pricing scheme gets displayed here.

If Relationship Pricing is not applicable, Exchange Rate will be the same as the Original Exchange Rate.

For more details on customer specific exchange rates, refer the section titled 'Specifying Pricing Benefit Details' in Relationship Pricing user manual.

You can reverse the adhoc charges entered in the system. The Reversal button is enabled for all authorized adhoc charges entered in the system. The contract status for the adhoc charge will have the value as 'PAID' or 'REVERSED'. Post reversal of the adhoc charge, the contract status is displayed as 'REVERSED'.

At the time of Authorizing of reversal of Adhoc Charges, re-computation of IRR is done by the system if IRR is applicable for the product. The unauthorized reversals can be deleted and authorized. The delete and Authorize buttons will be enabled for unauthorized reversals.

The event code used for reversal of adhoc charge is RADC (Reversal of Adhoc Charge).

Adhoc charge reversal is not allowed if any event happens after the adhoc charge event. In such case, the event needs to be reversed first and then only adhoc charge can be reversed. The possible events are ALIQ/MLIQ, VAMI, DSBR, REVN.

3.6 Ad-hoc Charge Authorize

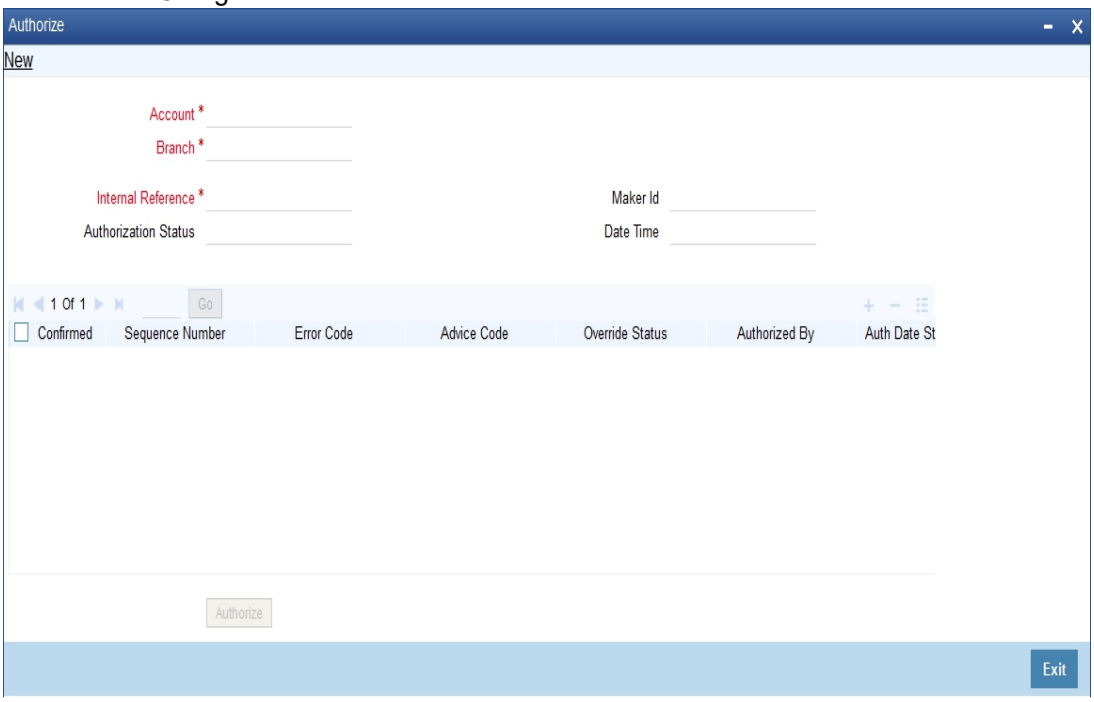
This section contains the following topic:

- Section 3.6.1, "Authorizing Ad-hoc Charges"

3.6.1 Authorizing Ad-hoc Charges

You can invoke the 'Ad-hoc Charge Authorize' screen by typing 'CLDADOAU' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The ‘Ad-hoc Charge Authorize’ screen is shown below:



Click the Enter Query button to enter the following query criteria.

Internal Reference

Specify the internal reference number.

3.7 Holiday Period Maintenance

This section contains the following topics:

- Section 3.7.1, "Maintaining Holiday Periods "

3.7.1 Maintaining Holiday Periods

You can identify certain periods in the calendar as holiday periods when customers would have other expenses and would like to avail a repayment holiday. This would typically be during Christmas/New Year or for anniversary celebrations. Although, Interest computation continues for this period, repayments are not scheduled.

You can define repayment holiday periods in the ‘Holiday Period’ screen.

You can invoke this screen by typing ‘CLDHOLMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The following information is captured to define a holiday period:

Period Code

You have to capture a unique code to identify the period in the system. The code can comprise of 30 alphanumeric characters.

Date From and Date To

For the period code specified, capture the holiday period i.e. the start date and end date for the holidays. The date format should be 'MM-DD-YYYY'. It is mandatory to specify the date range to save the holiday period.

Anniversary Period

This option is used to define an anniversary period. If you check this option, the holidays will be repeated every year for the given range of dates. By default, the system checks this option.

Principal Repayment Holiday

If you check this option, the system will apply the holiday period to the principal component alone. The simple interest formula defined at the product level will not be affected. By default, this option is unchecked. However, you may modify it.

While defining a loan contract, you may apply the holiday period codes maintained using this screen.

For example,

Suppose that a product has dual formula for the MAIN_INT component as shown:

Formula Name	Formula Type
FRM_MAIN_INT	Amortized
FRM_-MAIN_INT_1	Non-amor-tized

A holiday period ‘PRINHOL’ is maintained as shown below:

Field	Value
Period Code	PRIN-HOL
From Date	1-Oct-00
To Date	1-Nov-00
Anniversary Period	Y
Principal Repayment Holiday	Y

Contract details are shown in the following table:

Particular	Value
Value Date	01-Jan-2000
Maturity Date	31-Dec-2000

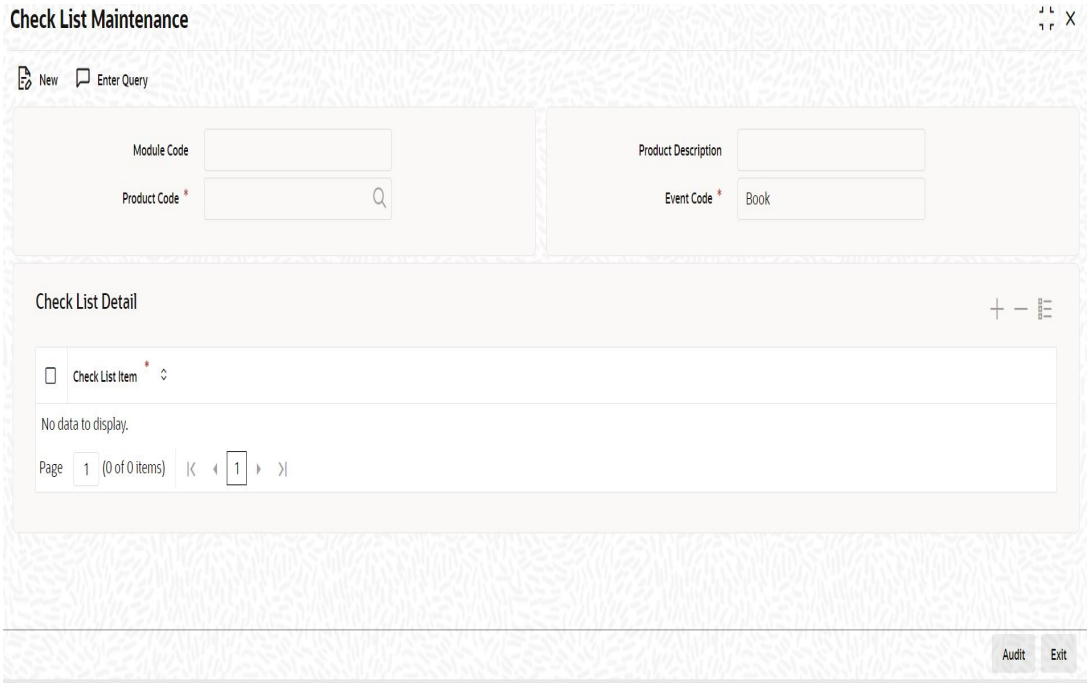
Once ‘PRINHOL’ has been linked as holiday period linkage, the system will generate Comp SCH as shown in the following table:

Formula	First Due Date	No. of Schedules	Frequency	Schedule Type
FRM_MAIN_INT	01-Feb-2000	8	1	Monthly
FRM_-MAIN_INT_1	01-Oct-2000	2	1	Monthly
FRM_MAIN_INT	01-Dec-2000	1	1	Bullet

3.8 Maintaining Check Lists

You can maintain check list for different events using the ‘Check List Maintenance’ screen. The check lists that you maintain here will be validated during the execution of that event while processing the loan. For E.g.- A checklist of documents required for loan processing can be maintained like ID proof, Bank statements, Income etc.

You can invoke this screen by typing ‘CLDXCKMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The following details have to be captured here:

Event Code

Select the event code for which check list items have to be maintained from the drop down list.

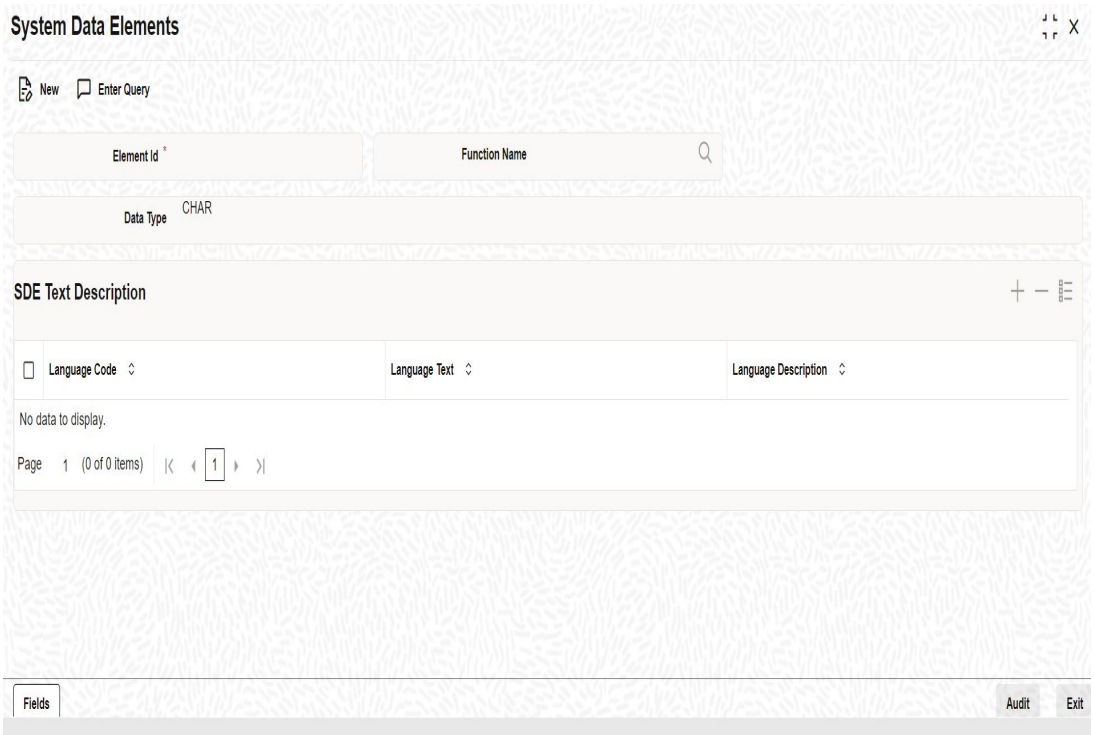
Check List Item

Specify the check list item name that you want to maintain for the selected event. The check list items that you maintain here will be validated by the system during that event, while processing the loan.

3.9 Maintaining System Data Elements

The balance in the account for which the interest has to be calculated depends on the activities that take place in the customer account over a period of time. This information is constantly updated in the system and is readily available for computation of interest or charges. Data elements of this sort are called ‘System Data Elements’ (SDEs) because the values for the SDEs are necessarily picked up by the system while applying interest. You cannot input the values for these elements.

You can capture the various SDEs in the ‘System Data Elements’ screen. You can invoke this screen by typing ‘CLDSDEMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You have to maintain the following to define a SDE:

Element ID

Capture an id to uniquely identify the SDE in the system. You can devise an Id comprising a maximum of 30 alphanumeric characters.

Function Name

Here, you have to associate the Oracle function which would calculate the SDE value internally. The values available in the option list are factory shipped. The system picks up the value computed by the function for use in interest calculation.

Data Type

This indicates the nature of the data the SDE represents. The options are:

- Character
- Number
- Date

Language Code and Language Text

Select a language for the SDE being defined. You can select a code from the option list provided. The system automatically displays the corresponding text in the language selected for the SDE.

Language Description

Here, you have to provide the description of the SDE being defined, in the language selected. The description should not exceed 30 alphanumeric characters.

System Data elements can be balances like PRINCIPAL_EXPECTED, PRINCIPAL_OVERDUE etc. Some Oracle FLEXCUBE entities required for formula generation/rule set up will be factory shipped.

The list of standard SDEs available for use are given below:

Name	Description
TENOR	Duration for which the loan is applied for in days
CUSTOMER_CATEGORY	Category of the customer of the loan which is maintained at the customer information file level
BRANCH_CODE	Code of the branch where the loan account is opened
ACCOUNT_CCY	Loan account's currency
LOAN_STATUS	Status of the loan account
CUSTOMER_ID	Primary customer's id for a loan account
NO_OF_RPMNT_SCHS	Number of repayment schedules excluding the moratorium ones
INCREASED_PRINCIPAL	Increase in the principal
DAYS	Days in a month
YEAR	Days in a year
RISK_CLASSIFICATION	Risk classification at line level which can be used at status change
PREPAID_AMOUNT	Amount that has been prepaid
MORA_OUTSTANDING	Total moratorium outstanding amount
TOTAL_MORA_AMOUNT	Total moratorium amount
INDEX_CCY	Index currency
NEXT_WORKDAY	Next working day of the branch
LAST_WORK_DAY	Last working day of the branch
TODAY	Today's branch date
TOTAL_PRINCIPAL	Amount for which the loan is applied for
AMOUNT_FINANCED	Amount for which the loan is applied for
PRINCIPAL	Amount disbursed
INT_SUSPENSION_DATE	Interest suspension date based on risk classification. If classification is C, then the suspension date is one year from today's date. If classification is D, then the suspension is immediate.
COMPOUND_VALUE	Amount compounded within a schedule and is used internally
RESIDUAL_DAYS	Tenor of the loan
WORST_SCH	Worst Instalment Status

APPLICATION_DATE	Application date in loan origination
APPLICATION_SCORE	Application score in loan origination
APPLICATION_TENOR	Application tenor in loan origination
APPLICATION_PRINCIPAL	Application principal amount in loan origination
_OVR_DAYS	<Component> overdue days
_EXPECTED	<Component> expected amount
_OUTSTAND	<Component> outstanding amount
_CCY	<Component> currency
_OVERDUE	<Component> overdue amount
_INS_OVR_DAYS	<Component> number of days between the schedule due date and the maturity date
_FN_NO_REPAY_SCH	<Component> number of schedules for a component if periodic
NET_PRINCIPAL	<Amount Financed> minus <Funded Amount>
_SCHODUE	<Component> schedule amount due less amount settled
EMI_AMOUNT	The EMI amount for amortized loan contracts, in the current schedule for rental cash flow type of Loans
TOTAL_SCHODUE	Amount overdue for the schedule.
NUM-INSTLMNT-OVRDUE	Number of overdue installments
ADVISED_LINE	Indicates the status of the facility to which the commitment is linked. If the facility is advised, the SDE returns a ‘Y’; if not it returns a ‘N’
COMMITMENT_CUR_UTIL	Holds the current utilization amount for the commitment
CUSTOMER_CREDIT_RATING	Holds the Credit Rating information of Customer
INT_NOTDUE_PAID	Indicates amount paid against interest that is not due.
PAYBACK_AMOUNT	Returns the interest income of the main interest component which is earned between the scheduled period of the interest payback component. The SDE will be to zero if any of the repayment schedules of any of the components falling between the interest payback component schedule is not paid on or before the repayment schedule due date.

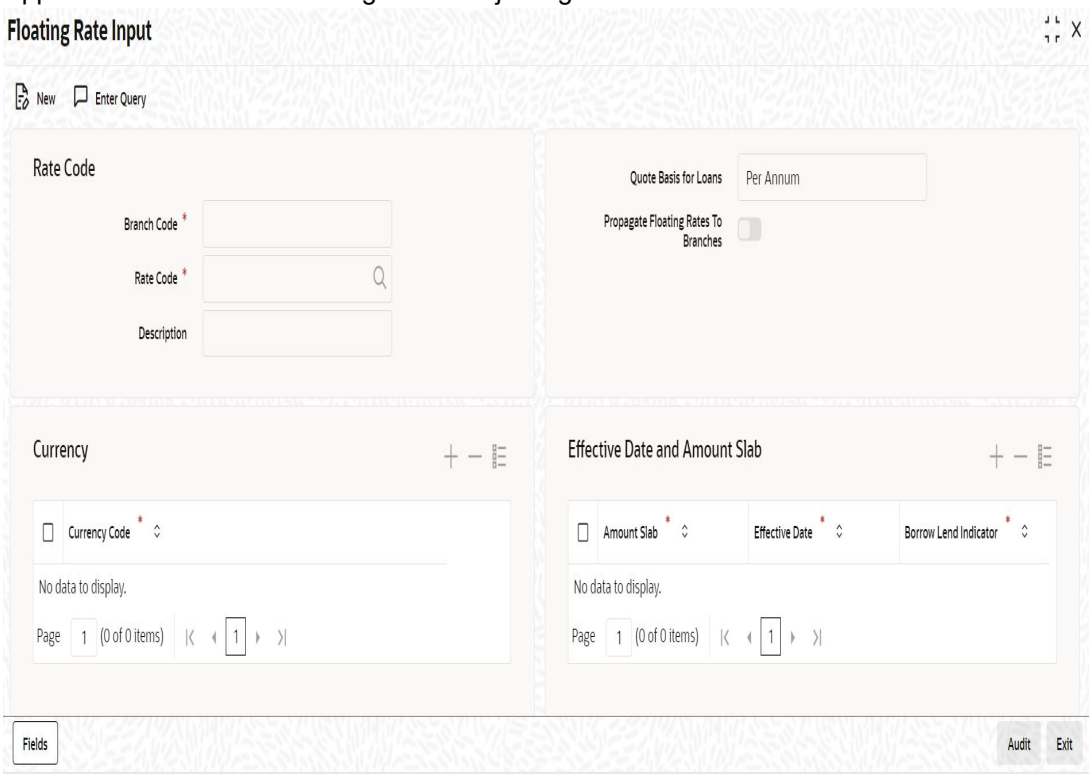
ACCOUNT_INTR_DAYS	Holds the number of days the account resides in INTR status for loan and over draft accounts. The number of days is the difference between the last date on which the account has moved to INTR and the application date, Account status will be moved from INTR to NORM only when ACCOUNT_INTR_DAYS is greater than the user defined value.

The 'Customer Credit Rating' field at the Customer level will be used as a SDE CUSTOMER_CREDIT_RATING for defining status change rules. This will also be available for provision rule definition at the CL product level.

3.10 Maintaining Floating Interest Rates

You can apply interest either as 'Fixed' rate or as 'Floating' rate. A Floating Rate corresponds to the market rates for the day. These rates are maintained and updated daily (or whenever they change,) in the 'Money Market Floating Rate Input ' screen.

You can invoke this screen by typing 'CFDFLTRI' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The floating interest rates are defined through this screen. A Rate Code identifies a set of rates defined for a combination of Currency, Amount Slab (optional) and Effective Date. Also, for each such combination, you can maintain rates that can differ by each tenor.

The following details have to be captured here:

Rate Code and Description

Specify the rate code to identify the Floating Rate you are defining. Alternatively, you can select the rate code from the list of values. The list displays all valid rate codes maintained in the 'Rate Code Definition' Screen (CFDFRTCD).

Quote Basis for Loans

Select the quote basis for calculating the float rate per annum from the drop down list. The list displays the following values:

- Exponential 252-
- Linear 360
- Exponential 365
- Per Annum

Propagate Floating Rates to Branches

Check this box to indicate that the floating rates maintained at the head office of the bank should be propagated across all the branches of your bank. Consequently, each time you maintain a floating rate for a particular rate code and currency combination at your bank, a corresponding floating rate record will be created and sent to all the branches of your bank.

Currency

You have to associate each Rate Code with a currency. You can define rates for the same Rate Code in different currencies. Select a currency from the option list provided.

Effective Date

Each rate that you define for a Rate Code and Currency combination should have an Effective Date associated with it. This is the date on which the rate comes into effect. Once a rate comes into effect, it will be applicable till a rate with another Effective Date is given for the same Rate Code and Currency combination.

Note

The rates will be applied to a contract depending on whether it has been defined with 'Automatic' Rate Code Usage or 'Periodic' Rate Code Usage. You can specify this in the 'UDE Values' screen.

Amount Slab

For a specific Rate Code and Currency combination, you can define an amount slab. However, this is not mandatory. A rate that has been defined for an Effective Date - Amount Slab combination will be applicable to an amount less than or equal to the specified amount.

Note

A huge amount (999.9 million) has been given as the last amount limit. This denotes that after 50,000 there is no upper limit in the slab

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Borrow/Lend Indicator

For every Amount Slab - Effective Date combination, you should define the rate to be applied as a borrow rate, a lend rate or a mid rate. Borrow rates are applied for loans taken by the bank and lend rates applied on loans disbursed.

Tenor and Interest Rates

The rates that will be applied for a given combination of Amount Slab – Effective date – Lend/ Borrow Indicator can be tenor based. In this screen, you can also define interest rates for different tenors.

For instance, for an amount slab you can maintain rates for the Rate Code LIBOR for tenors 1 - 30 Days, 30 – 90 Days and so on. If you do not maintain tenor wise interest rates, you have to maintain the tenor as '0' and then specify the rate. This is mandatory to save the details.

Units

The system displays the units with days/months/years.

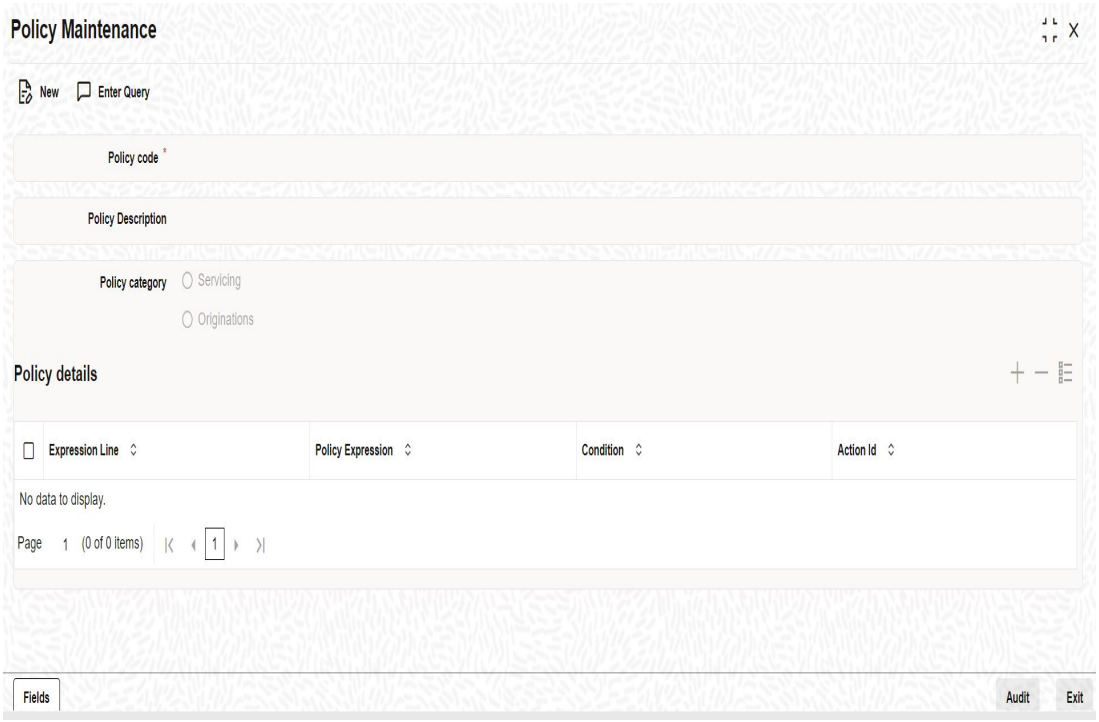
Picked Up Rate Code

Specify the picked up rate code. It is used for UDF values composite rates.

3.11 Maintaining User Defined Policies

User defined Policies are special validations and operations to be performed before or after a life cycle event of a loan. You can maintain policies in the ‘User Policy’ screen.

You can invoke this screen by typing ‘CLDPOLMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Specify the following details to maintain a policy:

Policy Code and Policy Description

A policy code identifies a policy uniquely in the system. The code is used to link the policy to a product/account. You can devise a code consisting of a maximum of 20-alphanumeic characters.

Also, for the code captured, provide a brief description in not more than 35 alphanumeric characters. The description is used for information purposes only.

Policy Category

Select the category to which the policy should belong. This implies if the Policy is to be linked to an Application (Origination and API or Product setup). The two options are:

- Origination
- Servicing

Specifying Policy Details

Expression Line

You can maintain multiple expressions for a policy and each expression is identified by a unique serial number. The serial number can consist of a maximum 6 digits.

Policy Expression

Here, you have to specify the expression for the policy which when satisfied by the loan, will trigger the corresponding action. You can maintain multiple expressions and action codes under a policy. Depending on the expression that is evaluated successfully, appropriate 'Action Id' is triggered. However, an expression is not mandatory to define a policy.

Action Id

You have to select the action that is to be triggered when the corresponding expression becomes valid for the loan. This refers to the wrapper name that is mapped to the actual PL/SQL code that executes the policy. Select the action id from the option list provided. The values available in the list are factory shipped.

The policies defined through 'User Policy' screen become available for association at the 'Product Category' level.

For more details, refer the section titled 'Maintaining Product Categories' in the 'Defining Product Categories and Products' chapter of this User Manual.

3.12 Maintaining Standard Policies

You can also categorize the policies defined through the 'User Policy' screen as 'Standard Policies' in the 'Policy Maintenance' screen.

You can invoke this screen by typing 'CLDSTDPL' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



To maintain a standard policy, you have to specify the following in the screen:

Module

A standard policy is defined for a Module and Event combination. You have to select the module for which the policy should be applied. The option list will display the list of valid Oracle FLEXCUBE modules.

Event Code

The events defined for the selected Module are displayed in the option list provided. You may select an event from this list.

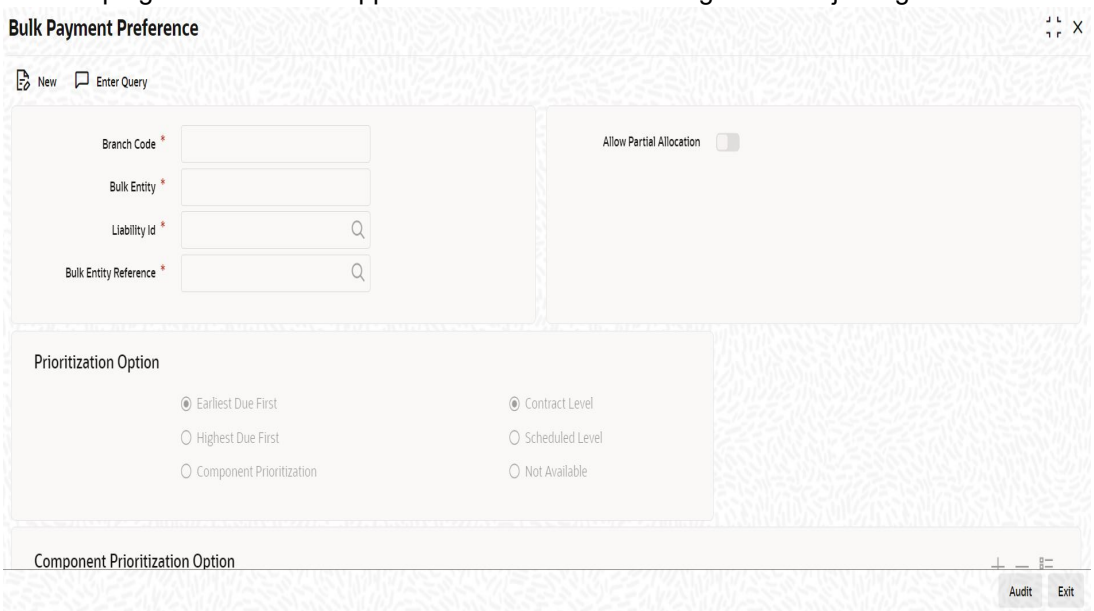
Policy Code

The policies maintained in the ‘User Policy’ screen are available in the option list provided. Select the appropriate policy for the selected Module and Event combination.

3.13 Maintaining Bulk Payment Preferences

If indicated at the Loans/Commitments level that bulk payments need to be maintained for an account, then preferences for the bulk payments are maintained at the Bulk Payment Preferences screen. Under a Loan/Commitment a customer can make multiple disbursements under that Loan/Commitment account. These multiple payments are treated as separate transactions with separate products and interest components. On payment of the Principal amount of any of the loans the Loan/Commitment is restored to the customer. As these multiple disbursals are treated as individual transactions, hence the Bulk Payment option provides the customer to make a single payment across for multiple payments. This payment can be configured to be split automatically among the different disbursals made based on a defined rule.

The Bulk Payment Preferences screen can be used for maintaining the priority for auto as well as manual liquidation of bulk payments. Invoke this screen by typing ‘CLDBPPRF’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The following details need to be specified for maintaining the bulk payment preferences for multiple disbursals made under a single line/commitment:

Branch

The branch where the bulk payments preferences are maintained for a CL account is displayed here. The maintenance is done at this branch. The preferences maintained for each loan/commitment are only for this branch.

Bulk Entity

Select the bulk entity applicable for these payments from the option list provided. You can select the following values

Limit Line – This option displays all the valid limit lines in the current branch which have been attached to any of the loan accounts; when the bulk payment option has been selected for the same.

Commitment – The valid commitment reference numbers attached to any of the loan accounts in the current branch are displayed on selecting this option; when the bulk payment option has been selected for the same.

All

Liability ID

Select the liability identification number based on the bulk entity type selected, from the option list. For bulk entity type limit line the liability IDs for which limit line is linked to CL account are listed. For Commitment bulk entity type the commitment IDs linked to the CL account are listed. You can select 'All' option if you want to display both limit line and commitment in the list of values.

Bulk Entity Reference

Specify the bulk entity reference number associated with the relevant loan account. You can also select the bulk entity reference from the adjoining option list. The list displays the reference number based on the bulk entity type and liability ID. The bulk entity reference lists values as 'ALL' indicating that the rule is common for all references attached to a branch and not a specific reference maintained for that particular branch.

Allow Partial Allocation

Check this box to indicate that the partial payment is allowed for the individual loan amounts. If the payment amount is sufficient to liquidate only partially as against the total due amount then if the partial liquidation option is allowed then a partial amount is allocated against the total due amount.

Partial allocation is allowed for dues for all priority options. For all prioritization options, if the total payment amount provided for bulk payment only partially satisfies liquidation, then partial amount is allocated against the amount due, only if the Partial allocation box is checked otherwise the schedule is skipped from liquidation.

3.13.0.1 Selecting Prioritization options

Select the appropriate prioritization option. You can select the following options:

- Earliest Due First
- Highest Due First
- Component Prioritization

On selecting Component Prioritization the 'Component Prioritization' details are enabled for entry. However on selecting the same Account level and Schedule Level are disabled for entry.

The following Priority combinations can be selected:

- Earliest Due first /Account level/partial allocation allowed.
- Earliest Due first /Account level/partial allocation not allowed.
- Earliest Due first /Schedule level/partial allocation allowed.
- Earliest Due first /Schedule level/partial allocation not allowed.

- Highest Due first / Account level/partial allocation allowed.
- Highest Due first /Account level/partial allocation not allowed.
- Component Prioritization/ partial allocation allowed.
- Component Prioritization/ partial allocation not allowed.

Earliest due first date

When you make this selection you can only specify the account level option. When the available amount is allocated while indicating account level or schedule level, amongst the due amounts belonging to the eligible accounts, then the account priority is applied in case of multiple accounts. The schedules with earliest due date are considered first and liquidation amount is allocated based on the due date at schedules level. In case of conflict arisen, the earliest value date and highest due is considered for resolution. If the value dates and highest due are the same then the resolution is carried out on the basis of the account number, that is, the earlier account number is considered first.

Highest Due First

When you make this selection you can also specify the account level. On allocating the bulk amount while indicating account level, the highest due amount across the accounts is determined and all components due in this account are marked for payment followed by the next highest due account available among the rest. In a conflict the earliest valued date is considered. If the value dates are same then the accounts are prioritized based on the account numbers. Schedule level is not applicable for this option.

Component Prioritization

Check this box to define the order for liquidation for components across products. When you make this selection you must also select the option N/A. The liquidation order defined here overrides the product liquidation order. If Component prioritization option is chosen then the fields under component prioritization options frame will be enabled.

According to the priority defined allocation of the bulk amount is done for all accounts. Similar to the cases described above the value date and highest due is considered for allocation, in cases of conflict due to value date and highest due the resolution is brought about by account number.

Component Prioritization Options

The component details related to prioritization are enabled for entry once the ‘Component Prioritization’ is enabled

Product Code

Specify the component product code for which liquidation prioritization details are maintained.

Note

Products not listed in prioritization will be taken as lowest priority. These are allocated using the liquidation order defined in the product.

Component

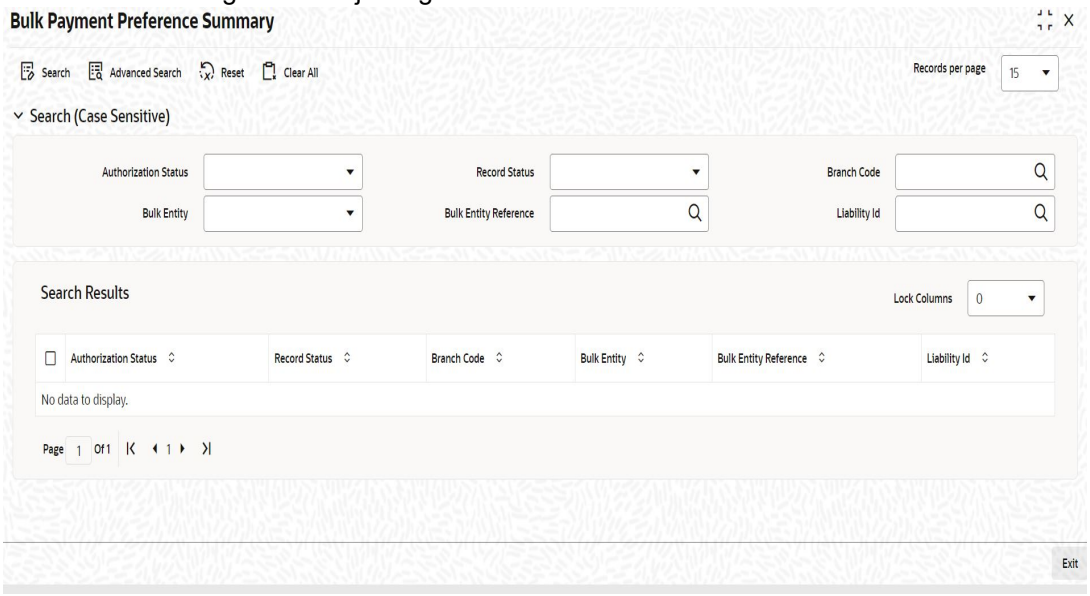
Specify the component for which prioritization is maintained

Priority

Specify the priority for the component. The priority is a unique numeric character input by a user. The lower the number value the higher is the priority applied to the component.

3.13.1 Viewing Summary Records

You can view and amend details of a particular record by using the ‘Summary’ screen. You can invoke this screen by typing ‘CLSBPPRF’ the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



To view a particular record double click on the desired record displayed in the list of records. The required record is enabled for action.

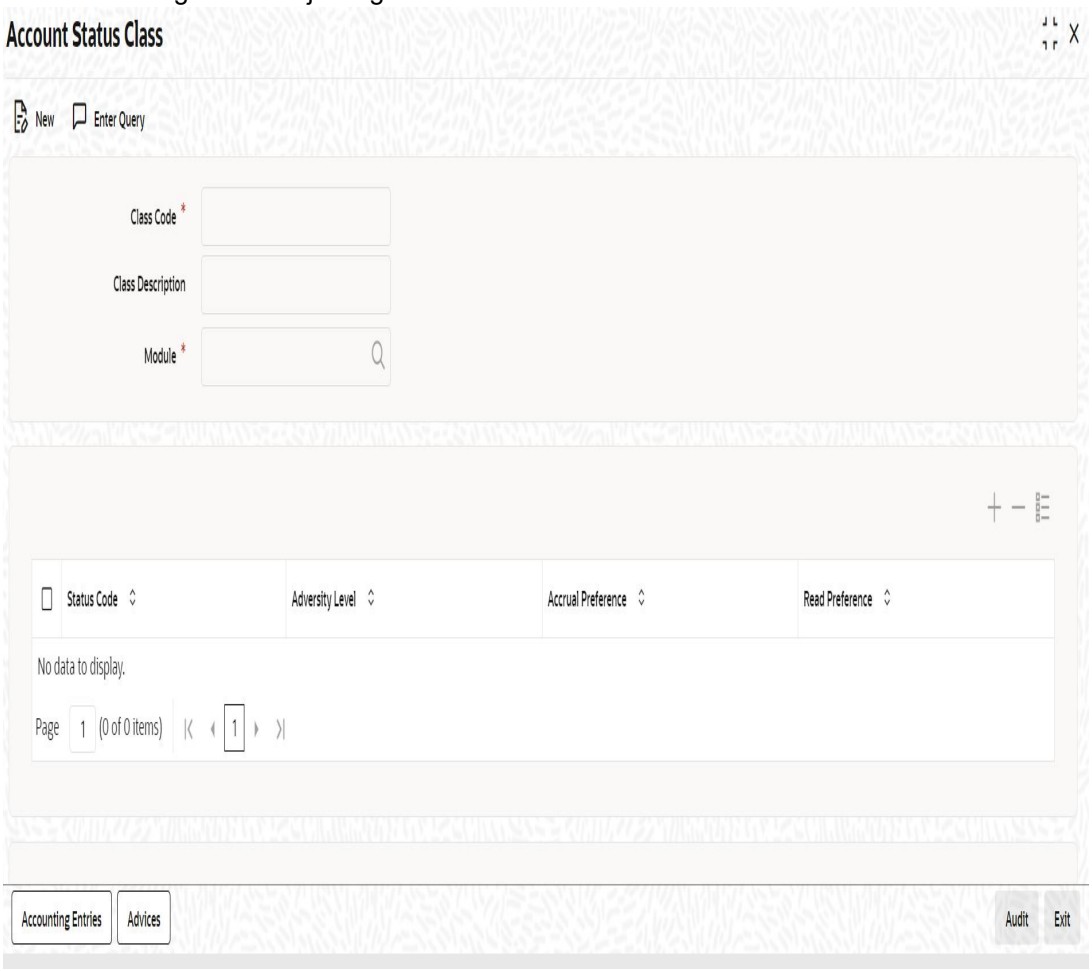
3.14 Account Class Status Maintenance

This section contains the following topics:

- Section 3.14.1, "Maintaining Account Class Status"
- Section 3.14.2, "Accounting Entries Button"
- Section 3.14.3, "Advices Button"

3.14.1 Maintaining Account Class Status

You can maintain the account class status through the 'Account Status Class' screen. To invoke this screen type 'CLDASTCL' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Class Code

Specify the class code.

Class Description

Give a brief description on the class.

Module

Select the module from the adjoining option list.

Status Code

Select the status code from the adjoining option list.

Adversity Level

Specify the adversity level of the account class status.

Accrual Preference

Select the accrual preference from the adjoining drop-down list. The available options are:

- Stop Accrual – accruals are frozen
- Reverse Accrual – accruals till date are reversed by transferring them to an expense GL
- Continue Accrual – accruals continue as in the previous status as per the Role to Head maintained for the status and as per the accounting entries defined

Read Preference

Select the read preference from the adjoining drop-down list.

From Status and To Status

When you highlight a status from the list of status codes maintained for the product, the selected status becomes the 'From Status'

In the option list provided for the 'To Status', the status codes applicable for the product is displayed.

Movement Type

Select the movement type from the adjoining drop-down list. The movement can be:

- Auto
- Manual
- Both

Movement Rule

You have to define the status derivation rule which will determine the movement of an account from one status to the other.

Complete Pending Accrual

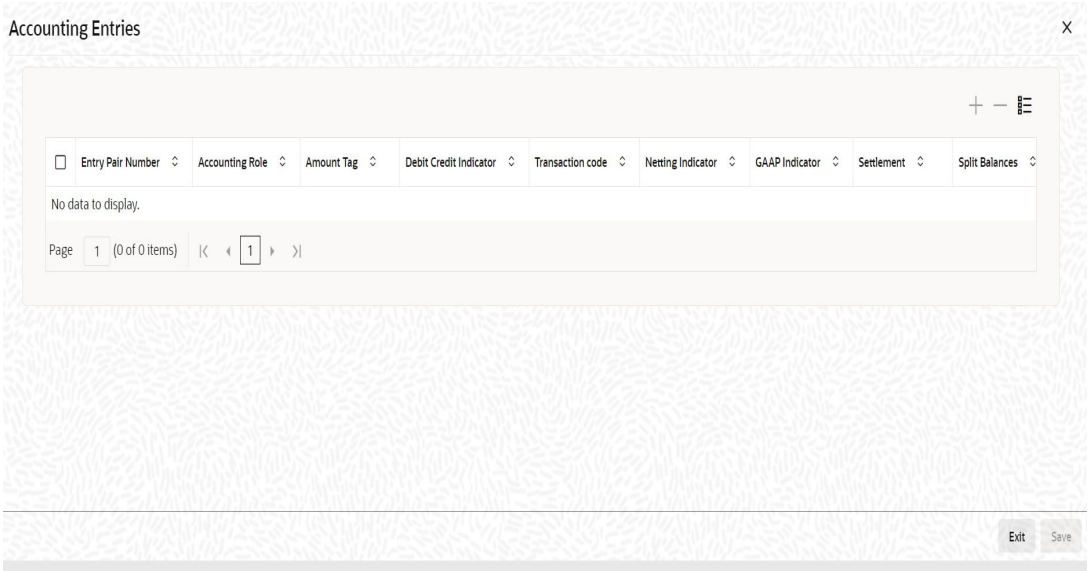
Check this box to indicate if the pending accruals need to be completed before the Account status changes. This is applicable only if Accrual Frequency is any one of the following:

- Monthly
- Quarterly
- Half yearly
- Yearly

This check box will not be enabled if Accrual Frequency in the 'Consumer Lending Product' screen is 'Daily'.

3.14.2 Accounting Entries Button

Click on 'Accounting Entries' button in the 'Account Status Class' screen to maintain the accounting entries.



Entry Pair Number

Specify the entry pair number.

Accounting Role

Select the accounting role that should be used at the event from the adjoining option list.

Amount Tag

Specify the amount tag applicable for the Accounting Role.

Debit Credit Indicator

Indicate whether the accounting entry is a debit or credit.

Transaction Code

Select the transaction code from the adjoining option list.

Netting Indicator

Indicate the4 netting as Yes or No.

GAAP Indicator

Indicate the GAAP indicators for which the accounting entry is required.

Settlement

Select the settlement type from the adjoining drop-down list. The settlement types are:

- Yes
- No
- Reimbursement

Amount Tag Type

Select the amount tag type from the adjoining drop-down list. The options available are:

- Yes
- No
- Contra

Balance Check

Select the balance check from the adjoining drop- down list. The options available are:

- Reject
- Delinquency Tracking
- Force Debit
- Partial Delinquency

Delinquency Product

Select the delinquency product from the adjoining option list.

MIS Head

Select the MIS head from the adjoining option list.

Revaluation Required

Check this box if revaluation is required.

Profit GL

Select the profit GL from the adjoining option list.

Loss GL

Select the loss GL from the adjoining option list.

Rate Code

Select the rate code from the adjoining option list.

Revaluation Transaction Code

Select the revaluation transaction code from the adjoining option list.

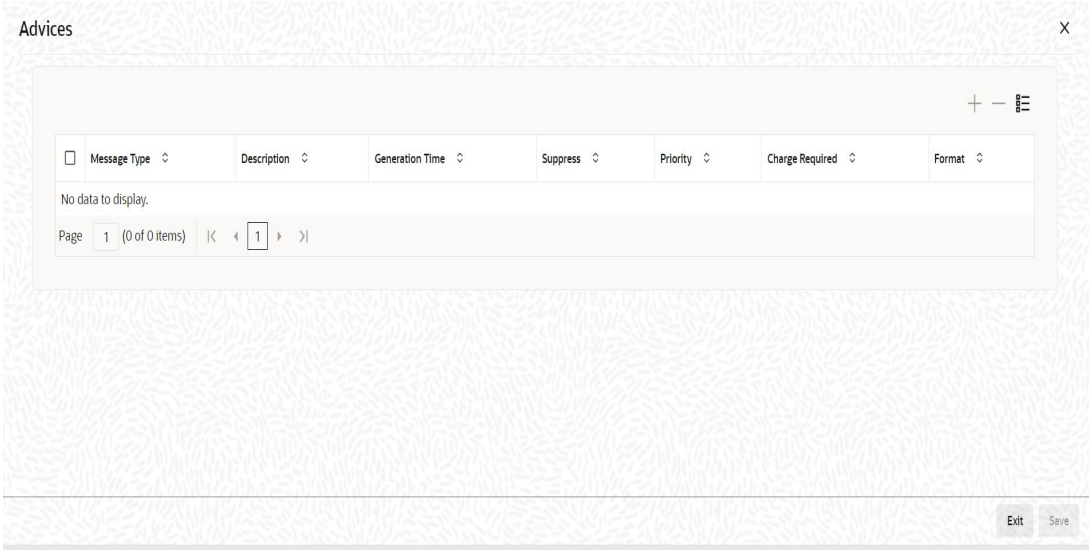
Holiday treatment

Select the holiday treatment from the adjoining drop-down list. The options available are:

- Yes
- No

3.14.3 Advices Button

Click on 'Advices' button in the 'Account Status Class' screen to maintain the advices.



Message Type

Select the message type from the adjoining option list.

Description

Give a brief description on the advice.

Generation Time

Select the generation time from the adjoining drop-down list. The options are:

- Input
- Authorize

Suppress

Indicate whether you want to suppress the advice generation.

Priority

Select the priority of advice generation from the adjoining drop-down list.

Charge Required

Check this box if charge is required.

Format

Select the format of advice generation from the adjoining option list.

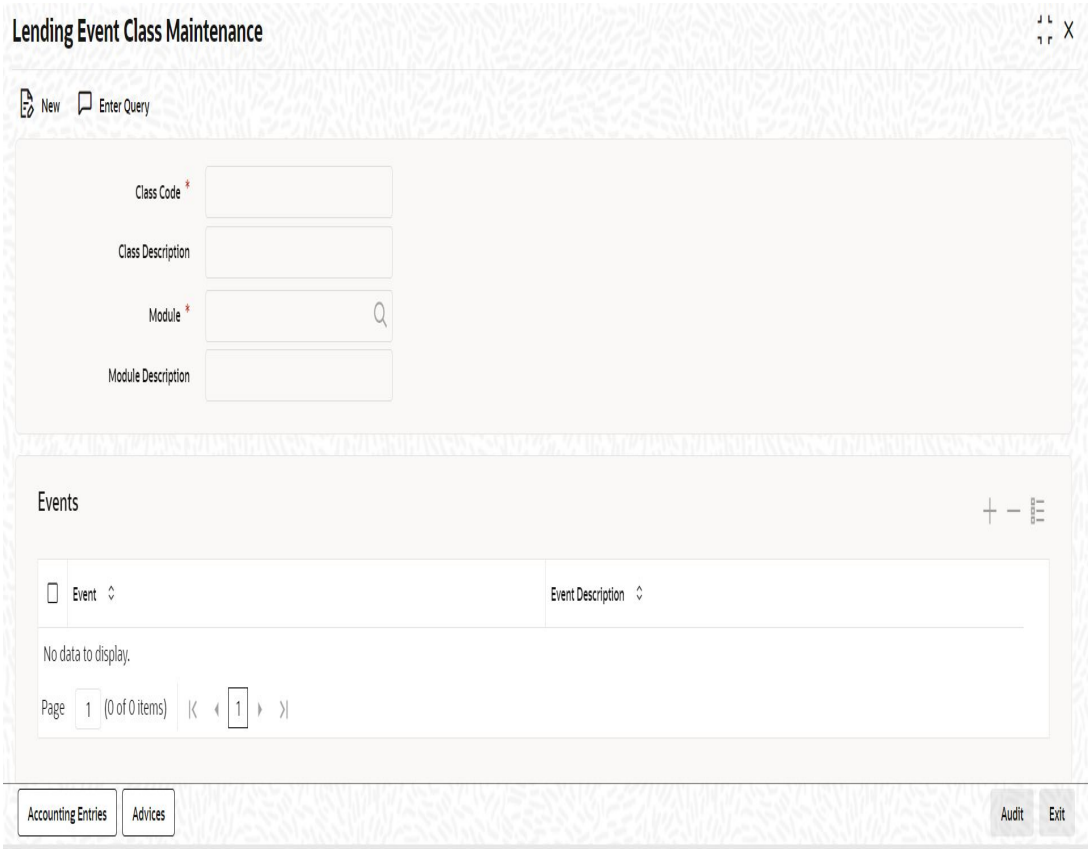
3.15 Lending Event Class Maintenance

This section contains the following topics:

- Section 3.15.1, "Maintaining Lending Event Class"
- Section 3.15.2, "Accounting Entries Button"
- Section 3.15.3, "Advices Button"

3.15.1 Maintaining Lending Event Class

You can maintain the lending event class through the 'Lending Event Class Maintenance' screen. To invoke this screen type 'CLDACTCL' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can capture the following in this screen:

Class Code

Specify the class code.

Class Description

Give a brief description on the class.

Module

Select the module from the adjoining option list.

Module Description

Give a brief description on the module.

Event Details

Event

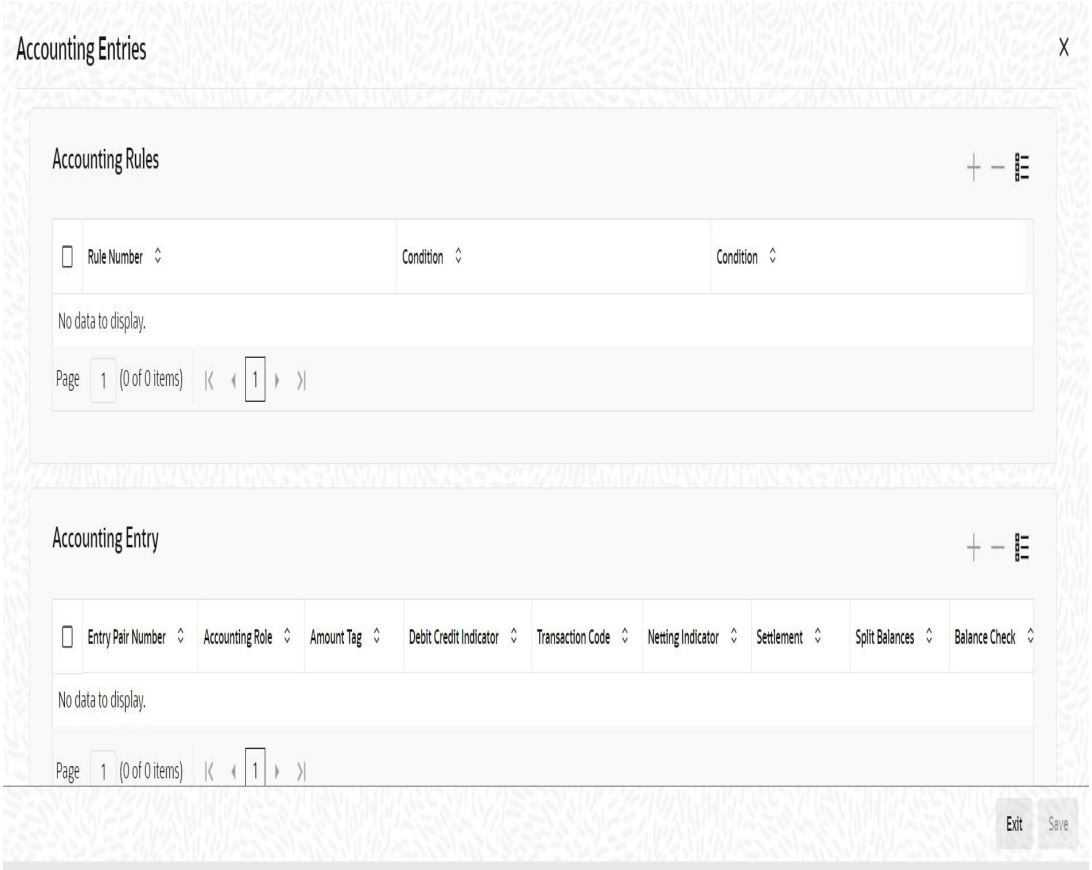
Select the event from the adjoining option list.

Event Description

The system displays a brief description on the event selected.

3.15.2 Accounting Entries Button

Click on 'Accounting Entries' button in the 'Lending Event Class Maintenance' screen to maintain the accounting entries.



Accounting Rules

Rule Number

Specify the unique number for the rule maintained for accounting entries.

Condition

Specify the condition for generating the rule.

Accounting Entry

Entry Pair Number

Specify the entry pair number.

Accounting Role

Select the accounting role that should be used at the event from the adjoining option list.

Amount Tag

Specify the amount tag applicable for the Accounting Role.

Debit Credit Indicator

Indicate whether the accounting entry is a debit or credit.

Transaction Code

Select the transaction code from the adjoining option list.

Netting Indicator

Indicate the netting as Yes or No.

GAAP Indicator

Indicate the GAAP indicators for which the accounting entry is required.

Settlement

Select the settlement type from the adjoining drop-down list. The settlement types are:

- Yes
- No
- Reimbursement

Split Balances

Select the split balances from the adjoining drop-down list. The options available are:

- Yes
- No
- Contra

Balance Check

Select the balance check from the adjoining drop- down list. The options available are:

- Reject
- Delinquency Tracking
- Force Debit
- Partial Delinquency

Delinquency Product

Select the delinquency product from the adjoining option list.

MIS Head

Select the MIS head from the adjoining option list.

Revaluation Required

Check this box if revaluation is required.

Profit GL

Select the profit GL from the adjoining option list.

Loss GL

Select the loss GL from the adjoining option list.

Rate Code

Select the rate code from the adjoining option list.

Revaluation Transaction Code

Select the revaluation transaction code from the adjoining option list.

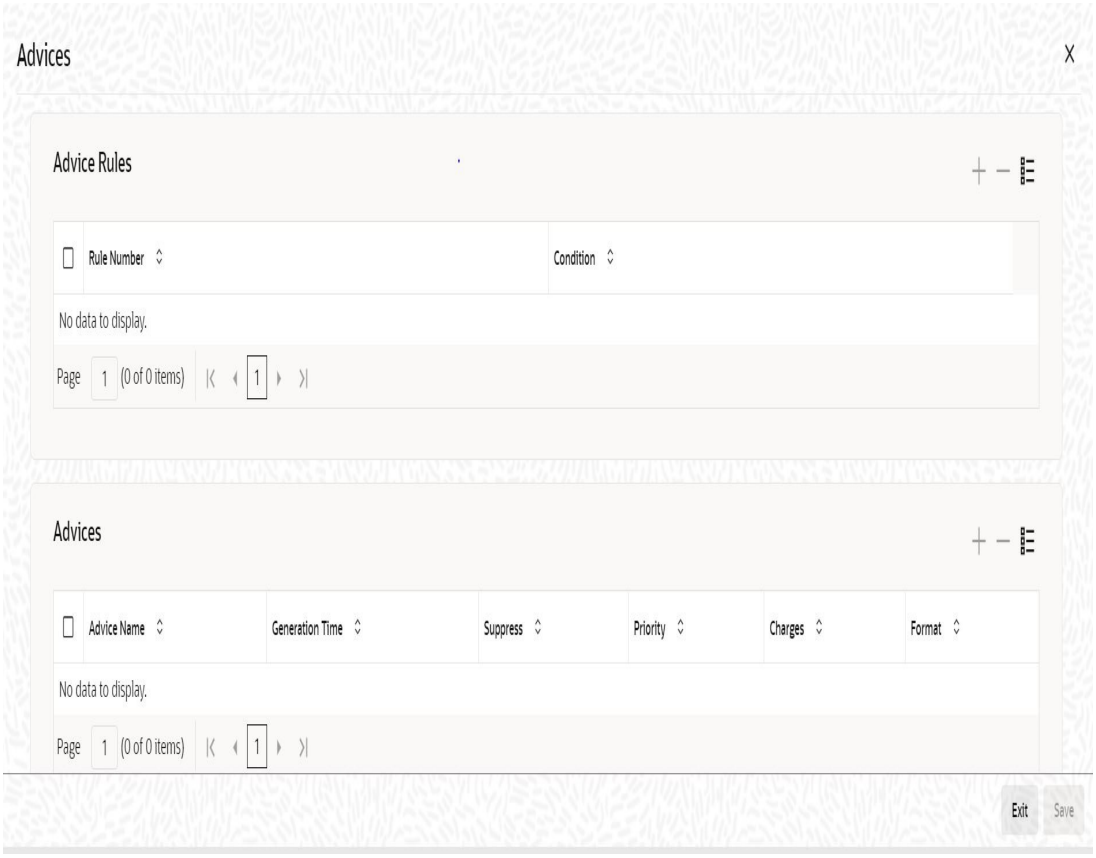
Holiday treatment

Select the holiday treatment from the adjoining drop-down list. The options available are:

- Yes
- No

3.15.3 Advices Button

Click on ‘Advices’ button in the ‘Lending Event Class Maintenance’ screen to maintain the advices.



Advice Rules

Rule Number

Specify the unique number for the rule maintained for advices.

Condition

Specify the condition for generating the rule.

Advices

Advice Name

Select the advice name from the adjoining option list.

Generation Time

Select the generation time from the adjoining drop-down list. The options are:

- Input
- Authorize

Suppress

Indicate whether you want to suppress the advice generation.

Priority

Select the priority of advice generation from the adjoining drop-down list.

Charges

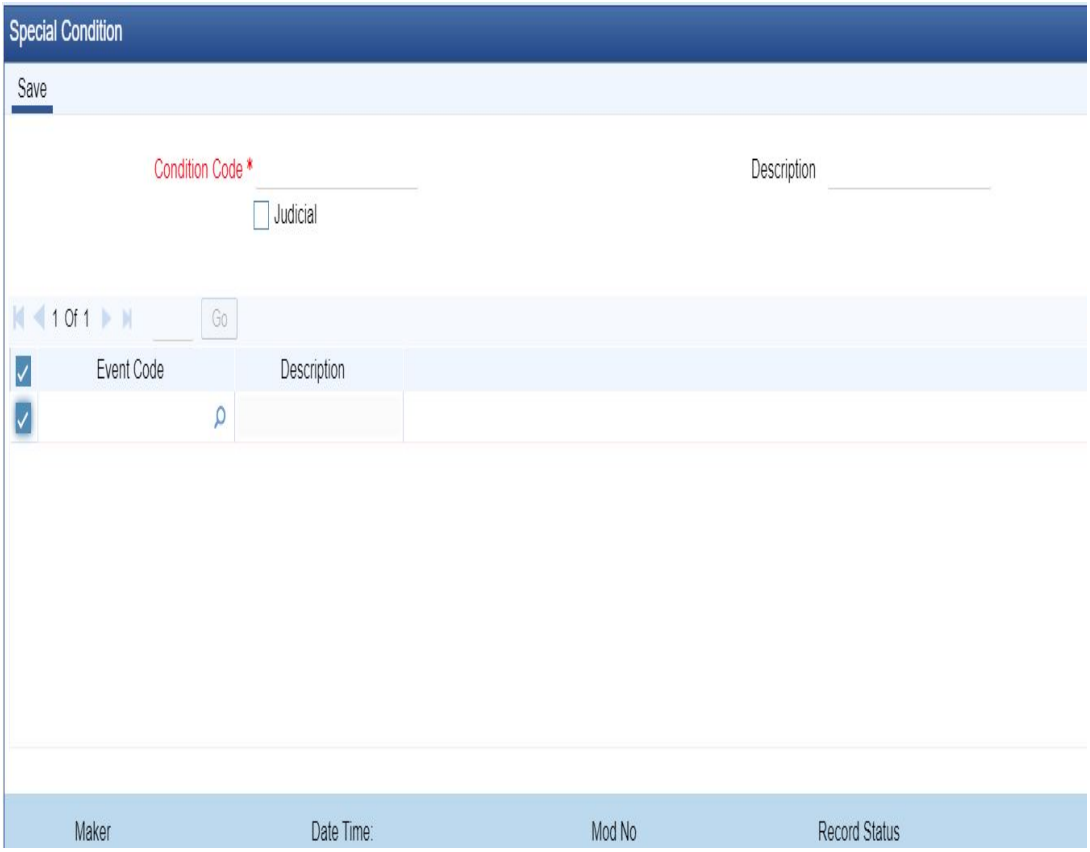
Check this box if charge is required.

Format

Select the format of advice generation from the adjoining option list.

3.16 Maintaining Special Condition

You can maintain the special condition on the loans to indicate the occurrence of a special situation associated to a customer or a loan using the 'Special Condition' screen. To invoke this screen type 'CLDSCCOD' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can capture the following in this screen:

Condition Code

Specify the condition code for the loan that has become overdue or have a special situation during their lifespan

Description

Specify the description of condition code.

Judicial

Check this box to indicate that the special condition has occurred due to judicial reasons.

Event Code

Specify the event code for the special condition from the adjoining option list. The list displays all valid event codes maintained in the system. You can choose the appropriate one.

Description

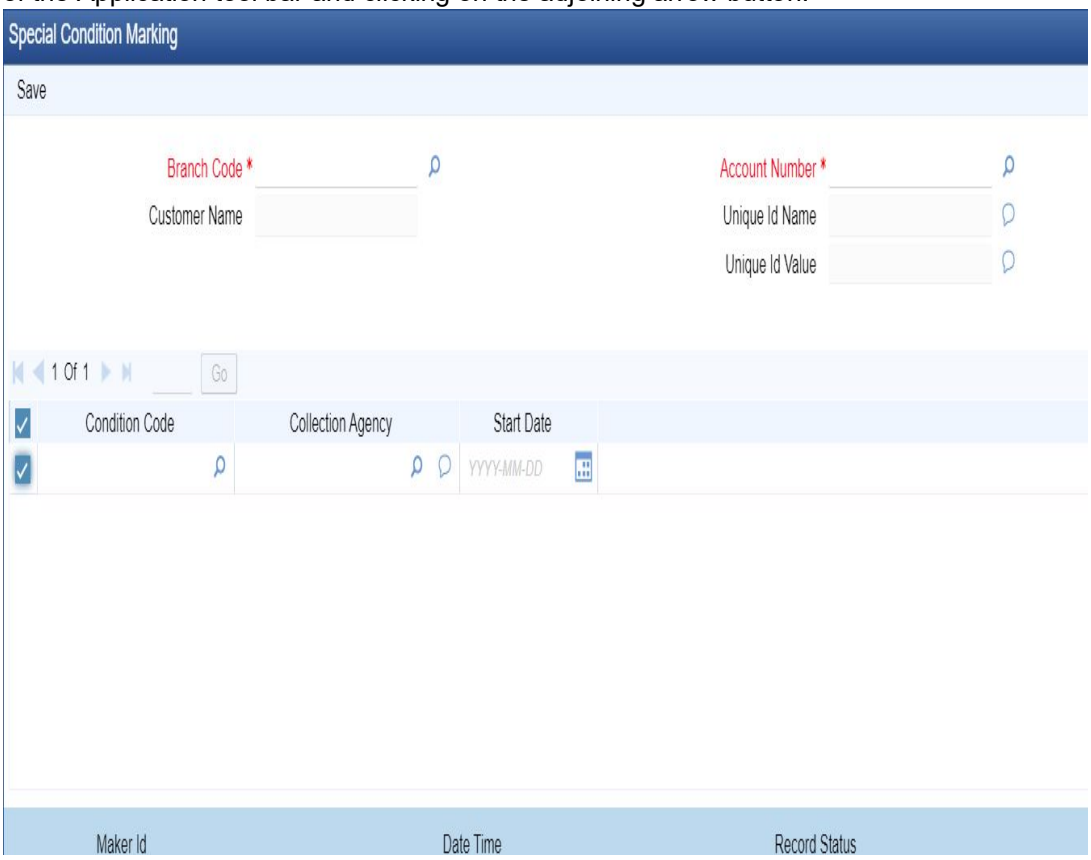
The system will display the description of the event code.

Note

The system will not allow you to map another judicial special condition to a loan account, where one active judicial special condition already exists.

3.16.1 Marking Special Condition

You can mark special condition applicable for the active loan using the 'Special Condition Marking' screen. To invoke this screen type 'CLDMRKSC' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can capture the following in this screen:

Branch Code

Specify the branch code for which you wish to mark the special condition. The adjoining option list displays all valid branch codes maintained in the system. You can select the appropriate one.

Account Number

Specify the account number for which you wish to mark the special condition. The adjoining option list displays all valid account numbers maintained in the system. You can select the appropriate one.

Customer Name

The system display the customer name.

Unique Id Name

The system display the unique Id name.

Unique Id Value

The system display the unique Id value.

Condition Code

Specify the condition code for the loan that has become overdue or have a special situation during their lifespan. The adjoining option list displays all valid condition codes maintained in the system. You can select the appropriate one.

Collection Agency

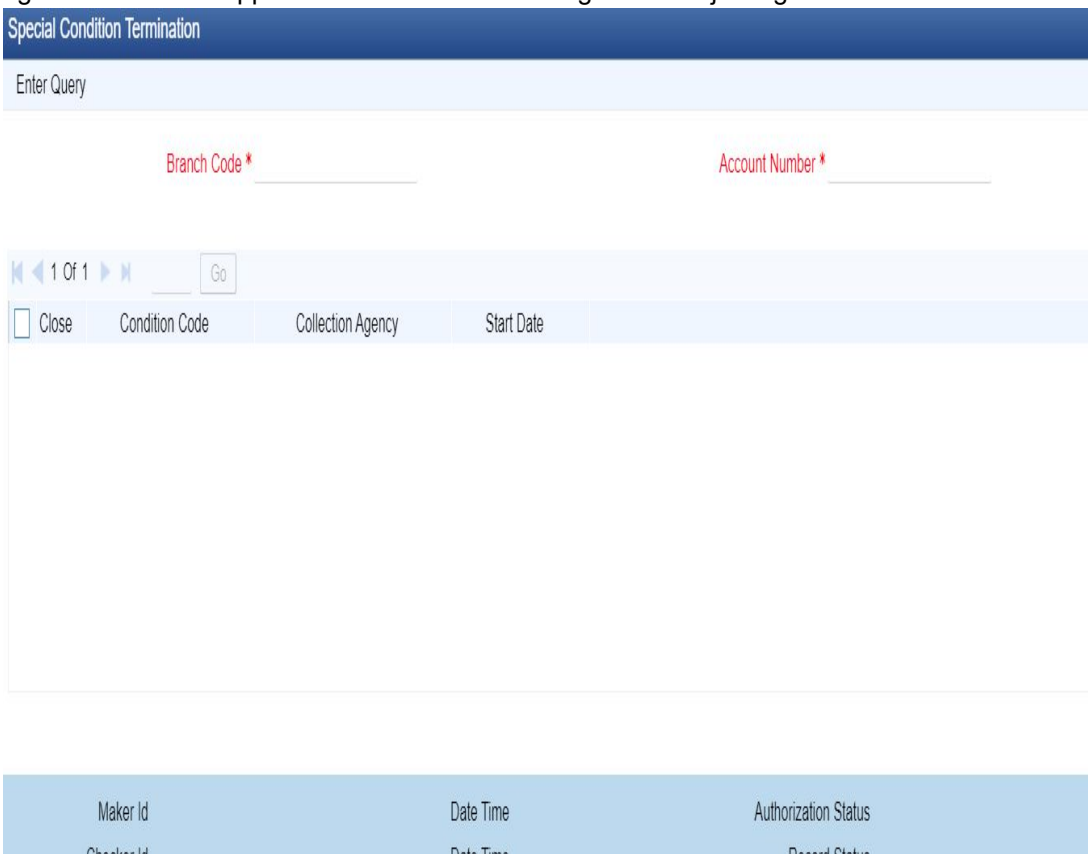
Specify the collection agency for the loan. The adjoining option list displays all valid collection agencies maintained in the system. You can select the appropriate one.

Start Date

Specify the date from which the special condition must be marked.

3.16.2 Terminating Special Condition

You can terminate the special condition marked for a loan account using the 'Special Condition Termination' screen. To invoke this screen type 'CLDTRMSC' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Branch Code

Specify the branch code for which you wish to terminate the special condition. The adjoining option list displays all valid branch codes maintained in the system. You can select the appropriate one.

Account Number

Specify the account number for which you wish to terminate the special condition. The adjoining option list displays all valid account numbers maintained in the system. You can select the appropriate one.

Click ‘Execute Query’ to view the following details:

- Close
- Condition Code
- Collection Agency
- Start Date

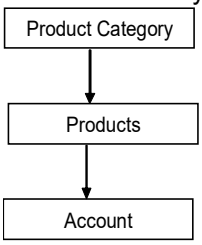
4. Defining Product Categories and Products

You may offer your customers a variety of financial services such as Vehicle Loans, Home Loans, Personal Loans, and so on. The different types of loans can be different ‘Product Categories’. A product category is used to distinguish between the various loan services offered by the bank. Each of these loans are totally different and hence the need to categorize them.

Under a product category, you may have loans that may vary in features such as pricing, tenor, amount etc. Each variation of these services can, therefore, be considered as ‘Products’.

At the time of capturing a loan application, you would specify details such as Loan Amount, Tenor, and Asset Class etc. The system automatically resolves the Product Category and Product applicable based on the application details. Hence, the Loan Account is created under the appropriate product.

The CL Module will have an inheritance hierarchy as follows:



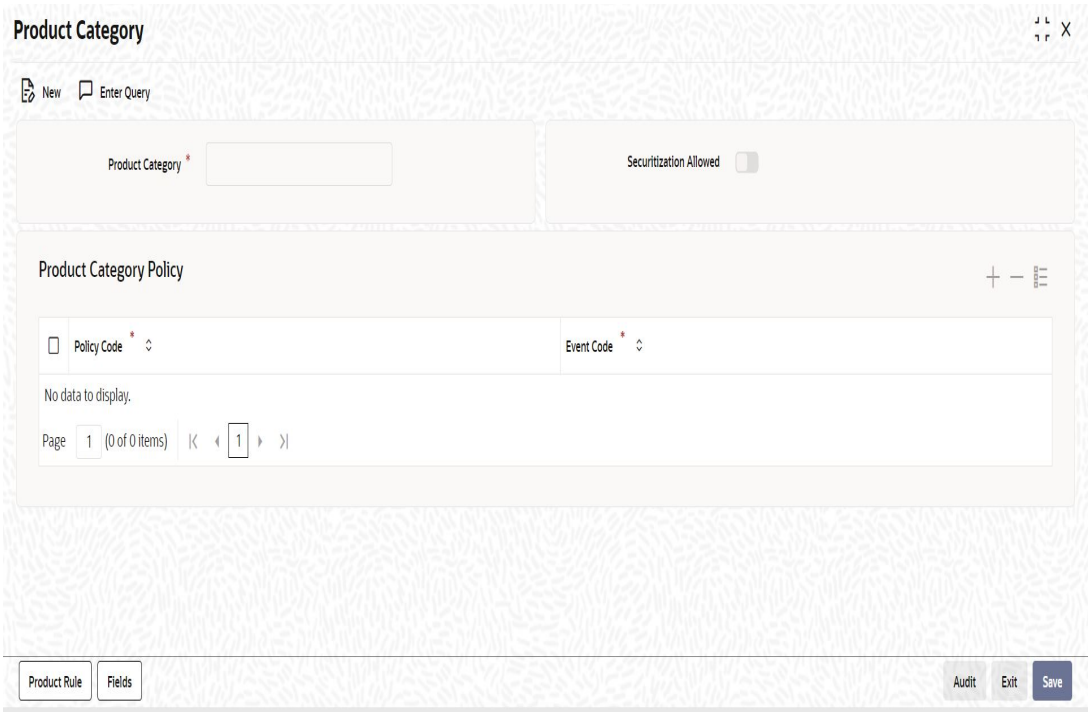
This chapter explains the procedure for setting up product categories and products.

- This chapter contains the following sections:Section 4.1, "Product Category"
- Section 4.2, "Product Class"
- Section 4.3, "Economic Destination"
- Section 4.4, "CL Product"
- Section 4.5, "CL Product UDF Maintenance"
- Section 4.6, "CL Product Restrictions"
- Section 4.7, "Defining Product Component Class"
- Section 4.8, "Processing of IRR Application on Loans"
- Section 4.10, "Customized Promotion Products"

4.1 Product Category

You can define the attributes for a Product Category in the ‘Product Category Maintenance’ screen.

You can invoke this screen by typing ‘CLDPRCMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The following details have to be captured in this screen:

Product Category

You have to specify the name of the loan service which will identify the category uniquely in the system. For example: Home Loan, Vehicle Loan etc. The category name can consist of a maximum of 20 alphanumeric characters. The categories maintained through this screen become available for creating products under it (in the 'Consumer Lending Product' screen).

Product category is mandatory to save the record in the system.

Policy Code and Event Code

To the category being defined, you have to associate a policy code. The policies maintained in the 'User Policy' screen are available in the option-list provided.

You have to associate an event code to each policy selected. Whenever the event is triggered, the associated policy gets executed.

Mapping Function Id with Policy Code

You can maintain a mapping of the various stages of the loan origination workflow with the policies to be used for validating the details in each stage. At each stage, validation of the details specified is carried out by executing the policy associated with that stage.

Function

Select the loan origination function for which you want to specify the validation policy, from the option list provided.

Policy Code

Select the validation policy to be attached to the function selected

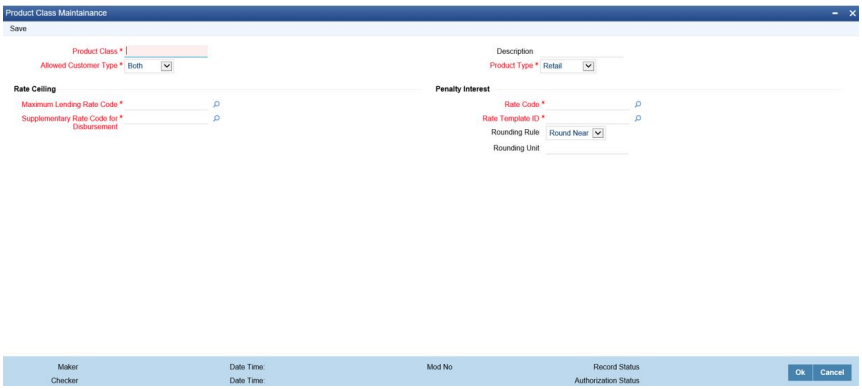
For more details on loan origination, refer the Loan Origination process manual

For details on maintaining policy details, refer the section titled 'Maintaining User Defined Policies' in the 'Maintenances and Operations' chapter of this User Manual

4.2 Product Class

You can define the attributes for a Product class in the ‘Product Class Maintenance’ screen.

You can invoke this screen by typing ‘CLDPRCLS’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Specify the following details:

Product Class

Specify the product class for which you are mapping rate codes for lending, disbursement and penalty.

Allowed Customer Type

Select the customer type for which the rate codes can be applied from the adjoining drop-down list. The list displays the following values:

- Both
- Individual
- Corporate

Description

Specify an appropriate description for the product class.

Product Type

Select the product type for which the rate codes can be applied from the adjoining drop-down list. The list displays the following values:

- Retail
- Commercial

Rate Ceiling

Maximum Lending Rate Code

Specify the rate code to be used for lending. The adjoining option list displays the rate codes maintained in the system. You can choose the appropriate one.

Supplementary Rate Code for Disbursement

Specify the supplementary rate code to be used for disbursement. The adjoining option list displays the rate codes maintained in the system. You can choose the appropriate one.

Penalty Interest

Rate Code

Specify the rate code to be used for calculating penal interest. The adjoining option list displays the rate codes maintained in the system. You can choose the appropriate one.

Rate Template ID

Specify the template ID to be used on all the accounts for penal rate conversion during penal calculation.

Rounding Rule

Select the rounding rule preference from the adjoining drop-down list. The list displays the following values:

- Round Near
- Round Up
- Round Down

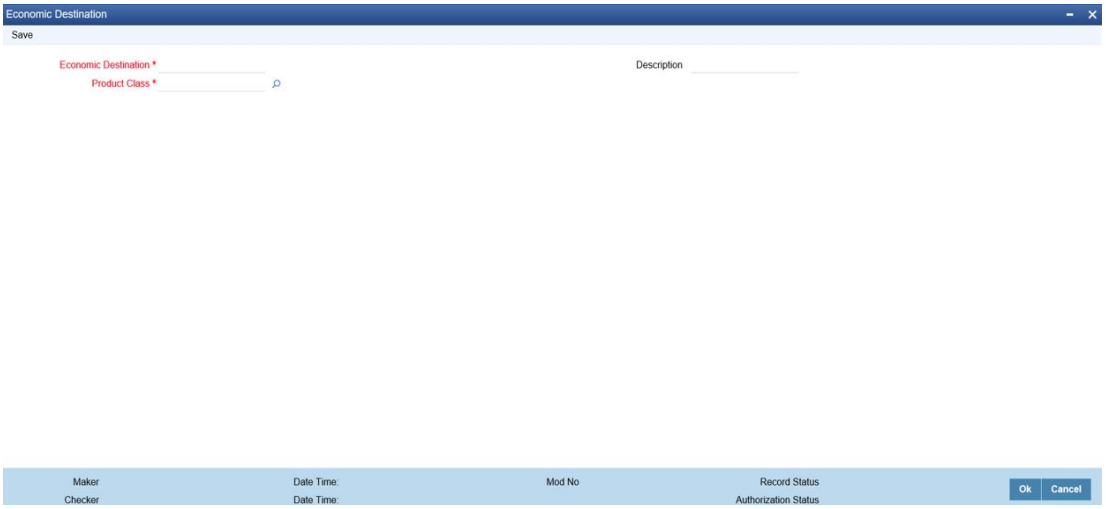
Rounding Unit

Specify the rounding unit to be used.

4.3 Economic Destination

You can maintain the economic destination details in the ‘Economic Destination’ screen.

You can invoke this screen by typing ‘CLDECDST’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Specify the following details:

Economic Destination

Specify the economic destination.

Product Class

Specify the product class you want to link to the economic destination. The adjoining option list displays all the product classes maintained in the system. You can choose the appropriate one.

4.4 CL Product

This section contains the following topics:

- Section 4.4.1, "Setting up a CL Product"
- Section 4.4.2, "Defining Other Attributes for a Product"
- Section 4.4.3, "Preferences Button"
- Section 4.4.4, "User Data Elements Button"
- Section 4.4.5, "Components Button"
- Section 4.4.6, "Role to Head Button"
- Section 4.4.7, "Account Status Button"
- Section 4.4.8, "Notices and Statements Button"
- Section 4.4.9, "Events Button"
- Section 4.4.10, "MIS Button"
- Section 4.4.11, "Credit Score Button"
- Section 4.4.12, "Min Amount Due Method Button"

4.4.1 Setting up a CL Product

As mentioned at the beginning of this chapter, within a category you may have loans that differ in amount, tenor or other preferences.

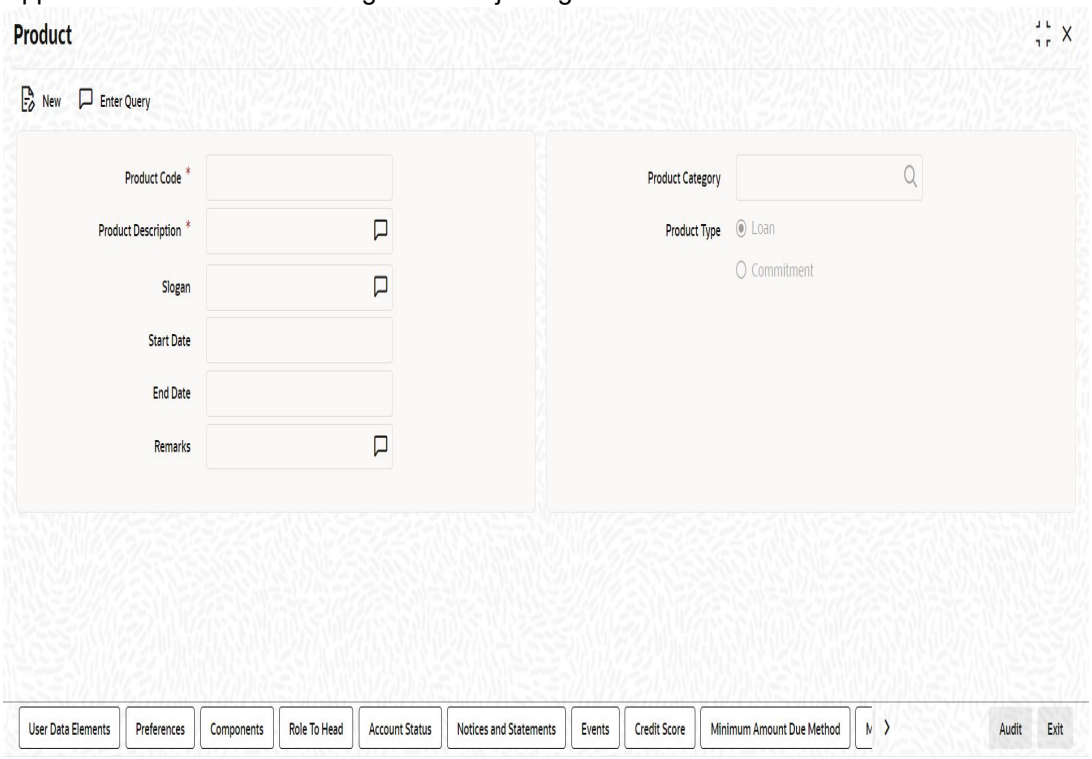
These may be categorized into products. The loan product is derived from the product category based on the product rule that it satisfies.

Product Categories and Products are created at the Head Office (HOB) and you can create accounts under the products at branch level.

The branches that can offer the products are further determined by the branch restrictions defined for the products.

You can capture product details in the ‘Product Maintenance’ screen.

You can invoke this screen by typing ‘CLDPRMNT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



In this screen, you can enter basic information about a product such as the Product Code, the Description, etc.

Specify the following details:

Product Code

Enter a product code.The code you enter for a product identifies it throughout the module. You can follow your own conventions for devising the code. However, it must have a minimum of four characters.

When defining a new product, you should enter a code. This code is unique across the CL modules of Oracle FLEXCUBE. For instance, if you have used VA01 for a product in this module, you cannot use it as a product code in any other module.

Product Description

Enter a brief description of the product. This description will be associated with the product for information retrieval.

Product Type

Select the type of consumer Lending product that you are creating. The options available are:

- Loan – Select this option if you want to create a loan product
- Commitment – Select this option if you want to create a commitment product

Product Category

Products can be categorized into groups, based on the common elements that they share. For example Vehicle Loans, Personal Loans, Home Loans, and so on. You must associate a product with a category to facilitate retrieval of information for a specific category.

The categories defined through the ‘Product Category Maintenance’ are available in the option-list provided.

Slogan

You can enter a marketing punch line for every product you create. This slogan will be printed on all advices that are sent to customers who avail of the product.

For example, if you set up a borrowings product called Money Multiplier, you could enter the slogan 'Watch your money grow with Money Multiplier.'

Start Date and End Date

A product can be defined to be active over a specific period. When you create a product, you can specify a 'Start Date' and 'End Date' for it. The product can only be used within the specified period (i.e. within the Start Date and End Date).

If you do not specify the Start Date, the branch date will be displayed as the Start Date.

If you do not specify an End Date for a product, it can be used for an indefinite period.

The start and end dates of a product come in handy when you are defining a product that you would like to offer over a specific period.

Remarks

When creating a product, you can enter information about the product intended for your bank's internal reference. This information will *not* be printed on any correspondence with the customer.

4.4.2 Defining Other Attributes for a Product

After specifying the basic details of a product, you can define the other finer attributes for a product in the appropriate sub-screens provided. From the 'Consumer Lending Product' screen, you can move to the sub-screen of your choice to define these details. Click on the buttons provided at the bottom of the screen for this purpose.

Each button is explained briefly in the table below:

Button Name	Description
User Date Elements	To define the UDEs and Components relating to the product
Preferences	To indicate your preferences specific to the product
Components	To specify the component details, schedule definition and formulae for the product
Notices and State-ments	To specify details of account statements and notices to be issued to customers. These have to be gener-ated for different events in the life cycle of a loan
Role to Head	To specify accounting roles and account heads for the product. (The concept of accounting roles and heads is explained later)
Account Status	To indicate the status preferences for the product
Events	To specify events

Fields	To associate User Define Fields (UDFs) i.e. Character Fields, Number Fields and Date Fields, with the product
Credit Score	To maintain the rules for calculating the credit score of a customer
Minimum Amount Due Method	To define the MAD formula for OLL product
Product Fields	To define the additional product details
MIS	To define MIS details

There are some fields in the product definition screens, to which input is mandatory. If you try to save a product without entering details in these fields, the product will not be saved.

When you save a product that you have created, your user-id will be displayed in the 'Maker' field and the date and time at which you saved the product in the 'Date/Time' field. The Status of the product will be updated as 'Unauthorized'. A product is available for use only after it has been authorized by another user.

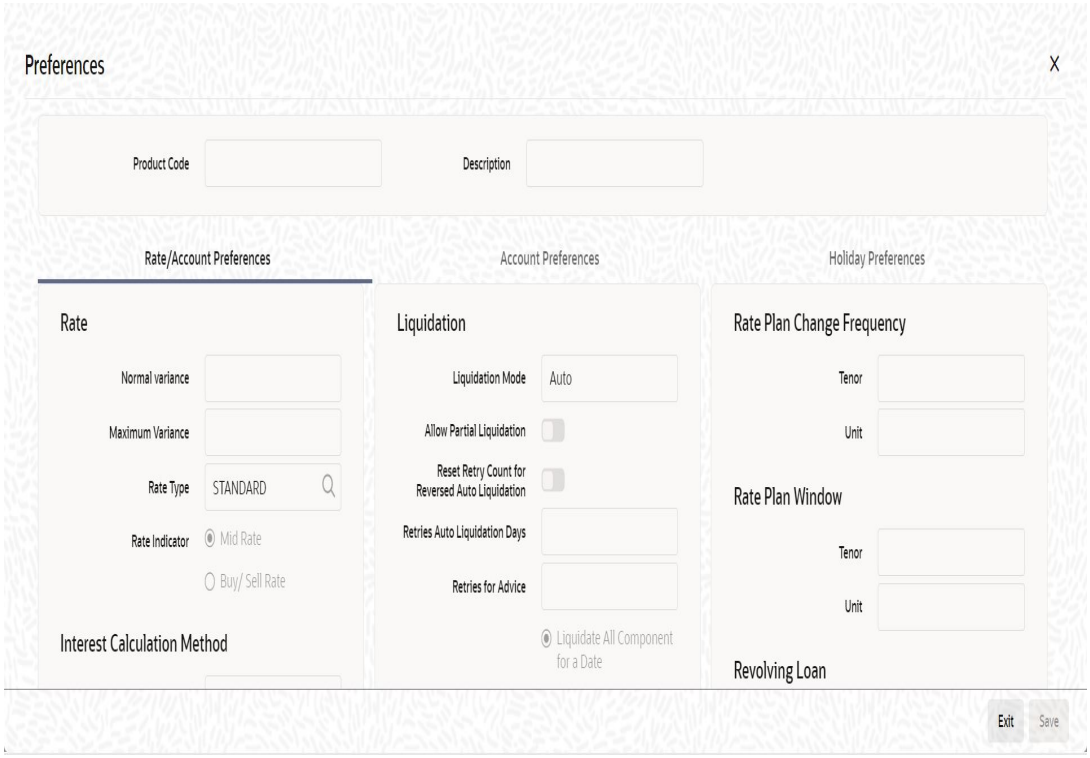
4.4.3 Preferences Button

Preferences are the options that are available to you for defining the attributes of a loan account product. These could be:

- The manner in which the system should handle schedules falling due on holidays
- Whether rollover should be automatic or with user intervention (manual)
- The tenor details for the loan
- Whether receivables should be tracked for the loan account etc.

The options you choose, ultimately, shape the product. These details are used for loan account processing.

Click ‘Preferences’ button in the ‘Product Definition’ screen to move to this section of the screen.



You should maintain the following preferences for the loan product:

4.4.3.1 Rate/Account Preferences Tab

Rate

The exchange rate preferences include the following:

Rate

You have to indicate the exchange rate applicable for the product you are maintaining. The available options are:

- Mid Rate
- Buy/Sell Rate

By default, the Buy/Sell Rate is used.

Rate Type

You have to select the code that should be used for the product from the option list provided. The ‘Rate’ and ‘Rate Type’ are used in combination to determine the actual rate applicable for currency conversion.

The default value for Rate Code is ‘STANDARD’. This means that, if you choose ‘Mid Rate’, the mid rate maintained for the STANDARD code is used for the loans created under the product.

Maximum Variance

When creating a product, you can capture the maximum limit for rate variance. This is expressed in percentage. The variance between the exchange rate (specified for the product) and the rate captured for a loan (at the account level) should not be greater than the value specified here. If the exchange rate exceeds the maximum variance that you have defined for the product, the system will not allow you to save the loan. The transaction is rejected.

This value should be greater the value for ‘Normal Variance’.

Normal Variance

You also need to specify the minimum/normal variance allowed for the rate. If the exchange rate variance between the exchange rate (specified for the product) and the rate captured for a loan exceeds the value specified here, the system will display an override message before proceeding to apply the exchange rate. The normal variance should be less than the maximum variance.

For back valued transactions, the system applies the rate on the basis of the exchange rate history. The variance will be based on the rate prevailing at that time.

Account Preferences

As part of specifying the account preferences, you can indicate the following:

Pass Book Facility

Check this box to indicate that a passbook can be issued to the loan account holder.

Track Receivable Auto Liquidation

Check this box to indicate that the receivables should be tracked during auto liquidation.

ATM Facility

Check this box to indicate Loan account accessible for ATM operations.

Liquidate Back Valued Schedules

If you select this option, on initiation of a back value dated loan, all the schedules with a due date less than the system date will be liquidated.

Amend Past Paid Schedule Allowed

This option, if checked, allows you to perform value dated amendments to interest rate, installment amount etc with effective date of value dated amendment greater than or equal to the current schedule start date. In such a case, the increase/decrease in the interest amount, as a result of the amendment, will be adjusted against the next available schedule after the current system date (date on which the amendment was performed) even if unpaid (overdue) schedules are present for the loan. Note that this option is applicable only to term loans.

Cheque Book

Check this box to if you wish to write cheques against the Loan account.

Back Value Dated Entry Allowed

This option facilitates back valued transactions. If you select this option, you will be allowed to process transactions with a value date less than the current system date.

Packing Credit Product

Check this box to indicate the possibility of linking CL Accounts to BC under this product.

For more details on the Packing Credit Sub System and Pre-Shipment Finance refer section ‘Specifying Purchase Details’ in chapter ‘Processing Bills’ of the ‘Bills and Collections’ manual.

Special Interest Accrual

If you check this box, accrual of interest is done on the basis of the formula specified for a component. Otherwise, interest accrual will be done based on the number of days in the schedule.

Notary Confirmation Required

You can check this box to indicate that the product is a mortgage product that requires confirmation from the notary for disbursing the loan.

Limits Product

Check this box to indicate that the product is for limits. If you check this option, the product will be available for limits linkage during line creation.

Consider Projected Moratorium Interest for Sch

Check this box to consider projected moratorium interest while building schedules on disbursement. This will be applicable only if capitalization of moratorium interest is enabled. Actual capitalization will take place only at the end of the moratorium period.

Partial Block Release

Check this box to indicate whether the block in term deposit should be released partially on loan repayments.

Note

The loan contracts which belong to those securitization enabled products will be available for the securitization pool selection.

For more information on securitization, refer ‘Securitization’ User Manual

When a loan is securitized, the system transfers the payments related to Principal/Interest/ Charges to SPV’s settlement account (system automatically posts accounting entries to the respective account after validating the rule (LOAN_STATUS =’SECR’) defined).

For more information on defining accounting entries for securitized loan, refer topic ‘Defining Accounting Entries for a Securitized Loan’ later in this chapter.

Project Account

Check this box to track multiple limit lines in case of joint venture. The settlement account for these loans will be the project account.

IBAN Account Type

Specify the account type used for a loan product as per the BBAN format mask defined at branch parameter level. The IBAN Account Type from the loan product will be used if the BBAN format contains mask for account type.

CL Against Bill

Check this box if you want this CL product to be used for loans against an export bill. By default this is not checked.

Note

You are allowed to link multiple loans against one bill.

Consider Limit Grace Days

Check this box to add grace days to limits of line expiry date to arrive at Line Final Expiry Date.During rollover, system considers this Line Final Expiry Date and if it is less that the loan maturity date, rollover fails.

Note

- If Limit Grace Days is null then the system considers the Limit Expiry Date as the Final Expiry Date.
- For Split Rollover, the check will be performed based on Primary Account.
- For Consolidate Rollover, the check will be performed based on Product or the Primary Account.
- For multiple limits linked with the loan, line final expiry date will be checked for all the linked limits. If any of the line final expiry date is less than the rollover maturity date, then rollover gets failed.

For Loan Against Salary

Check this option to indicate that loan against salary should be allowed for a CL Product. The system defaults this value to loan account details screen.

Regenerate Billing Notice on Amount Due Change

Check this box to regenerate billing notice whenever there is a change in the amount due of the upcoming schedule(s) for which billing notice advice has been sent. You can check this box only if billing notice parameters are maintained.This will be effective only from the subsequent recalculation process of the loan life cycle.

Financial Inclusion Loan Product

Check this box if the product is specific to FI (Financial Inclusion) customer.

Insequential Payment Required

Check this box to indicate that the insequential payment is required. If this checkbox is checked, then the system performs the following validations:

- IRR applicable should be checked as 'Y'
- Accrual required flag should be unchecked for MAIN_INT (Main component)
- Liquidation across schedules option will not be applicable for components
- Accounting entry during status change will not be permitted
- Normal CL payment events e.g., MLIQ, ALIQ should not be maintained.
- CL payment screens 'CLDPYMNT' and 'CLDSIMPT' will not be applicable.
- Financial VAMI will not be applicable
- Partial Prepayment options will not be supported.
- Partial instalment payment for current schedule will be allowed only for Manual Payment screen
- The SDE 'TOTAL_REDSCHODUE' should be used for penal calculation to include the impact of excess amount and partial installment payment in penal interest calculation for the schedule.

Payment Simulation and Ad-hoc Boleto generation will be applicable only if 'Insequential Payment Required' checkbox is checked.

Pre Fixed Split Required

Check this box to indicate that the Pre Fixed Split should be required.

Start Accrual Value Date + 1

Check this box to indicate that the Interest accrual for the loan product should start from value date + 1 till maturity date of the loan.

If this check box is checked, process till next working date -1 check box should be unchecked.

This checkbox will be allowed to be checked only if 'In-sequential payment required' check box is checked for the product.

Boleto Generation Required

Check this box to indicate that the Boleto Generation should be required.

Note

In CL Product screen, the following options are restricted for FI customers:

- Provision component
- Partial Liquidation
- Auto Disbursement Mode
- Commitment product type
- Allow Rollover

All fields which are not applicable for Financial Inclusion customers are assigned with defaulted values.

Rate Plan Change Frequency

You can change the rate plan frequency of a loan account in the 'Preferences' button of the Product screen.

Tenor

Specify the amount of time to be given to the customer for rate change plan option..

Unit

Select the unit for the specified tenor from the drop-down list. The following options are available for selection:

- Monthly
- Yearly

Rate Plan Window

Tenor

Specify the amount of time that the customer can take to decide on the 'rate plan' and intimate the bank about the decision.

Unit

Select the unit for the rate plan tenor from the drop-down list. The following options are available for selection:

- Monthly
- Yearly

Liquidation Preferences

Liquidation preferences include the following:

Liquidation Mode

You can specify the mode of liquidation from the drop-down list. The following options are available for selection:

- Auto
- Manual
- Component

Allow Partial Liquidation

In case of insufficient funds in the account, you can instruct the system to perform partial auto liquidation to the extent of funds available in the account. However, if this option is not selected, the schedule amount due will not be liquidated if sufficient funds are not available in the account.

Reset Retry Count for Reversed Auto Liquidation

If you have maintained a limit on the number of retries for auto liquidation, this option will reset the retries count to zero during reversal of auto liquidation. This will be applicable from the date of reversal of payment. Hence, the system will once again attempt auto liquidation till the number of retries allowed. The system will update the status of the reversed payment to 'Unprocessed' after which it again attempts auto liquidation.

Retries Auto Liquidation Days

Capture the number of working days for which the system should attempt auto liquidation. The number of retries per day will depend on the configuration maintained for the 'Liquidation Batch Process' - during BOD, EOD or both. For instance, if the batch is configured for both EOD and BOD, and the number of retry days is '1', then, auto liquidation is attempted twice on the same day i.e. once during BOD and another retry at EOD.

Retries for Advice

Specify number of times you want to retry generation of advice. The number of retries should be less than 'Retries Auto Liquidation Days'. When auto liquidation fails and advice retry count is reached, the system generates a failure advice and sends it to the customer to initiate an appropriate action for the successful execution of the advice.

Guarantor A/C Applicable Status

Select customer account status at which guarantor account should be considered, from the adjoining option list. This list displays all valid status maintained at the customer account level.

Auto Liquidation Basis

Select the auto liquidation basis value from the drop-down list. Following are the options available in the drop-down list:

- % of Amount Due
- Min Amount Due

The system will liquidate the amount due on the pay by date. If any payment is done between the billing date and payment date then the system will deduct the paid amount from the ALIQ amount.

In case there is a need to track receivables, then for open line loans the same will be done only for the ALIQ amount that is outstanding for the last billing period.

Note

This field is applicable only for Open Line Loans.

Percentage

Specify the percentage for the auto liquidation basis.

Revolving Loan

The following options are available to specify a revolving loan:

Revolving Type

Check this box to facilitate the reset of credit for loans availed under this category as and when payment is received.

Open Line Loans

Check this box to indicate that the product type is Open Line Loans.

Note

Open Line Loans should always be revolving type. Open Line Loans product will support only Manual disbursement.

Credit Days

The system will display the repayment date (pay by date). The repayment date (pay by date) should be 'X' number of days after the billing date.

OLL account will arrive the pay by date based on the credit days entered here plus schedule due date.

Financial Operations Tax (IOF)

The following options are available to specify financial operations tax:k

IOF Payment Method

Select the IOF payment method from the drop down list. The list displays the following values:

- Advance Payment
- Capitalization - This is allowed only for Simple/Amortized reducing loans.
- Null

The default value will be Null.

Note

- The payment method can be defined at product level only. It cannot be modified after first authorization.
- If the IOF payment method is not null, then it is mandatory to have a IOF component. IF a IOF component is linked to a CL product, then method selected cannot be null

---

Product Restriction

Branch Restriction List

Indicate whether you want to create a list of allowed branches or disallowed branches by selecting one of the following options:

- Allowed
- Disallowed

Currency Restriction List

Indicate whether you want to create a list of allowed currencies or disallowed currencies by selecting one of the following options:

- Allowed
- Disallowed

Categories Restriction List

Indicate whether you want to create a list of allowed customers or disallowed customers by choosing one of the following options:

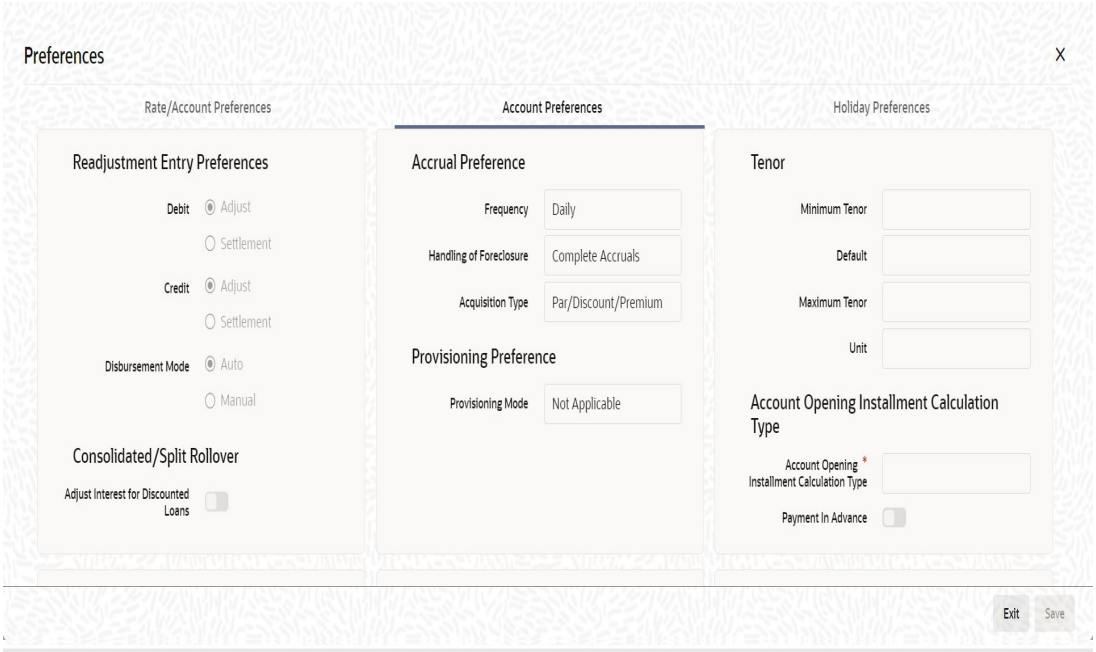
- Allowed
- Disallowed

You can define product restrictions details for branch, currency and customer in CL Product Restrictions (CLDPRDRS) screen.

For details on CL product restrictions refer CL Product Restrictions section in this user manual.

4.4.3.2 Account Preferences Tab

Specify the account preferences in the 'Account Preferences' section.



Readjustment Entry Preferences

Credit/Debit

You have to specify the manner in which adjustment entries passed due to back dated adjustments should be handled. The options are:

- Settlement: This means that the adjustment is settled directly

Adjust: In this case, the entries are tracked as a receivable (Cr) or a payable (Dr), to be settled later

Disbursement Mode

The following options are available to make a disbursement:

- **Auto** - Choose this option to instruct the system for automatic disbursal of loan. In this case, disbursement happens based on the disbursement schedule maintained for the product. This is defined in the 'Components' button. By default, the system does an auto disbursal.
- **Manual** – Choose this option to manually disburse the loan. Here, disbursement happens on demand. In this case, disbursement schedules need not be maintained for the PRINCIPAL component.
  The 'Manual Disbursement' screen is used for this purpose.

For details, refer the 'Making Manual Disbursements' chapter of this User Manual.

Accrual Preferences

If IRR computation is applicable for the product that you are defining, you need to specify the accrual preference for the same.

Here you can specify the following details:

Accrual Frequency

Specify the frequency at which IRR accrual should be performed. This can be either Daily or Monthly. Choose the appropriate option from the adjoining drop-down list.

Handling of foreclosure

Specify how foreclosures in respect of the loan contracts under the product, must be handled. You can opt for complete accruals or refund. Choose the appropriate option from the adjoining drop-down list.

Note

In case of pre-closure of the loan (prepayment of the total outstanding amount), the fund interest will also get liquidated and thus the accrual entries will get reversed.

Acquisition Type

Specify the acquisition type for the product. You can specify any of the following options:

- Par
- Par/Discount
- Par/Premium
- Par/Discount/Premium

Refer the section titled 'Processing of IRR application on loans' in this chapter to understand the IRR processing for this module.

Provisioning Preference

You can define the provisioning preference of loan accounts by selecting the required option in Provisioning Mode.

Provisioning Mode

Select the Provisioning Mode preference of loan accounts from the drop-down list. The list displays the following options:

- Not Applicable
- Auto
- Manual

By default, the provisioning mode will be selected as 'Not Applicable'.

It is mandatory to select the provisioning mode as either ‘Auto’ or ‘Manual’ if CL product is created with a provision component. If CL product does not have provision component, then provisioning mode should be selected as 'Not Applicable'.

Consolidated Rollover

Adjust Interest for discounted loan

Check this box to recalculate interest for discounted loans during consolidated rollover. The excess interest collected will be adjusted in ‘BADJ’ event.

If unchecked, in case of consolidated rollover, accrual entries will be passed for the unaccrued portion of the interest and there would be no interest Re-calculation.

Note

For Exponential -Discounted type of loan product, this check box should not be selected.

Rollover

The rollover specifications for a loan account will apply to all loan accounts opened under the product.

Auto/Manual Rollover

You have the option to rollover the loan manually or instruct the system to do an automatic rollover. If you choose the do an auto rollover, then upon maturity of the loan, the system will automatically rollover the account.

The rollover will happen as part of the Rollover Batch executed at BOD or EOD, depending on your requirement.

Rollover Type

The following options are available:

- Custom: This determines if the Rolled over amount will include the unpaid components of the product. The option list provided will display the components relevant to the product from which you can choose the components that are to be rolled over.
- Special: Choose this option to indicate that a special amount is to be rolled over. The amount is captured at the account level when the actual rollover is initiated.

Rollover Comp

This allows the user to select the components that are to be rolled over(only for auto rollover)

Rollover By

This is applicable if you have opted for automatic rollover. You have to specify the unit based on which Rollover will be triggered. The options are:

- Days
- Months
- Quarters
- Semi Annuals
- Years

UDE Type

Here, you need to specify whether UDE Values for the new (rolled over) loan should be defaulted from the product or from the original loan account/contract that is being rolled over.

Schedule Basis

You should also specify the schedule basis for the rolled over loan. The new loan can inherit the schedules from the loan product or you can apply the schedules maintained for the original loan itself.

Account Opening Installment Calculation Type

Account Opening Installment Calculation Type

The Account Opening Installment Calculation Type based on future rates can be:

- Single Installment: A single installment is computed using the future rates.
- Multiple Installments: Multiple EMIs are defined as per the future rates.

Payment in Advance

This check box indicates that the payment of interest and principal happens at the beginning of the schedule. If you check this box, it indicates that payment in advance concept is applicable. Otherwise, it will indicate an arrear.

Recomputation of Amortization Loan at Amendments

You have to indicate whether the tenor of the loan should be reduced or the installment should be recalculated whenever a maturity date, principal change or a rate change is made against an amortized loan.

VAMI Installment Calculation Type

For amendments, if the recomputation basis is ‘Change Installment’, then the Instalment calculation can be:

- Single Installment
- Multiple Installment based on multiple future rates

Prepayment of Loans

The following are the preferences based on which prepayment of amortized loan should be processed:

Recomputation Basis

Recomputation of amortized loans as a result of a prepayment can be based on one of the following:

- Recalculate Installment Amount: In this case the tenor remains constant.
- Recalculate Tenor: Here, the tenor is recomputed while the installment remains constant.

The possible amendments and the recomputation basis are given below:

- For amendment of maturity date of an amortized loan: You can opt to change the tenor, keeping the installment constant..
- For amendment of principal amount: You can affect it either as a Balloon additional amount in the last schedule or apportion it across the installments
- For interest rate change: You can change the tenor keeping the installment constant or vary the EMI and keep the tenor same.

Prepayment Equated Monthly Installment Type

For Prepayment of amortized loans, if you have chosen to recompute the Installment Amount keeping the tenor constant, then the Installment calculation can be one of the following types based on future rates:

- Single Installment: A single installment is computed using the future rates.
- Multiple Installments: Multiple EMIs are defined if a future rate change is known upfront.

  While giving the UDE values, effective dates can be given based on which the UDE values will become applicable.

  Let us say a loan is sanctioned on 1.1.2008. The rate of interest is as follows:

  – UDE value Effective date is 01.11.2007 - 10%

  – UDE Value effective date is 01.04.2008 - 11%

  If the option chosen is 'Multiple installment' then based on the UDE values, EMI will be calculated depicting a higher EMI from 1.4.2008 at the new rate of interest. So, when ever a prepayment happens it will take into effect the two rates and calculate two different EMIs for these periods.

Minimum Equated Monthly Installment Amount

You can enter the minimum amount that has to be paid as EMI after recomputing the EMI. The recalculated EMI after prepayment should be greater than this amount.

Minimum Equated Monthly Installment Currency

You can enter the currency of the EMI amount to be paid.

Tenor Preferences

You can set the minimum and maximum tenor limits for a product. You can also specify a standard or a default tenor.

Minimum Tenor

You can fix the minimum tenor of a product. The tenor of the loan account that involves the product should be greater than or equal to the Minimum tenor that you specify.

Maximum Tenor

Likewise, you can also specify the maximum tenor for a product. The tenor of the loan accounts that involve the product should be less than or equal to the Maximum tenor that you specify.

Default Tenor

The 'default tenor' is the tenor that is associated with a loan account involving this product. The value captured here should be greater than the minimum tenor and less than the maximum tenor. You can change the default tenor applied on a loan account during loan processing. However, the new tenor should be within the minimum and maximum tenors maintained for the product.

Units

The tenor details that you specify for a product can be expressed in one of the following units:

- Days
- Months
- Year

Interest Preference

Interest Only Period

Specify (in numbers) the duration for which the customer needs to repay only the interest component. This period thereby indicates a holiday period for principal repayment.

Unit

Select the unit of period to be considered for the interest holiday, from the adjoining drop-down list. This list displays the following values:

- Days
- Weeks
- Months
- Years

Note that in Oracle FLEXCUBE, one month is equal to 30 days.

Rate Change Action

Select the rate change action from the adjoining drop-down list. The available values are:

- Change Installments
- Change Tenor

The system defaults Change Installments as rate change action value. However, you can modify it. The value 'Change Tenor' is applicable only for amortized accounts.

During rate revision, the system re-schedules the loan account based on the selected value of the rate change action.

Rate Change Action is applicable for ARVN and REVN operations.

Adjust Increased Amount Due

Check this box to adjust the additional amount of the schedule(s), for which billing notice has been sent to the schedule following the advised schedule(s) of the loan account, This is applicable for Rate Change Action – 'Change installment', billing notice option and for Auto Liquidation option.

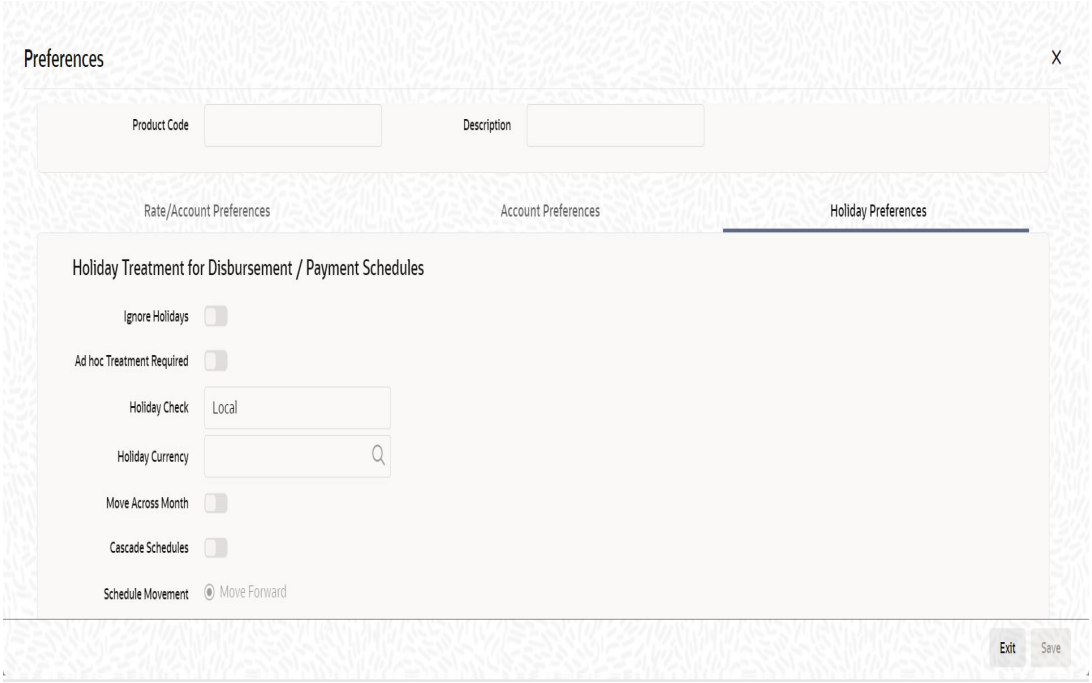
Note

- This is applicable for Interest components only.
- It is mandatory to maintain one Unbilled interest component for every interest component, if this box is checked.

To understand how this preference impacts loan account processing, refer section "Adjustment of Increased Amount Due to Auto Rate Revision" in the chapter "Loan Account Creation" in this User Manual.

4.4.3.3 Holiday Preferences Tab

The value date, schedule date, revision date or the maturity date of a contract might fall on a local holiday defined for your branch or on a holiday specified for the currency involved in the contract.



In this tab you can specify holiday parameters for the following schedules:

- Holiday Treatment for Disbursement/Payment Schedules
- Holiday Treatment for Maturity/Value Dates
- Holiday Treatment for Revision Schedules

Note

The holiday preferences are not applicable for call type of loans.

Holiday Treatment for Disbursement/Payment Schedules

The parameters which can be defined are as follows:

Ignore Holidays

If you check this option, the schedule dates will be fixed without taking the holidays into account. In such a case, if a schedule date falls on a holiday, the automatic processing of such a schedule is determined by your holiday handling specifications for automatic processes, as defined in the 'Branch Parameters' screen.

Note

The system will ignore the holidays while computing the billing dates and consider the holiday parameter setup in product while computing the pay by date for OLL account.

Adhoc Treatment Required

Check this option to allow the movement of due dates of the payment schedules that fall on the newly declared holidays.

> **Note**
>
> This option is enabled only if the options, 'Ignore Holidays' parameter and 'Cascade Schedules' parameter are not checked.

Cascade Schedules

If you check this option, when a particular schedule falls due on a holiday and hence is moved to the next or previous working day (based on the 'Branch Parameters'), the movement cascades to other schedules too. If not selected, only the affected schedule will be moved to the previous or next working day, as the case may be, and other schedules will remain unaffected.

For example,

Assume that you have opted to move holiday schedules to the next working day and a schedule falling due on 29th April is moved to 30th April, 29th being a holiday.

The schedule date for May depends on whether you have chosen to cascade schedules. If you have, chosen to cascade schedules, the schedule date for May will be set as 30th May, since the frequency has been specified as monthly. All subsequent schedules will be moved forward by a day.

If you have not specified that schedules have to be cascaded, the date originally specified will be the date for drawing up the remaining schedules. Even if you move the April schedule from 29th to 30th, the next schedule will remain on 29th May.

However, when you cascade schedules, the last schedule (at maturity) will be liquidated on the original date itself and will not be changed like the interim schedules. Hence, for this particular schedule, the interest days may vary from that of the previous schedules.

Move Across Month

If you have chosen to move the schedule date of a loan falling due on a holiday, either to the next or previous working day and the movement crosses over into a different month, then this option will determine whether the movement should be allowed or not.

Holiday Check

Select the holiday check option from the drop down list. The list displays the following values:

- Null- To apply No holiday check.
- Local - To apply holidays based on branch holiday calender.
- Currency - To apply holidays based on Currency holidays.
- Both - To apply both Currency and Branch holidays.

By default the system selects the value as 'Local'.

Holiday Currency

Specify the holiday currency. Alternatively, you can also select the holiday currency from the adjoining option list. The list displays all valid currencies maintained in the system.

Note

You need to maintain holiday currency only if ‘Holiday Check’ is either ‘Currency’ or ‘Both’.

Schedule Movement – Forward /Backward

If you opt to move the schedule date falling due on a holiday across months, you need to specify whether the schedule date should move forward to the next working day in the following month or move backward to the previous working day of the current schedule month itself.

However, if you opt to ignore the holidays and do not select the ‘Move Across Months’ option, the system Ignores the holidays and the due will be scheduled on the holiday itself.

Holiday Treatment for Maturity/Value Dates

The parameters which can be defined are as following:

Maturity Date Movement – Forward /Backward

If you opt to move the maturity date falling due on a holiday across months, you need to specify whether the maturity date should be moved forward to the next working day in the following month or moved backward to the previous working day of the current schedule month itself.

Move Maturity date Across Month

Check this box to allow the maturity date to move across months.

Ignore Holidays

If you check this option, the schedule dates will be fixed without taking the holidays into account. In such a case, if a schedule date falls on a holiday, the automatic processing of such a schedule is determined by your holiday handling specifications for automatic processes, as defined in the ‘Branch Parameters’ screen.

Holiday Check

Select the holiday check option from the drop down list. The list displays the following values:

- Null- To apply No holiday check.
- Local - To apply holidays based on branch holiday calender.
- Currency - To apply holidays based on Currency holidays.
- Both - To apply both Currency and Branch holidays.

By default the system selects the value as ‘Local’.

Holiday Currency

Specify the holiday currency. Alternatively, you can also select the holiday currency from the adjoining option list. The list displays all valid currencies maintained in the system.

Note

You need to maintain holiday currency only if ‘Holiday Check’ is either ‘Currency’ or ‘Both’.

Holiday Treatment for Revision Schedules

The parameters which can be defined are as following:

Same as Payment Schedule

Check this box to ignore the holiday preference maintained for revision schedule and use the same holiday preferences maintained for Disbursement /Payment schedule. By default this box is checked.

> **Note**
>
> This option is available only for Holiday Treatment for Revision Schedules. If selected, the system ignores any holiday parameters maintained for it and considers only those maintained for Disbursement/Payment schedules

Move Across Month

Check this box to allow the maturity date to move across months.

Ignore Holidays

If you check this option, the schedule dates will be fixed without taking the holidays into account. In such a case, if a schedule date falls on a holiday, the automatic processing of such a schedule is determined by your holiday handling specifications for automatic processes, as defined in the 'Branch Parameters' screen.

Cascade Schedules

If you check this option, when a particular schedule falls due on a holiday and hence is moved to the next or previous working day (based on the 'Branch Parameters'), the movement cascades to other schedules too. If not selected, only the affected schedule will be moved to the previous or next working day, as the case may be, and other schedules will remain unaffected.

Adhoc Treatment Required

Check this option to allow the movement of due dates of the revision schedules that fall on the newly declared holidays.

> **Note**
>
> This option is enabled only if the options, 'Ignore Holidays' parameter and 'Cascade Schedules' parameter are not checked.

Schedule Movement -Forward/Backward

If you opt to move the schedule date falling due on a holiday across months, you need to specify whether the schedule date should move forward to the next working day in the following month or move backward to the previous working day of the current schedule month itself.

However, if you opt to ignore the holidays and do not select the 'Move Across Months' option, the system Ignores the holidays and the due will be scheduled on the holiday itself.

Holiday Check

Select the holiday check option from the drop down list. The list displays the following values:

- Null- To apply No holiday check.
- Local - To apply holidays based on branch holiday calender.
- Currency - To apply holidays based on Currency holidays.
- Both - To apply both Currency and Branch holidays.

By default the system selects the value as 'Local'.

Holiday Currency

Specify the holiday currency. Alternatively, you can also select the holiday currency from the adjoining option list. The list displays all valid currencies maintained in the system.

Note

You need to maintain holiday currency only if 'Holiday Check' is either 'Currency' or 'Both'.

Authorization Rekey

As a cross-checking mechanism to ensure that you are invoking the right loan for authorization, you can specify that the values of certain fields should be entered, before the other details are displayed. The complete details of the loan will be displayed only after the values to these fields are entered. This is called the re-key option. The fields for which the values have to be given are called the re-key fields.

You can specify the values of a loan that the authorizer is supposed to key-in before authorizing the same.

You can select the fields from the option list provided. If no re-key fields have been defined, the details of the loan will be displayed immediately once the authorizer calls the loan for authorization.

The re-key option also serves as a means of ensuring the accuracy of the data captured.

4.4.3.4 Payment in Advance for a Customer Loan

In Oracle FLEXCUBE, if the payment of interest and principal of a customer loan happens at the beginning of the schedule, it is referred to as Payment in Advance. This feature is applicable for both amortized and non-amortized type of loans.

Note

- For payment in advance, the schedule start date and schedule date of the first schedule will be the value date of the contract.
- There should not be any schedule on the maturity date for the formula types 'Amortized – Payment in Advance' and 'Simple – Payment in Advance'.

During product save, system will validate the following:

- The 'Payment in Advance' check box is checked in the 'Product' screen if the 'Formula Type' is either Amortized - Payment in Advance or Simple- Payment in Advance.
- The 'Payment in Advance' check box in the 'Product' screen is checked only if the formula for Payment in Advance is defined.
- The check box 'Amortized' is checked in the 'Booked Formula' screen if the Formula Type is Amortized - Payment in Advance.
- For a newly created formula type, all the fields in the 'Booked Formula' screen should be non-editable.

During account save, system will validate the following:

- The first due date of the schedule is on the value date of the loan for products with payment in advance schedule.
- At the start of the schedule, the formula for payment in advance is defined, if it is used in the dual formula.

- Bullet schedule is not on the Maturity Date

4.4.3.5 Prepayment Penalty Component

An SDE, 'CUR_PREPAID_AMOUNT' defines the formula of the prepayment penalty component. This indicates the prepaid amount for the current year. This SDE picks its value from CLTB_LIQ_PREPAID table. 'CUR_PNLTY_COLLECTED' is an SDE that indicates the prepayment penalty already collected for the financial year. 'CUR_PRINCIPAL_OUTSTND' is an SDE that defines the formula of the prepayment penalty component. This indicates the principal outstanding amount at the beginning of the current year.

You can use the following formula to base the ceiling percentage on original disbursement amount:

CUR_PREPAID_AMOUNT>(MAX_PREPAID_PCT*AMOUNT_DISBURSED/100)

You can use the following formula to base the ceiling percentage on the opening principal outstanding amount for the current year:

CUR_PREPAID_AMOUNT>(MAX_PREPAID_PCT*CUR_PRIN_OUTSTND/100)

The result of the above formulae is as follows:

(CUR_PREPAID_AMOUNT-(MAX_PREPAID_PCT*AMOUNT_DISBURSED/ 100))*(PREPAY_RATE/100)-(CUR_PNLTY_COLLECTED)

After the collection of pre-payment penalty, if there is any additional disbursement to the customer which leads to the increase in limit of the prepaid amount, system will not pass on the benefits back to the customer. However, for subsequent calculations the disbursed amount and the pre-payment penalty paid till date for the financial year is considered based on the formula defined. If SDE 'CUR_PRINCIPAL_OUTSTND' is the basis for calculation, the additional disbursement will not be considered in calculation for current year. It is used for calculation only from next year onwards.

An SDE, 'MIN_AMT_SCHODUE' defines the formula for outstanding Minimum Amount Due Amount for the latest billing period and will be available after the (pay by date + grace days). This amount will be (Minimum Amount Due minus amount paid in the billing period). If this value is negative, there will be no penal computed.

An SDE, 'PAY_BY_SCHODUE' defines the formula for outstanding amount as of a particular date for the latest billing period. This will be available after the (pay by date + grace days). This amount will be (Loan outstanding amount as of billing date minus amount paid in the billing period).

Note

The penalty can be setup on MAIN_INT component using the above two SDEs and available support for rate, period and computation method.

As the minimum amount due is calculated for the billing period, the customer is expected to pay the minimum amount due on or before the pay by date. The system will apply the penalty for the following cases:

- Minimum due not paid
- Minimum due paid partially

In both the cases, the system will calculate the penalty from the billing date. In case of non-payment on the payment date (Due Date), the system will calculate the penalty from the billing date, for instance, if the billing date is 01-Feb-2009 and the payment date is 10-Feb-2009, then on the payment date if the payment is not received from customer then the overdue penalty interest will be calculated from 01-Feb-2009.

The sum of amount paid by the customer between the billing date and the pay by date will be considered to check if the customer has paid the minimum amount due.

4.4.3.6 Calculating NPV Difference

In case of early repayment of loans (partial or full), the following method is followed for penalty calculation:

Let us assume that, X% of the total loan amount can be paid in one year. Penalty is applicable on anything above X%. This penalty is the difference between the NPV of existing cash flows of the loan being paid and the NPV of the cash flows post-prepayment application. Both the NPVs are based on current yield curve i.e. yield rate supplied. This penalty can also be based on percentage of amount being overpaid.

A UDE, 'YIELD_RATE' is used for the calculation of penalty based on NPV of current cash flows of loan and NPV of new cash flows post-prepayment.

An SDE, XNPV computes the NPV value based on the current cash flows and future cash flows (i.e. post-prepayment application) respectively.

The formula for calculating NPV is as follows:

PREPAID_AMOUNT > 0

The result of the formula is as follows:

@XNPVDIFF (XNPV, YIELD_RATE)

Result of the formula can be some percentage of the difference of the NPV as shown below:

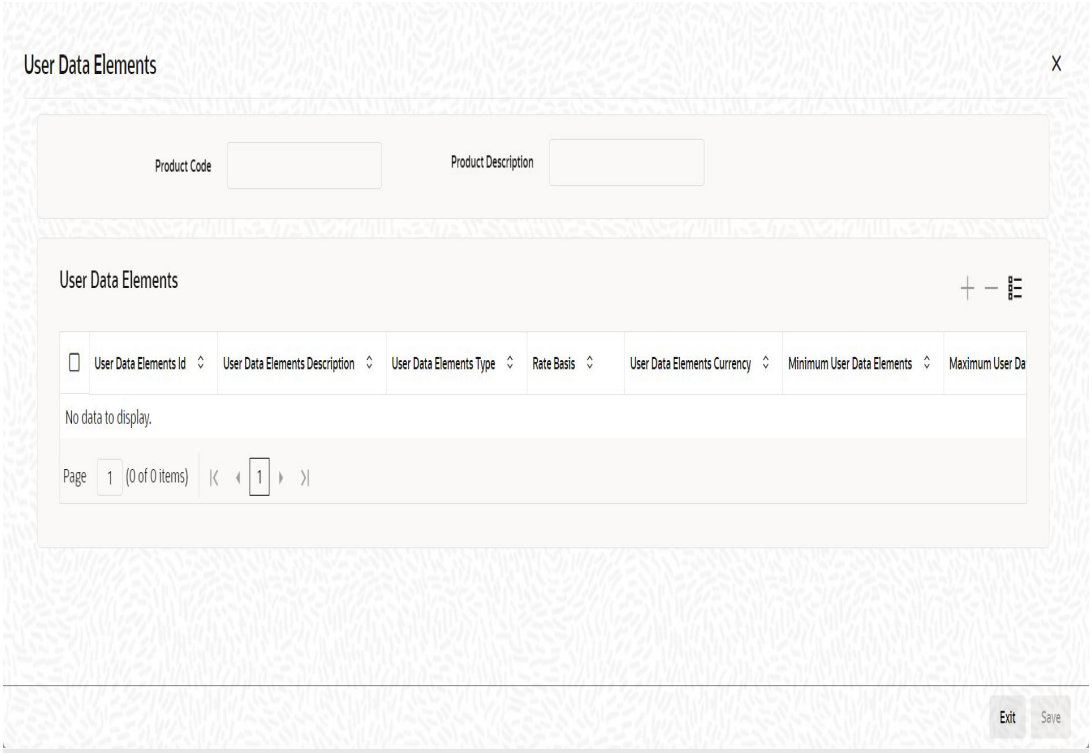
@XNPVDIFF (XNPV, YIELD_RATE) * 0.05

The computation of pre-payment penalty is done by the system at the time of allocate. Internally system applies the pre-payment and gets the future schedules. Subsequently, based on the formula defined for XNPVDIFF, system finds the difference between the NPV based on the yield rate and populates the same against the pre-payment penalty component.

Penalty based on NPV is supported by the system only when product is amortized.

4.4.4 User Data Elements Button

You can capture the user data elements details of a product by clicking the ‘User Data Elements’ button. The screen is displayed below:



To define a User Data Element (UDE), you have to specify the following details:

User Data Elements ID and Description

Data elements like the rate at which interest has to be applied, the tier structure based on which interest needs to be computed etc. are called User Data Elements (UDEs). These are, in effect, elements for which you can capture the values. You have to specify a unique ID to identify the UDE in the system. For instance, you can have a UDE ‘SUBSIDY_RATE’ to indicate the rate to be used for calculating the subsidy interest amount. The UDE maintained here will be available for defining product rules.

You can also provide a brief description of the UDE being defined.

User Data Elements Type

UDE Type will describe the nature of the UDE. An UDE can fall into one the following types:

- Amount
- Number
- Rate
- Rate Code

Rate Basis

Select the rate basis from the drop down list. The list displays the following values:

- Null
- Per Month
- Per Annum

User Data Elements Currency

If the UDE type is ‘Amount’, you should specify the currency of the UDE. The currencies maintained in the ‘Currency Definition’ screen are available in the option-list provided. You can select a currency from this list.

Minimum User Data Elements

You need to specify the floor limit for the UDE value. This means that the actual UDE value cannot be less than the rate specified here. Note that this amount has to be less than the maximum UDE value. The system will throw an error message if the minimum UDE value is greater than the maximum UDE value.

Maximum User Data Elements

You need to specify the ceiling limit for the UDE value. This means that the actual UDE value cannot be greater than the rate specified here. Note that this amount has to be greater than the minimum UDE value. The system will throw an error message if this value is less than the minimum UDE value.

The UDE names alone are captured here. To capture the values for the UDEs defined for a product, you have to use the ‘UDE Values’ screen.

Refer the section titled ‘Providing UDE Values’ in the ‘Maintenances and Operations’ chapter of this User Manual for more details.

Rate Change Restricted

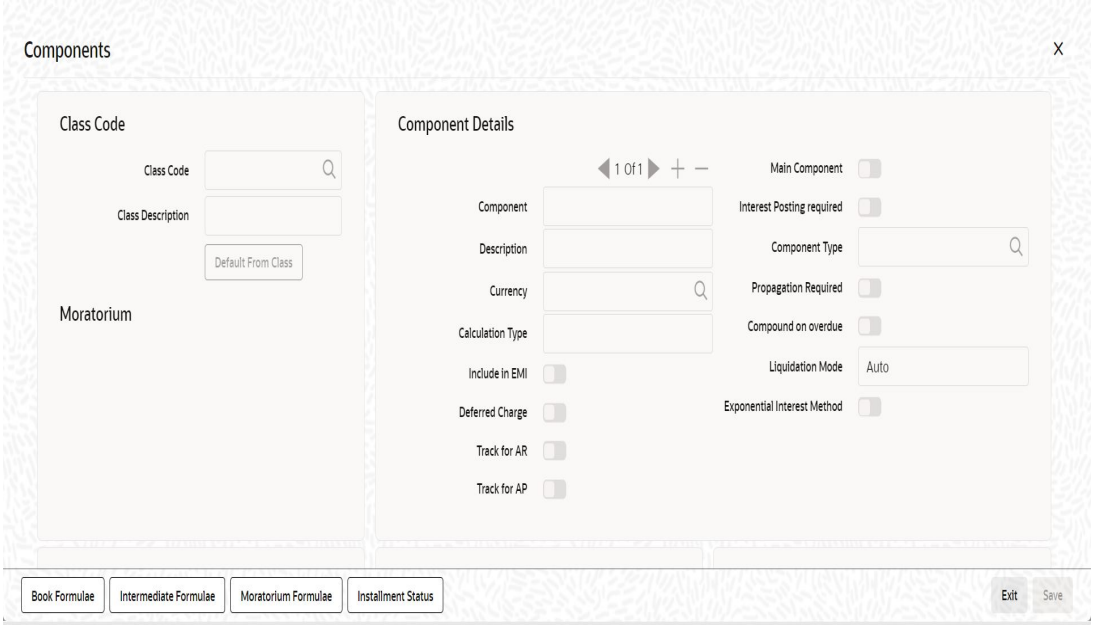
On checking this option, the system validates if the changes done to the UDE is done during rate plan change window. If this field is unchecked, then the system will not put any restriction on the amendment of the UDE based on rate plan change window.

Note

System will validate that either all the parameters for rate plan change is input or every parameter is null at the time of product input/amendment.

4.4.5 Components Button

You can define the features of the components in the ‘Components’ screen. Invoke this screen by clicking ‘Components’ button. The following screen displays:



Specify the following details:

Class Code

Select a class code from the adjoining option list. The option list displays all the valid classes maintained in the system. One class can have multiple components defined. The system attaches all the components to the product on clicking ‘Default from Class’ button.

On authorizing a component class, system will create the required accounting roles and amount tags.

Component Details

The basic information for a component is specified here. This includes the following:

Component

The components defined for the selected class are available here. You can scroll and select an appropriate component. Subsequently, you have to define the parameters for these components.

For Commitment products, the MAIN_INT component is used for defining periodic fees on the unutilized commitment amount.

Currency

Associate the component with a currency. The component is expressed in the currency selected here. You can select the currency of your choice from the option list provided.

> **Note**
>
> If you do not specify any, system defaults the account currency. Based on the value of this field system calculates the exact amount in this currency. If it is different from the account currency then system calculates the amount using ‘Rate Preferences’ you have provided. If the account that has to be debited with this amount is denominated in a different currency, system will calculate the settlement amount using standard MID rate. You can modify this field on account level.

Calculation Type

Specify the manner in which the component should be calculated and liquidated. You can choose one of the following options (the applicable 'Component Type' is also provided):

- Formula with schedule (Component Type - Interest)
- Formula without schedule (Charge)
- Penal Interest
- Prepayment Penalty
- Discount
- Schedule without formula (Principal)
- No schedule No formula (Ad Hoc Charges)
- Penalty Charges
- Margin
- Savings

Note

- 'Penalty Charges' are calculated only once for a 'Penal Basis' schedule. 'Penal Basis' is explained later in this user manual.
- The component 'Savings' is used for interest calculation on the value dated balance of the savings account. This component needs to be defined as simple interest component with its basis element as 'CUSTAC_BAL', and rate to use as 'INTEREST_RATE'. Formula for this component is as shown:

  @SIMPLE (CUSTAC_BAL, (INTEREST_RATE), DAYS, YEAR, COMPOUND_VALUE)
- A component of the type Ad hoc can be set up. Since ad hoc charges cannot be computed upfront or scheduled, select this field as 'No Schedule No Formula'.
- For the component type Financial Operations Tax (IOF), the calculation type selected should be 'Formula without schedule'

Negative Interest Allowed

The system defaults the value of 'Negative Interest Allowed' field from Product Component Class screen. You can modify it.

If Negative Interest Rate is allowed on the main interest component, then only Amortized Reducing, Simple or User Defined formula can be used.

You can capture negative value for a main component interest rate UDE if negative interest rate is enabled.

Auto Liquidation Process for Negative Interest

During auto liquidation. if there are overdues, then the negative main interest will be settled against the overdue schedules based on the liquidation order. If there are no overdues, the negative main interest due will be settled to the customer. The customer settlement will be based on the credit settlement parameters at the loan account. For internal settlement system will use the same credit / debit settlement bridge GL as defined at the product level.

The amount paid allocation for the negative interest amount is as below:

- If available balance of the customer is sufficient to pay the full positive amount due then:
  - Amount will be paid from the customer account

  - Net negative interest amount will be credited to the customer account
- If customer available balance + net negative interest amount is sufficient to pay the positive amount due then:
  - Net negative interest amount will be paid into credit settlement bridge GL.
  - This net negative interest amount from GL will be paid towards due.
  - Remaining amount will be paid from the customer account
- If net negative interest is greater than positive amount due then:
  - Net negative interest amount will be paid towards the due through settlement bridge GL.
  - Remaining net negative interest amount would be paid to the customer account.

If the schedule is marked for capitalization then system will post the entries based on the _CAP amount tag.

Manual Liquidation Process for Negative Interest

During manual payment, system will show up the net amount due to be paid in the CL Payments screen. Internally, the negative interest amount will get allocated to the overdue/ unpaid schedule.

Interest Payback

Oracle FLEXCUBE supports paying back a proportion of interest income to the customer if the customer pays the loan instalments diligently.To activate this facility, you can define a UDE with necessary values to indicate the interest payback percentage or a fixed amount. For interest payback the component type should be maintained as ‘Interest Payback’ with calculation type as ‘Formula without Schedule’. The interest payback will be credited to the customer based on the batch run.

For example, if the interest payback component schedule frequency is set as 6 months and on the fifth month the interest payback component frequency is modified to 2 months, then during EOD the interest payback for 4 months will be credited back to the customer account.

If you do not want to credit the interest payback amount to a particular customer or account, then keep the interest payback UDE rate to zero.

If a scheduled payment is reversed and the schedule is overdue then any interest payback credited to the customer due to the original payment is reversed. During payment reversal if the customer account does not have enough balance to reverse the interest payback amount, then customer account will be force debited. If due to backdated payment the overdue schedule is changed to a normal schedule, then the interest payback if applicable for that interest payback period is credited back to the customer account during EOD.

Include in EMI

Check this box to indicate that the selected component should be included in EMI calculation.

Deferred Charge

Check this box to defer the collection of charges for the charge component. Automatic liquidation of the charge component will happen according to the frequency maintained at the product level.

Note

- The charges associated with ALIQ or MLIQ event cannot be deferred even if Deferred Charge check box is selected.

– This flag cannot be checked if the component selected are ‘Funded during Init’ or ‘Funded During Rollover’

Main Component

This option is used to designate a component as the ‘Main’ Interest component. If you enable the ‘Main Component’ option for a particular component, the system treats this component as the main component. Also, you are allowed to define the amortization schedules only for this component.

‘Principal’ is an implicit component that is automatically created for the product

Capitalization

You can indicate whether capitalization is required for all the schedules for various component of the loan. At anytime, the outstanding interest will be capitalized on the schedule date at the rate prevalent on that day. You can opt for capitalization at the component level or opt for capitalization/non capitalization for a particular schedule at the ‘Schedule’ level.

You could have more than one type of schedules applicable on a product. In such a case, you can designate one as the capitalized and the other as un-capitalized schedule.

Interest Posting Required

Check this option if you require interest posting.

Compound On Overdue

Check this box to compound the interest/penalty interest when it is overdue.

Note

– This check box can be checked only for a single interest and penalty components.
– If you check this box, then the system compounds the overdue interest or penalty computed till the last compounding date, to the principal.
– If this check box is checked and a component schedule is overdue, then the system triggers re-computation on the compounding dates and compound the overdue/penal interest on that date.

Component Type

Indicate the nature of the component. This is also known as the ‘Reporting Type’. It defines the manner in which the component should be classified for reporting/accounting purposes. A component can be of one of the following types:

- Reimbursement: these are components which have both Dr and Cr mapped to settlement accounts
- Off-Balance Sheet (OBS): An OBS Component will have balances but these need not be zero when an account is closed
- Fund Interest: This indicates the funding component
- Interest Payback
- Ad hoc Charges
- Charge
- Tax
- Insurance
- Interest
- Provisioning
- Deposit

- Financial Operations Tax (IOF)
- Unbilled Interest -
  - This component is used mainly for tracking the amount due increase post the billing notice advice for the schedule and because of the auto rate revision.
  - This component type is allowed only for CL module.
  - The calculation type allowed is 'No Formula No Schedule'.
  - Accrual preferences is allowed.
  - Only 'Debit' Balance type is allowed.
  - You need to check the Special Component box this type of component.

Note

The fund interest component gets liquidated on schedule even if the customer does not pay the other components.

Fund Interest component cannot be considered for Rollover, Consolidate Rollover, Renegotiation and Payment Simulation. It is applicable for both linear and exponential loans.

If the component type selected is IOF, then the flags 'Main Component' and 'Interest Posting Required' should not be checked.

During EOD, provisioning event is triggered for all loan accounts linked to a customer whenever you modify the credit rating of a customer at the customer level. Provisioning amount is calculated based on the formula maintained for the Provisioning Component at the Product level. During EOD batch, PROV event is picked and processed for all the loan accounts for which PROV event is to be triggered. As a part of end of day batch accounting entries are passed for the calculated provision amount.

Even though the credit rating changes at customer level, the Provision event will not be triggered for accounts belonging to that CL product level, if the following maintenances are not done:

- Provisioning component maintenance at product level
- Provisioning event (PROV) maintenance at product level

If Accrual frequency is daily at product level **Propagation Required**

Check this option to indicate that the interest amount collected from the borrower should be passed on to participants.

Exponential Interest Method

Check this box to provide restrictions for exponential loans.If you check this, the system validates the following for exponential interest method calculation:

- COMPOUND_VALUE SDE is maintained in book formula
- Compound days is maintained as one.
- The days basis mentioned for main interest, penalty interest and fund interest components should be same.

Refer the section 'Calculating Exponential Interest for Loans' in chapter 'Account Creation' of this User Manual for more details on processing loans using the exponential interest method

Liquidation Mode

You can specify the mode of liquidation of the component from the drop-down list. The following options are available for selection:

- Auto

- Manual

Note

This is applicable only if ‘Liquidation mode’ is selected as ‘Component’ at the product preference level.

Component Attributes

The component attributes include the following:

Special Component

You can define a component as a ‘Special Interest Component’. You can override such components at the account level. You may need to apply a special interest component as a result of customer negotiations. A special interest component is specified as an amount.

Penal Basis

You may want to allot the penalty to the recovery of certain components. Once a component is overdue, an appropriate penalty is applied. Therefore, you need to identify the component, which on becoming overdue will trigger the penalty computation. However, the system will calculate the penalty on the component you select in the ‘Basis Element’ field.

This field is mandatory for an Unbilled Interest Component and only component with formula type as Simple is allowed.

For VAT component, you need to set Penal Basis as the underlying charge component. The system validates if the penal basis component is a charge other than the penal basis and that both these charges are attached to the same event. The SDE ‘<BASIS_COMP>_CURVAL’ indicates the amount due for the penal basis component.

Whenever the event associated with the penal basis and VAT component charge is triggered, the penal basis component is calculated first, after which VAT component is calculated.

Note

For commitment products ‘PRINCIPAL’ is not used for penal basis and for basis amount. In case of EMI products, instalment amount is used for calculating the penalty.

Periodicity

The periodicity of the component can be either:

- Daily
- Periodic

If you choose the periodicity as ‘Daily’, any changes to UDE and SDE values will result in recalculation of the component. The recalculation happens as and when a change in value occurs. If maintained as ‘Periodic’, the values and calculations of the elements will be refreshed on the last day of the period.

In case of a product having main and subsidy interest components, the schedule periodicity needs to be identical for both components.

Note

For component type Financial Operations Tax (IOF), the periodicity should be selected as Daily.

Rate to Use

Here, you need to select the UDE which will define the rate to be used for computing the component. The value of the selected UDE is picked up as per the maintenance in the 'UDE Values' screen. For instance, you need to choose the option 'SUBSIDY_RATE' for a subsidy interest component.

This is applicable only for components defined with 'Standard' Formula Type

Basis Element

If you select the 'Standard' formula type, you have to specify the component upon which calculation should be performed. The component is denoted by an SDE (e.g. PRICIPAL_EXPECTED) and you can select it from the option list provided. For an overdue/ penalty component, this is the element on which penalty is applied.

This is not applicable if 'Formula Type' is 'User Defined'

Note

- If you want to use an SDE which is not listed as Basis element but exists in the system as SDE, then you should maintain a 'User Defined' formula instead of a Standard Formula.
- The 'Basis Element' for computing fund interest will always be 'Principal Outstanding' and the 'Formula Type' will be 'Simple', independent of the main interest component. The liquidation mode for funding component will always be 'Auto', independent of the Product / Account Liquidation mode.
- The SDE, 'INT_NOTDUE_PAID' is used for the calculation of compounding basis for both Interest and penal components whenever payment is apportioned towards the component within the current compounding cycle.

Withholding Tax Percentage

Specify the withholding tax percentage that needs to be collected for the product.

Whenever the interest component is collected during the payment and rollover operations of a loan, withholding tax entries are passed only if the 'Withholding Tax Applied' check box is selected at the customer level and the withholding tax percentage is maintained. You can amend this option both at customer level and product level.

The withholding entries are passed during liquidation of the interest component during ALIQ/ MLIQ and rollover events.

Balance Type

Identify the nature of the balance that the component would hold. The following are the options available:

- Debit
- Credit

For instance, for a loan product, the 'Principal' component is expected to have a 'Debit' balance.

Track for AP

Check this box if the component is eligible for receivable tracking.

Track for AR

Check this box if the component is eligible for payable tracking.

Note

- When a rule is linked at the product level, the system marks the Track Receivable and Track Payable for amount tags associated with the rule based on whether 'Track for AR' and 'Track for AP' check boxes are checked.
- Netting is disallowed for amount tags that are created based on the components which are marked for 'Track for AR' or 'Track for AP'.
- LQ record is not created for components marked for 'Track for AR', if the 'Track Receivable for Auto Liquidation' check box is not checked at 'CL Product Maintenance' level.

Formula Type

You can specify the type of formula to be used for calculating the component. This formula is applied for the component across all its' schedules. It can be one of the following:

- User Defined: This can also include a combination of standard formulae for different schedules of the component or can have a completely user defined formula.
- Standard
  - Simple
  - Amortized Rule of 78
  - Discounted
  - Amortized Reducing
  - True Discounted
  - Rate Only
  - Amortized Payment in Advance
  - Simple Payment in Advance
  - Discounted Schedules

For the formula type, Discounted Schedules, the system will allow the following for a discounted loan:

- Partial/Full prepayment
- Maturity extension
- Interest rate change through VAMI
- Multiple schedules for Principal and Interest components

You can choose the option 'Amortized Reducing' for subsidy component.

Note

- This is not applicable for the 'PRINCIPAL' component
- For a commitment product, the formula type cannot be 'Amortized', 'Discounted' or 'Simple'

Moratorium Preferences

The following parameters have to be specified:

Moratorium Period and Period Units

If you wish to provide a moratorium on a loan, you need to mention the moratorium period and moratorium unit for each component. This refers to a repayment holiday at the beginning of the loan.

When you input a loan in Oracle FLEXCUBE, the repayment start date of each component will be defaulted based on your specifications here. The moratorium unit should be in terms of:

- Days
- Months
- Years

Component Defaults

For computing interest, you have to specify the following:

Days in Year

You can specify the number of days to be considered for a year during computation of a particular component. This could be:

- 252:In this case, 252 days will be considered for an year.
- 360: This means that only 360 days will be considered irrespective of the actual number of calendar days
- 365: In this case, leap and non leap year will be 365
- Actual: In this case, leap year will be 366 and non leap year will be 365

This value corresponds to the denominator part of the interest method

Days in Month

Here, you have to specify the number of days to be considered in a month for component computation. The options available are:

- Actual: This implies that the actual number of days is considered for calculation. For instance, 31 days in January, 28 days in February (for a non-leap year), 29 days in February (for a leap year) and so on
- 30 (EURO): In this case, 30 days is considered for all months including February, irrespective of leap or non-leap year
- 30 (US): This means that only 30 days is to be considered for interest calculation for all months except February where the actual number of days is considered i.e. 28 or 29 depending on leap or non-leap year
- Working Days: In this case, only the working days are considered based on branch holiday maintenance.

The value selected here corresponds to the Numerator part of the Interest method

Note

- For the component type Financial Operations Tax (IOF), the Days in Year and Days in Month should be selected as Actual.
- If ‘Days in Month’ is selected as ‘Working Days’, then the system allows you to select only 252 or 360 in ‘Days in Year’.

Interest Method Default from Currency Definition

You also have the option to use the interest method defined for the currency of the component. In this case, the interest method defined in the 'Currency Definition' screen (for the component currency) will become applicable to the loan. By default, this option is checked.

Grace Days

The grace days refer to the period after the repayment date, within which the penalty interest (if one has been defined for the product) will not be applied, even if the repayment is made after the due date. This period is defined as a specific number of days and will begin from the date the repayment becomes due. However, if the customer fails to repay even within the grace period, penalty will be applied and calculated from the repayment due date.

However, in case a penalty charge is defined for a penal basis component under a retail lending product, the 'Grace Days' is defined as part of itself. The schedule due date for the penalty charge is then computed by adding the 'Grace Days' to the corresponding schedule due date of the penal basis component.

Internal Rate of Return Applicable

Check this option to indicate that the chosen component needs to be considered for Internal Rate of Return (IRR) calculation. This option is applicable to interest, charge, adhoc charge, prepayment penalty, penalty and upfront fee components.

Note

This option should not be checked for Commitment products.

If a charge component is to be considered for IRR, the charge will be accrued using the FACR (Upfront Fee Accrual) batch.

The following components cannot be considered for IRR calculation:

- Off-balance sheet component
- Provision component

If you check this option, then you have to check the 'Accrual Required' option.

For bearing type of component formula, you can check this option only if the 'Accrual Required' option is checked.

For discounted or true discounted types of component formula, this option will be enabled irrespective of the whether the 'Accrual Required' option is checked or not. If this option is checked and 'Accrual Required' is not, the discounted component will be considered as a part of the total discount to be accrued for Net Present Value (NPV) computation. If both 'Accrual Required' and 'IRR Applicable' are checked, then discounted interest will be considered for IRR computation.

Verify Funds

You can indicate whether the system should verify the availability of sufficient funds in the customer account before doing auto liquidation of the component.

Accruals/Provisioning/Deferred Charge

To perform accrual of the components and to defer charges, you have to capture the following details:

Required

You can use this option to indicate that the component has to be accrued and provisioning is applicable. For the components that have been marked for accrual, you need to specify the accrual frequency, start month and start date in the respective fields.

Required check box should be checked for interest payback component.

If the 'Calculation Type' is 'Penalty Charges' for a component, the 'Accrual Required' option is disabled.

Note

If you maintain a simple interest type product you do not need a 'Bullet' schedule. However, in case of an amortizing product "Bullet" schedule has to be maintained separately

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Frequency

If you have opted for accrual and provisioning for the components or to defer charges, you have to specify the frequency for the same. The frequency can be one of the following:

- Daily
- Monthly
- Quarterly
- Half yearly
- Yearly

The frequency for interest payback component should not be selected as daily.

When defining frequency at charge level, its not necessary to input the start month and start date. The deferred liquidation due date will be calculated as - event value date with which the charge is associated + frequency.

For deferred charges, frequency will specify at what intervals the liquidation of deferred charge should be done from the date the charge is due.

Note

If no frequency is maintained for deferred charges, then the pending charge will be shown as a due component during manual liquidation and rollover(MROL,SROL,/Consolidated Rollover/Split Rollover).

The system will do an automatic liquidation of the deferred charge component on ALIQ date derived from the frequency maintained.

The entries passed during liquidation of deferred charge entries will be as below:

Dr/Cr	Amount Tag	GL/Account
Dr	<COMPONENT_NAME>_LIQD	Customer
Cr	<COMPONENT_NAME>_LIQD	Receivable

Start Month

If you set the accrual/provisioning frequency as quarterly, half yearly or yearly, you have to specify the month in which the *first* accrual has to begin, besides the date.

Start Date

In the case of monthly, quarterly, half yearly or yearly frequencies, you should specify the date on which the accrual/provisioning has to be done. For example, if you specify the date as '30', accruals will be carried out on the 30th of the month, according to the frequency that you have defined.

Start month and start date are not applicable for interest payback component if the component type is Interest Payback.

Prepayment Threshold

This includes the threshold amount and currency, explained below:

Amount

Here, you can maintain the minimum limit for allowing prepayment of schedules. If the residual amount after prepayment against a schedule is less than the threshold amount you specify here, the system will disallow the prepayment.

Currency

If you specify the threshold amount, you also have to indicate the currency in which the amount should be expressed. You can select the currency from the option-list provided.

Schedule Preferences

In the 'Component' section of the screen, you need to maintain the applicable schedule details for each component:

Sequence Number

You can define more than one schedule for a component. The sequence number determines the order in which the individual schedule should be applied on a component. For instance, you can define a schedule structure consisting of a moratorium schedule and a normal schedule. The moratorium schedule, if defined for a component, should necessarily be the first schedule. You cannot have moratorium schedules in between normal schedules.

Type

This is the kind of schedule you want to define. The options are:

- Payment: This is used to define a repayment schedule. You can capitalize a payment schedule. If the 'Capitalized' option (under Component Definition) is checked, the 'Capitalized' option at the schedule level will also be checked for payment schedules. You can, however, uncheck/check this option for a schedule.
- Disbursement: You can maintain a disbursement schedule for loan disbursal if the 'Disbursement Mode' is automatic (this is maintained on the 'Preferences' button). For auto disbursement, you have to maintain at least one disbursement schedule.
- Rate Revision schedules**:** This will capture the schedule at which the rates applicable to the component should be revised.

Start Reference

This is used to capture the reference to arrive at the due date of the schedule. The option is:

- Value Date: If you select value date, the schedule due dates will be based on the Value Date of the account. For instance, if an account is created on 15th Sept and the schedule frequency is 'Monthly', then the schedule due date would be 15th October, 15th Nov and so on.

For a component, you can define schedules based on value date.

Frequency Unit

Here, you have to capture the unit to define the schedule. The unit can have the following values:

- Daily
- Weekly
- Monthly
- Quarterly
- Half Yearly
- Yearly
- Bullet

If the schedule unit is ‘Weekly’, you should also capture the ‘Start Day’. Similarly, for units ‘Quarterly’, ‘Half Yearly’ and ‘Yearly’, you should also specify the ‘Start Month’.

Note

If you maintain a simple interest type product, you do not need a ‘Bullet’ schedule; however, in case of an amortizing product you need to maintain a ‘Bullet’ schedule separately.

Frequency

This is used in combination with ‘Unit’ explained above, to define non-standard frequencies. For instance, a ‘Monthly’ unit and frequency 2 implies that the schedule is bi-monthly (occurring every two months).

Start Day

If the schedule unit is ‘Weekly’, you should specify the start day to initiate the schedule. The drop-down box lists the days of the week

Start Month

This is applicable if the schedule unit is one of the following:

- Quarterly
- Half Yearly
- Yearly

The drop-down box lists the months in a year

Start Date

Here, you can specify a value between 1 and 31. This is applicable if the schedule unit is ‘Monthly’.

Due On

You can use this to define a schedule on a particular date of the month. A value between 1 and 31 can be used for this purpose. If you specify a value here, the system will build the schedules based on this date even if you have indicated the ‘Start Date’ for the schedule.

Formula Name

You have to select the formula applicable for component value calculation. The Booked and Intermediate formulae defined for the component are available in the option list. With a user-defined formula maintained through the rule builder, you can define a schedule with multiple formulae.

Schedule Flag

You can define a non-repayment schedule or a repayment schedule. This field is used to identify the schedule type:

- Normal: This refers to a repayment schedule. Repayment happens as and when the schedule falls due
- Moratorium: This refers to a non-repayment schedule or a repayment holiday during the repayment cycle of a loan

Number of schedules

The value captured here determines the number of times a schedule frequency should recur. For example, a 12 monthly schedule would have a 'Monthly' unit and number of schedules as 12. The number of schedules you specify here should be in accordance with maximum tenor you have specified in 'Tenor' section of 'Preferences' tab.

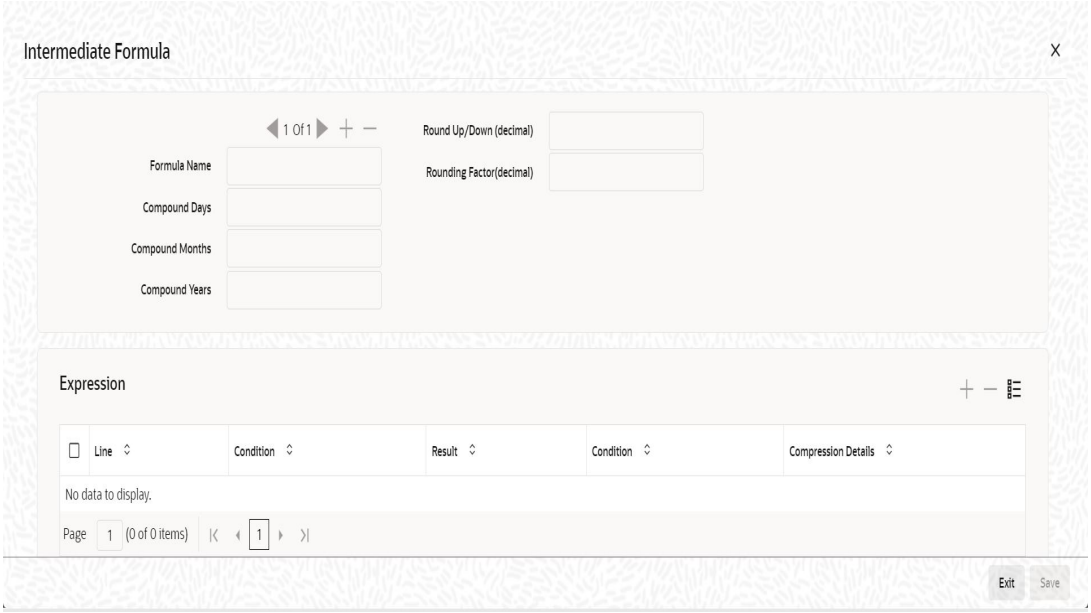
Capitalized

Check this option to specify capitalization of the component for a particular schedule. If the 'Capitalized' option (under Component Definition) is checked, the 'Capitalized' option at the schedule level will also be checked for payment schedules. You can, however, uncheck this option for a schedule.

4.4.5.1 Intermediate Button

Intermediate Formulae are used as building blocks for more complex formulae. An intermediate formula is used to create a Booked/Moratorium formula as an intermediate step. It will not be associated directly to any schedule.

To define an intermediate formula, click 'Intermediate' in the Components' button of the screen.The 'Intermediate Formula - Expression Builder' screen is displayed.



Formula Name

Specify a suitable name to identify the formula that you are defining. After you specify the name you can define the characteristics of the formula in the subsequent fields. You have to use the name captured here to associate a formula with a schedule. The name can comprise of a maximum of 27 alphanumeric characters.

Round Up/Down

If you want to round off the results of an intermediate formula, you can indicate the same. The options available are:

- Up
- Down

Rounding Factor

Specify the precision value if the number is to be rounded

It is mandatory for you to specify the precision value if you have maintained the rounding parameter.

Compound Days

If you want to compound the result obtained for the intermediate formula, you have to specify the frequency for compounding the calculated interest. The frequency can be in terms of days.

Compound Months

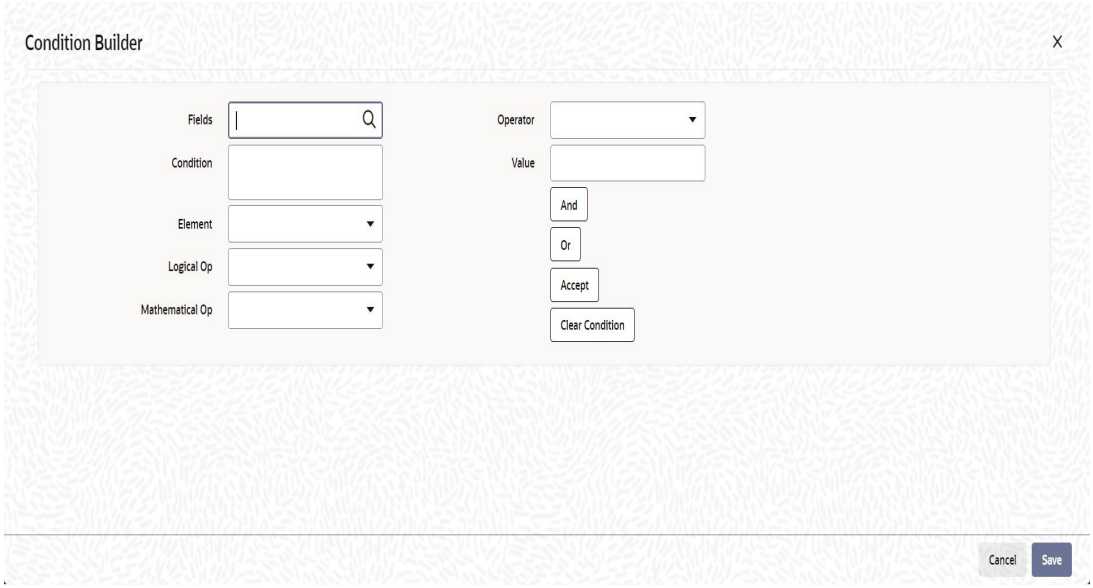
If you want to compound the result obtained for an intermediate formula, you have to specify the frequency for compounding the calculated interest. The frequency can be in terms of months.

Compound Years

If you want to compound the result obtained for an intermediate formula, you have to specify the frequency for compounding the calculated interest. The frequency can be in terms of years.

Condition and Result

A formula or calculation logic is built in the form of expressions where each expression consists of a 'Condition' (optional) and a 'Result'. There is no limit to the number of expressions in a formula. For each condition, assign a unique sequence number/formula number. The conditions are evaluated based on this number. To define a condition, click on 'Condition' in the screen above. The following screen is displayed:



In this screen, you can use the elements, operators, and logical operators to build a condition.

Although you can define multiple expressions for a component, if a given condition is satisfied, subsequent conditions are not evaluated. Thus, depending on the condition of the expression that is satisfied, the corresponding formula result is picked up for component value computation. Therefore, you have the flexibility to define a computation logic for each component of the product.

The result of the formula may be used as an intermediate step in other formulae.

Using Intermediate Formulae for Amortized Loans

You can use intermediate formula in the interest components of amortized mortgage loans. To enable this, you need to select the UDE 'Z_INTRMDT_RATE' against the field 'Rate to Use'.

Further, you can set an intermediate formula with a combination of multiple UDEs in the 'Result' field. For example, you may specify the following formula:

INTEREST_RATE + MARGIN_RATE

This implies that the result is the sum of two user defined elements viz. 'INTEREST_RATE' and 'MARGIN_RATE'. You may also define different formulae based on the conditions set. Intermediate formulae support the following mathematical functions:

- Plus (+)
- Minus (-)
- Multiplication (*)
- Division (/)

Based on requirements, you may define and set various formulae using the above mathematical functions.

The system calculates the value of the UDE 'Z_INTRMDT_RATE' based on the intermediate formula defined. This calculation is handled in the system generated package. Apart from 'Z_INTRMDT_RATE', the system will not allow you to define a UDE that starts with 'Z_'.

Oracle FLEXCUBE uses the following formats to display the derived interest rate:

Formats
CL_AMD_ADV
CL_LOAN_DETAIL
CL_CONTR_STMT
CL_UDE_ADVC
CL_RTCH_ADV

4.4.5.2 Book Button

Booked Formula refers to the formula used to compute a component value for a particular schedule. You can use intermediate formulae to create a 'Booked' formula. To create the

formula, click ‘Book’ in the ‘Component’ button of the screen. The following screen is displayed:



The SDEs available will be shown in the Condition Builder. You can use the relevant ones to build the formula. For instance, you need to use the SDE ‘TOTAL_SCHODUE’ in the formula to compute schedule amount for subsidy loan products. The Booked formula so created will be linked to a schedule.

Oracle FLEXCUBE uses few specific SDEs to compound the penalty interest on the compounding details. The SDEs and respective value are as follows

:

SDE	Value
PRINCIPAL_EX-P_AND_ODUE_COMP	If there is compounding defined and is overdue past the subsequent compounding date that follows this schedule, this SDE returns the sum of principal expected for the schedule and the principal that is overdue.
<COMPONENT-NAME>_OVER-DUE_COMP	If there is no compounding defined, this SDE returns the total overdue for the component. If there is compounding defined, this SDE returns the total overdue for a component on a compound-ing date, and would return the total overdue for a component till the last compounding date, on non-compounding dates.
<COMPO-NENT_NAME>_POST_MAT_ODUE	This SDE returns the total overdue for the compo-nent post maturity date of the account.

These are some of the examples of the formulae generated by the system on its own by choosing the formula type and the basis elements.

- Simple - @SIMPLE(PRINCIPAL_EXPECTED,(INTEREST_RATE),DAYS,YEAR,COMPOUND_VALUE)
- @SIMPLE(PRINCIPAL_EXPECTED,INTEREST_RATE,DAYS,YEAR,COMPOUND_VALUE, INT_NOTDUE_PAID)
- Amortized Reducing - @AMORT_RED(PRINCIPAL_EXPECTED,(INTEREST_RATE),DAYS,YEAR)
- Discounting - @DISCOUNTED(PRINCIPAL_EXPECTED,(INTEREST_RATE),DAYS,YEAR)
- Amortised Rule 78 - @AMORT_78(PRINCIPAL_EXPECTED,(INTEREST_RATE),DAYS,YEAR)
- True Discounted - @TRUE_DISC(PRINCIPAL_EXPECTED,(INTEREST_RATE),DAYS,YEAR)
- Amortized – Payment in Advance - @AMORT_ADV(PRINCIPAL_EXPECTED,INTEREST_RATE,DAYS,YEAR)
- Simple – Payment in Advance - @SIMPLE_ADV(PRINCIPAL_EXPECTED,INTEREST_RATE,DAYS,YEAR,COMPOUND_VALUE)
- Amortized Formula – Compound on overdue for main interest –

  @AMORT_RED (PRINCIPAL_EXP_AND_ODUE_COMP + MAIN_INT_OVERDUE_COMP, (INTEREST_RATE), DAYS, YEAR, COMPOUND_VALUE)
- Amortized Formula – Compound on overdue for penalty component –

  @AMORT_RED (PRINCIPAL_EXP_AND_ODUE_COMP + PEN_INT_COMPNAME_OVERDUE_COMP, (INTEREST_RATE), DAYS, YEAR, COMPOUND_VALUE)
- Amortized Formula – Compound on overdue for penalty component on principal and main interest –

  @AMORT_RED (PRINCIPAL_EXPECTED + PEN_PRIN_COMPNAME_OVERDUE_COMP + PEN_INT_COMPNAME_OVERDUE_COMP, (INTEREST_RATE), DAYS, YEAR, COMPOUND_VALUE)

  @AMORT_RED (PRINCIPAL_EXP_AND_ODUE_COMP + PEN_PRIN_COMPNAME_OVERDUE_COMP + PEN_INT_COMPNAME_OVERDUE_COMP, (INTEREST_RATE), DAYS, YEAR, COMPOUND_VALUE)
- Simple – Compound on overdue for main interest –

  @ SIMPLE (PRINCIPAL_EXP_AND_ODUE_COMP + MAIN_INT_OVERDUE_COMP, (INTEREST_RATE), DAYS, YEAR, COMPOUND_VALUE)
- Simple – Compound on overdue for penalty component –

  @ SIMPLE (PRINCIPAL_EXP_AND_ODUE_COMP + PEN_INT_COMPNAME_OVERDUE_COMP, (INTEREST_RATE), DAYS, YEAR, COMPOUND_VALUE)
- Simple – Compound on overdue for penalty component on principal and main interest –

  @SIMPLE (PRINCIPAL_EXPECTED + PEN_PRIN_COMPNAME_OVERDUE_COMP + PEN_INT_COMPNAME_OVERDUE_COMP, (INTEREST_RATE), DAYS, YEAR, COMPOUND_VALUE)

  @SIMPLE (PRINCIPAL_EXP_AND_ODUE_COMP + PEN_PRIN_COMPNAME_OVERDUE_COMP + PEN_INT_COMPNAME_OVERDUE_COMP, (INTEREST_RATE), DAYS, YEAR, COMPOUND_VALUE)

- Discounted Schedule

  @DISC_SCH(PRINCIPAL_EXPECTED,(INTEREST_RATE),DAYS,YEAR, COMPOUND_VALUE).

Note

The COMPOUND_VALUE is applicable only if it is an exponential discounted loan.

The loan account considers the payments received towards the component which are made within a particular compounding cycle for calculation of compounding basis amount.

For calculation of compounding on the main_interest paid amount, the 'Main_Interest' component uses SDE basis as 'Principal_expected' and the formula as 'User Defined'

The user defined formula is;
@SIMPLE(PRINCIPAL_EXPECTED,(INTEREST_RATE),DAYS,YEAR,COMPOUND_VALUE, INT_NOTDUE_PAID)

For a loan account when payment is received within a compounding cycle with tranches towards principal, interest (MAIN_INTEREST) or both, the amount paid is deducted from the compounding basis amount.Prior to deduction the compounding basis amount is checked internally by system against the PRINCIPAL_EXPECTED. The compounding basis amount should not be less than PRINCIPAL_EXPECTED.

The repayments types such as prepayment, partial prepayment are considered for calculating compounding basis. If there are multiple payments received within a particular compounding cycle then system re-calculates the basis accordingly

Payment when received with amount paid is either partially or fully apportioning towards 'Interest due till date' (current payment date minus last compounded date), then the existing compounding basis value is not deducted with the amount paid towards interest till date

On payment, if the interest due till date is paid fully, the amount paid towards interest due till date is not considered for the value of compounding basis for current compounding cycle and value of the compounding basis will be equal to value 'PRINCIPAL_EXPECTED'

On payment, if the interest due till date is paid partially then the difference of the interest due till date and amount paid towards interest due till date will be considered for the value of compounding basis for current compounding cycle

The effect of the compounding basis update will be effective on authorization of the payment(s)

The SDE, 'INT_NOTDUE_PAID' is used for interest and calculation of compounding basis for penal components where the payment is apportioned towards the component within the compounding frequency.

Amortized

Select this option to specify that the schedules of the component should be amortized

Note

For Commitment products do not select this option

Amortization Basis

If you opt to Amortize the schedules of the component, you have to identify the element based on which the component is amortized. For example, if it is deposit interest, the amortization basis would be 'Principal'. The components are available in the option list provided.

In case of a subsidy loan, amortization is done with both the main interest and the subsidy component. For instance, if the interest rate is x% and the subsidy rate is y%, amortization will be done using net interest rate as x+y%, in the aforesaid scenario. The interest component will be calculated for the main interest and the subsidy component based on the principal expected and the individual rates for the components.

Due Date On

Specify day on which you need to compound the interest.

Start Month

Select month from which you need to compound the interest from the adjoining drop-down list. This list displays the names of the months in year.

Compounding Frequency

Suppose compounding should be processed on the 7th of every month, then the 'Due Date On' should be maintained as 7. If it is required that compounding should start from a specific month say March, then the Start Month should be maintained as 3. If the 'Start Month' or 'Due Date On' are not maintained, then the system will continue to compound based on the loan value date, for the given frequency (in days/months/years).

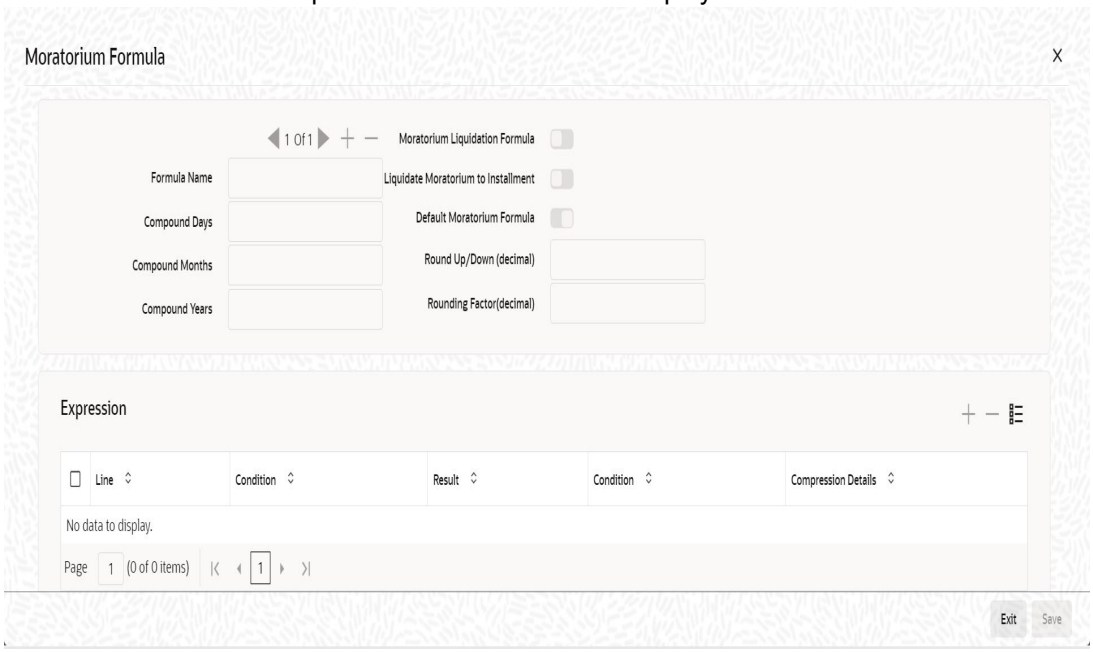
You can define compounding frequency for a component same as or lesser than its payment frequency, but if the compounding frequency is greater than its payment frequency then there will be no compounding.

For exponential loans, compounding frequency should be set as daily.

4.4.5.3 Moratorium Button

Moratorium refers to the repayment holiday given during the period between the value date of the loan and the first repayment date. While no repayment will happen during this period, computation will continue. However, you can also have a principal moratorium wherein no principal repayment happens in a certain period; only interest component is repaid. This moratorium may be applied at any stage of the repayment cycle of the loan. In case of a principal moratorium, you need to ensure that the tenor given in the formula does not exceed the principal moratorium period. The Moratorium formula is used for the computation of interest for the moratorium period.

To define the formula, click ‘Moratorium’ in the ‘Component’ button of the screen. The ‘Moratorium Formula – Expression Builder’ screen is displayed:



The procedure for defining the Moratorium formula is as explained for Intermediate and Booked formulae. The following additional fields are also applicable for a moratorium formula:

Formula Name

Here, you specify a suitable name to identify the formula that you are defining. After you specify the name, you can define the characteristics of the formula in the subsequent fields. You have to use the name captured here to associate a formula with a schedule. The name can comprise of a maximum of 27 alphanumeric characters.

Moratorium Liquidation Formula

The formula used for computation of interest for the moratorium period is called ‘Moratorium Formula’. The Interest calculated using the moratorium formula should be liquidated for the lifetime of the loan by apportioning it across all the installments. Therefore, you need to maintain a formula for liquidating the moratorium interest.

Check this option to indicate that the formula you have maintained is for Moratorium liquidation.

Liquidate Moratorium to Installment

> **Note**
>
> This option is applicable only if you are defining a ‘Moratorium Liquidation Formula’

If you check this option, the moratorium interest amount is added to the first installment amount and collected along with the schedule on the day the schedule falls due.

If you do not check this option, the moratorium amount is allocated from the Installment due. The principal component of the EMI is liquidated towards the moratorium. Therefore, Principal repayment does not begin until complete settlement of the moratorium amount.

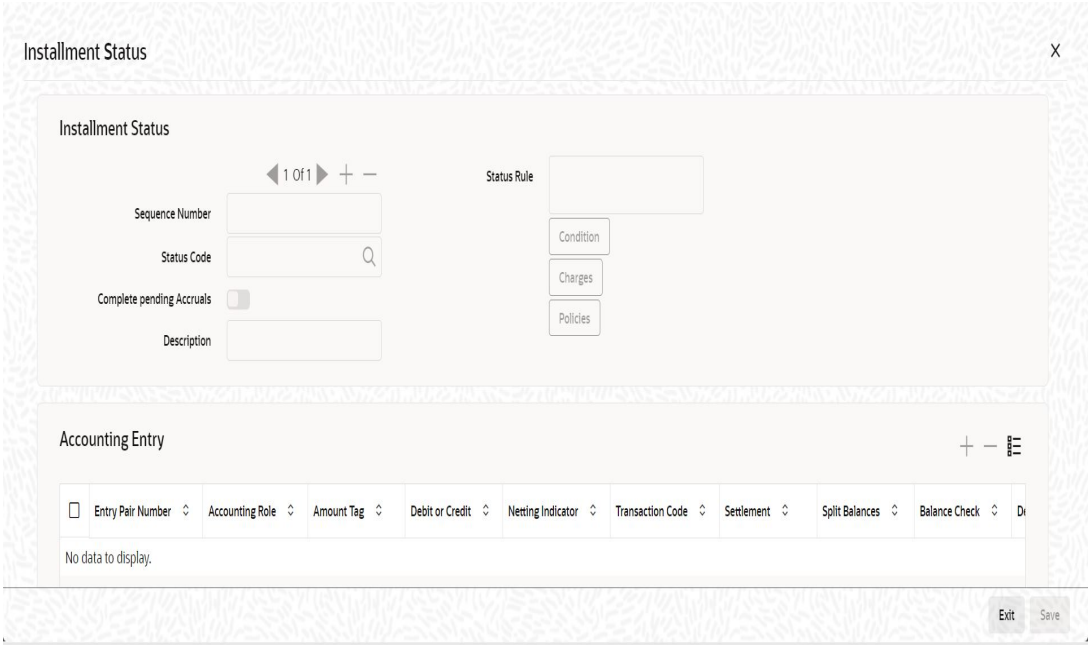
Default Moratorium Formula

If you want to create a default moratorium formula, check this option. By default, the system will attach this formula to a moratorium schedule. You can, however, change it to a different moratorium formula.

4.4.5.4 Installment Status Button

For a component, you can maintain Schedule/Installment level status change parameters. You can also specify the account Heads and Roles to be used whenever an installment changes from one status to the other.

To define the installment level status change details, click ‘Installment Status’ in the ‘Components’ button of the screen - the ‘Installment Status’ screen is displayed:



The following details have to be captured here:

Sequence Number

The number you capture here is used to identify the adversity level of an installment. It should not overlap with that of an account status, expect for the first factory shipped status ‘NORM’ (Normal).

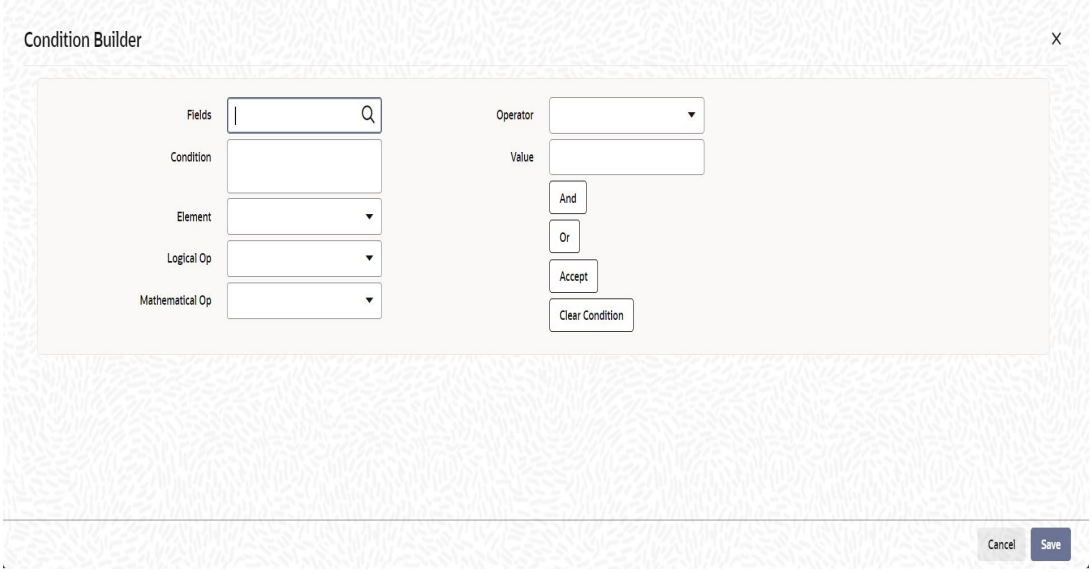
Status Code

The status that an installment will go through is specified here. The sequence number determines the order when the installment would attain this status. The status codes defined in the ‘Status Codes Maintenance’ screen are available in the option-list provided.

Status Rule

The rule defined here will determine the movement of the installment to the selected status (in the ‘Status’ field). You can build multiple conditions for a rule.

To do this, click on ‘Condition’ in the screen above. The ‘Condition Builder’ is displayed.



You can build the conditions using the elements (SDEs), operators and logical operators available in the screen above.

Examples of Status Movement Rules are given below:

- NORM TO PDO1PRINCIPAL_OVR_DAYS > 30 OR MAIN_INT_OVR_DAYS > 30
- NORM TO DOUBPRINCIPAL_OVR_DAYS > 60 OR MAIN_INT_OVR_DAYS > 60
- PDO1 TO NORMPRINCIPAL_OVR_DAYS < 31 AND MAIN_INT_OVR_DAYS < 31
- PDO1 TO DOUBPRINCIPAL_OVR_DAYS > 60 OR MAIN_INT_OVR_DAYS > 60
- DOUB TO PDO1(PRINCIPAL_OVR_DAYS > 30 AND PRINCIPAL_OVR_DAYS < 61) AND (MAIN_INT_OVR_DAYS > 30 AND MAIN_INT_OVR_DAYS < 61)
- DOUB TO NORMPRINCIPAL_OVR_DAYS < 31 AND MAIN_INT_OVR_DAYS < 31

The status movement rules when INTR is maintained as account status are as follows:

- INTR to NORM: PRINCIPAL_OVR_DAYS = 0 AND MAIN_INT_OVR_DAYS = 0 AND (ACCOUNT_INTR_DAYS > 365 OR ACCOUNT_INTR_DAYS = 0)
- DOUB to NORM:PRINCIPAL_OVR_DAYS = 0 AND MAIN_INT_OVR_DAYS = 0 AND (ACCOUNT_INTR_DAYS > 365 OR ACCOUNT_INTR_DAYS = 0)
- DOUB TO INTR: PRINCIPAL_OVR_DAYS = 0 AND MAIN_INT_OVR_DAYS = 0 AND (ACCOUNT_INTR_DAYS >0 AND ACCOUNT_INTR_DAYS <=365)

For details on building a condition using the options available in the screen, refer the section titled ‘Defining UDE Rules’ in the ‘Maintenances and Operations’ chapter of this User Manual.

The installment will move to the status selected if the associated status rule is satisfied.

Complete Pending Accruals

Check this box to indicate if the pending interest accruals need to be completed before the Installment status changes. This is applicable only if Accrual Frequency is any one of the following:

- Monthly
- Quarterly
- Half yearly
- Yearly

This check box will not be enabled if Accrual Frequency in the ‘Consumer Lending Product’ screen is ‘Daily’.

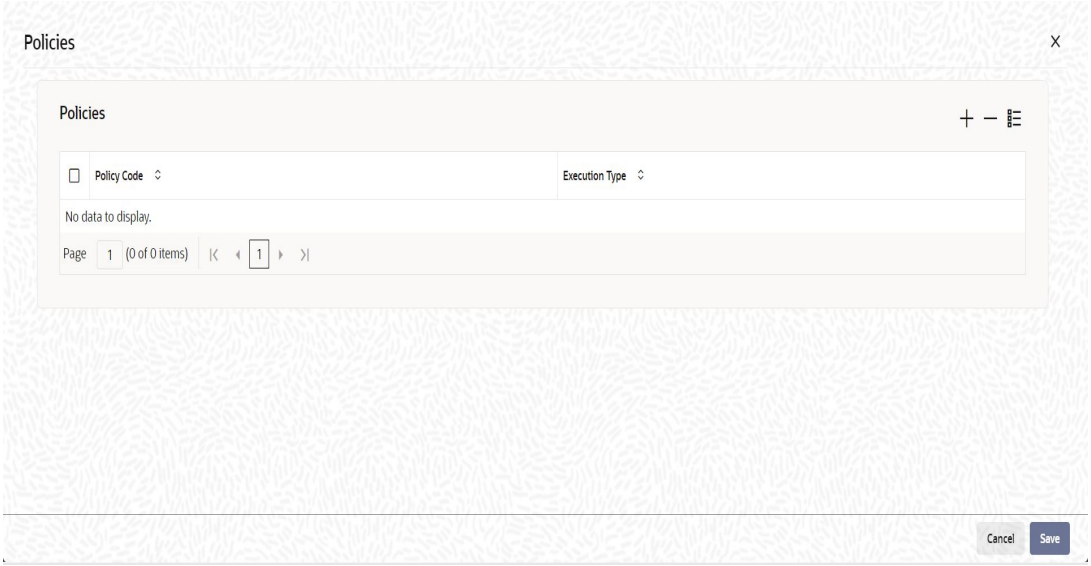
Accounting Entries

For each status of the installment, you can specify the accounting entry preferences. Whenever an installment attains a status, the entries are passed as per the setup maintained for that status. Therefore, the entries will be moved from the active GLs to the status specific GLs. However, when the actual payment occurs, the system will automatically resolve the appropriate GLs.

For more details on setting up accounting entry preferences, refer the section titled ‘Maintaining Event details’ in this chapter.

Specifying Policy preferences

You can associate policies at an installment level. Policies are user defined validations that are fired when an event is triggered. To link a policy, click ‘Policies’ in the ‘Component Installment Status’ screen – the following screen is displayed:



Specify the following in this screen:

Policy Code

The Standard Policies (defined through the ‘Policy Maintenance’ screen) and the Policies associated with the product category are available in the option list provided. Policies are used to handle special validations and operations on a loan.

Execution Type

You can associate a policy at one of the following points in time in a loan -event lifecycle:

- Before Event
- After Event
- Both

The policy is executed appropriately.

For details on maintaining policy details, refer the section titled ‘Maintaining User Defined Policies’ in the ‘Maintenances and Operations’ chapter of this User Manual.

4.4.5.5 Processing at Installment Level

At the installment level, if there is a change in the installment status, Oracle FLEXCUBE will first check if accrual is required for the installment components. When the accrual frequency for a component is not 'Daily', Oracle FLEXCUBE will validate if the installment status changes before accrual execution date. If it changes, Oracle FLEXCUBE will trigger catchup accrual for the component till the installment status change date. Subsequent to this, Oracle FLEXCUBE will process the installment status change.

The following example will explain the Complete Pending Accrual functionality. This is applicable for both Installment Level as well as Account Level Status change.

Note

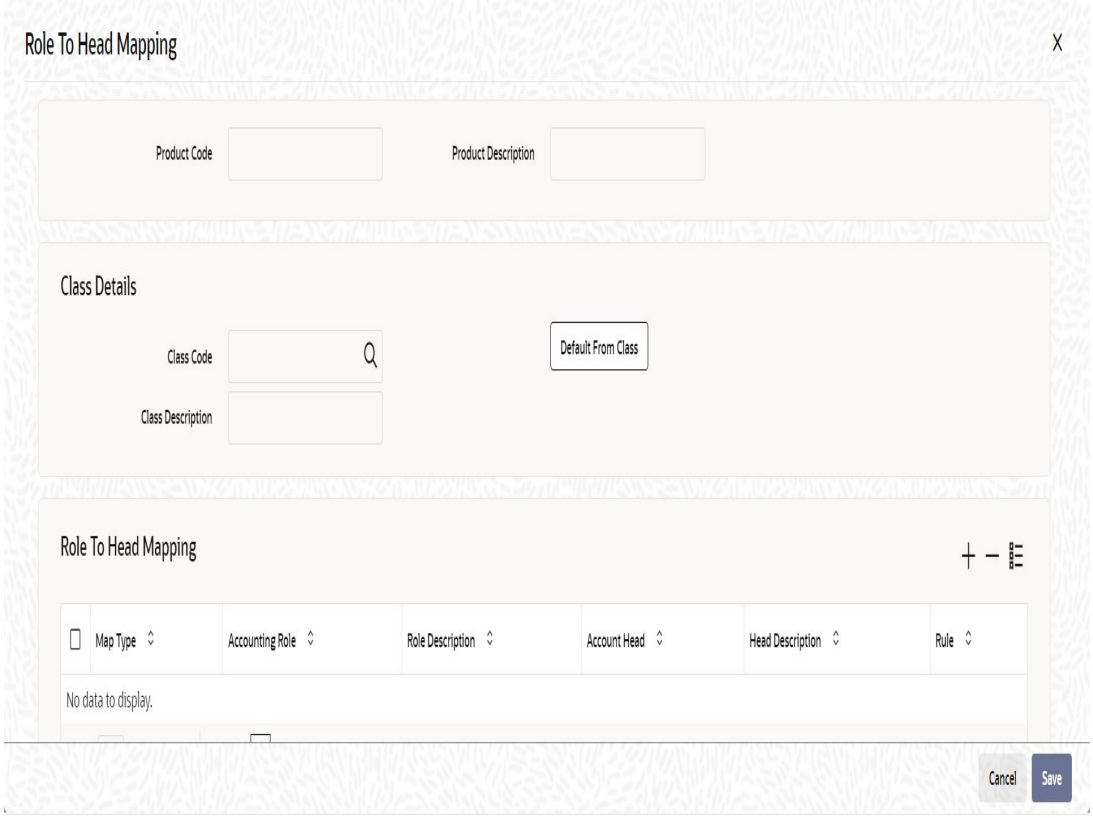
- An installment status change will not change the next execution date of unprocessed ACCR events.
- A status change is applicable for both manual and automatic installment status.
- If you delete an Installment level status change, it will delete the catch up accrual accounting entries also.

You can reverse an installment level status change by inputting another installment level status change. For example, if installment status changes from NORM to OVD1, reversal of the same can be done by doing installment status change from OVD1 to NORM. In this case no processing will be done.

4.4.6 Role to Head Button

You can define the accounting roles for a product in the 'Role to Head' button of the 'Consumer Lending Product' screen. A list of accounting roles that are applicable to the

product being maintained is provided. This list also includes the accounting roles that you have maintained for the module using the 'Accounting Role and Head Maintenance' screen.



The following details are captured in this screen:

Class Code

Select a class code from the adjoining option list. The option list displays all the valid classes maintained in the system.

Click 'Default from Class' button to default the role to head mapping details for the selected class. You can select and modify the required role to head mapping details to suit the product you are defining. You can also define new role to head mapping by clicking the '+' button.

Map Type

The mapping between an accounting role and account head can be of the following types:

- Static: If the map type is static, you can link an accounting role to only one accounting/ GL head (one to one mapping).
- User Defined: For a user defined map type, you can maintain multiple linkages under different conditions using a case-result rule structure (one to many accounting).

Accounting Role and Description

Accounting role is used to denote the accounting function of a GL or Account. To map an accounting role to an account head, select a valid accounting role from the option list provided. This list will display the roles available for the module.

Once you choose the accounting role, the description maintained for the role is also displayed in the adjacent field.

If you do not want to select a role from the option list, you can also create an accounting role for a product and specify a brief description for the same.

Note

The GLs (Account Heads) for the Dr/Cr Settlement Bridge Role will default as per your selection in the ‘Branch Parameters’ screen.

You cannot maintain miscellaneous credit and debit GLs in loan product for disbursement and payment events.

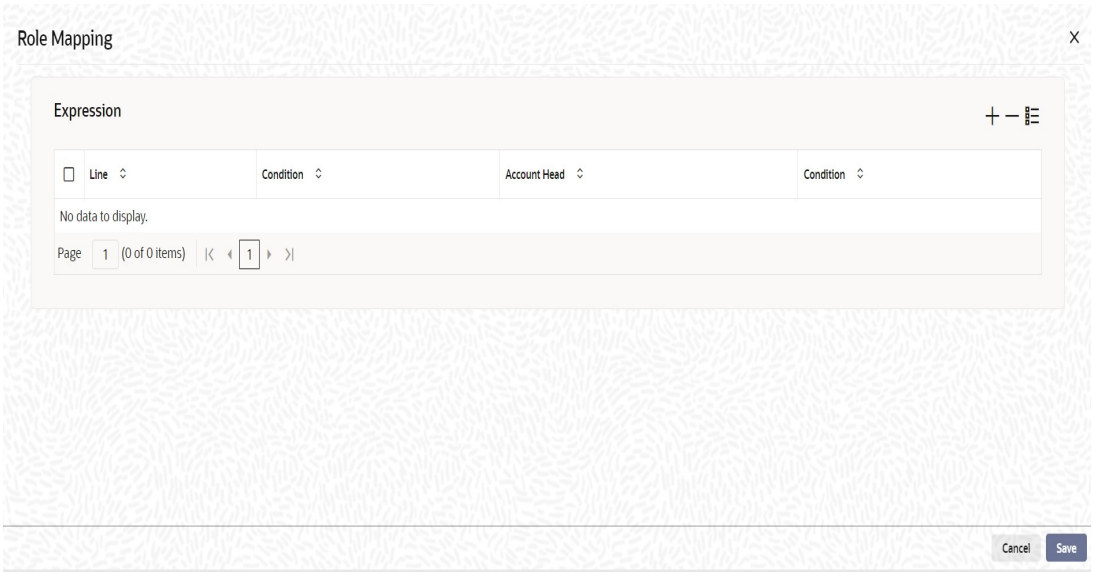
Account Head and Description

The account head identifies the GL or Account to which the accounting entries would be posted. Based on the type of accounting role you select (Asset, Liability etc.), the list of Account Heads (General Ledger heads) that are of the same type as that of the accounting role, becomes available in the option list provided. You can select an accounting head from this list and thus, create a role to head mapping. On selection of the Account Head, the description is also displayed in the adjacent field.

Click Add icon to create subsequent mappings for the product. If you would like to delete a role to head mapping, click Delete icon.

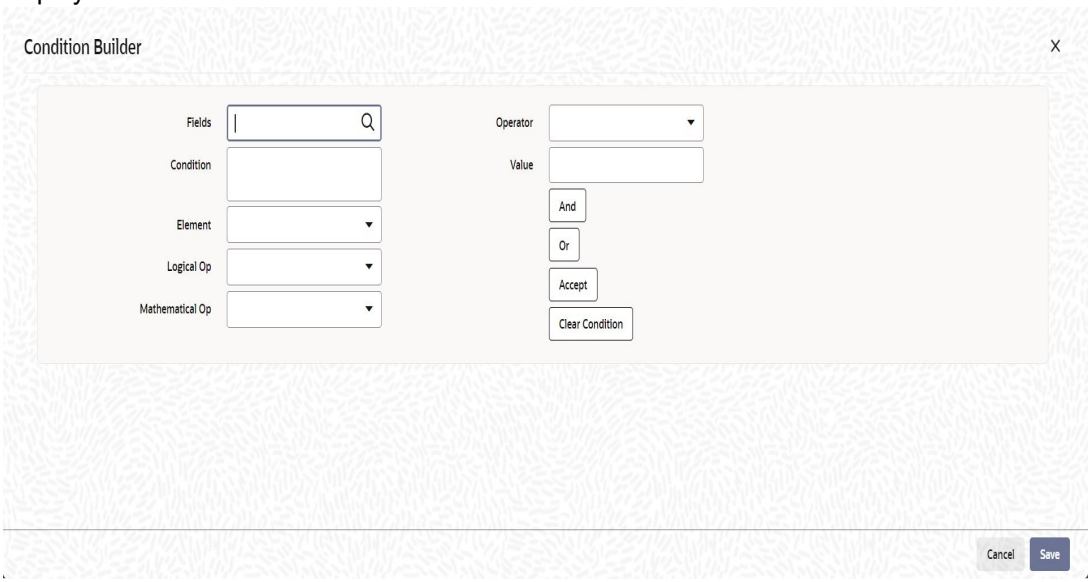
Rule

If the ‘Map Type’ is ‘User Defined’, you can create a case-result rule structure based on which the entries are posted to the appropriate account head. To create a rule, click ‘Rule’ in the ‘Role to Head’ button of the product screen.



You can define multiple conditions and for each condition you can specify the resultant ‘Account Head’. This way you can maintain one to many mappings between an accounting role and an account head. Depending on the condition that is evaluated favourably, the corresponding account head is used for posting the entries.

To build a condition, click on ‘Condition’ in the screen above. The ‘Condition Builder’ is displayed.



You can build the conditions using the elements (SDEs), operators and logical operators available in the screen above.

For details on building a condition using the options available in the screen, refer the section titled ‘Defining UDE Rules’ in the ‘Maintenances and Operations’ chapter of this User Manual.

Note

The system ensures that all accounting roles that are applicable for the Product and which have been used in the definition of the accounting entries are necessarily linked to an account head. If the mapping is not complete, an error message is displayed when you attempt to save the product.

4.4.6.1 Dynamic Creation of Accounting Roles for a Component

For each component you define for a product, six accounting roles are dynamically created by the system. For example, if you have defined a component ‘MAIN_INT’, the following accounting roles are created:

- MAIN_INTINC -Component Income
- MAIN_INTEXP -Component Expense
- MAIN_INTRIA -Component Received in Advance
- MAIN_INTPAY -Component Payable
- MAIN_INTREC -Component Receivable
- MAIN_INTPIA -Component Paid in Advance

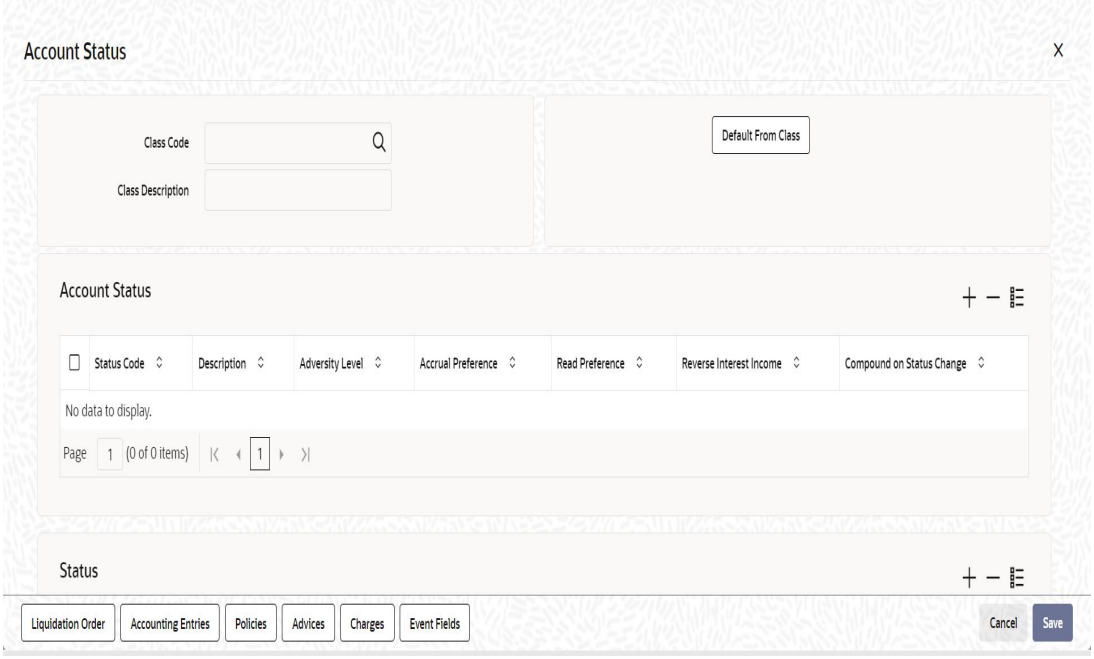
For a detailed list of Events, Advices, Accounting Roles and Amount Tags, refer ‘Annexure 1’ of this User Manual.

4.4.7 Account Status Button

Ideally, when setting up a product, you should identify all possible status that loans involving the product would move into. A status can apply either to a loan installment or the entire loan account.

For more details, refer the section titled 'Specifying Component Details' in this chapter.

You can maintain account level status movement preferences the 'Account Status' screen.



In this screen, you can specify the following:

Class Code

Select a class code from the adjoining option list. The option list displays all the valid classes maintained in the system.

Click 'Default from Class' button to default the account status details for the selected class. You can select and modify the required details to suit the product you are defining. You can also define new account status by clicking the '+' button.

- Define a status derivation rule to resolve a status
- Define accounting entries, advices etc. which need to be fired for a status
- Specify the liquidation order for a status
- Associate charges, if applicable, for a status
- Policies to be triggered for a status change

Status

When setting up a product, you should identify all possible statuses that loans involving the product would move into. By default, the 'NORM' (Normal) status is defined for the product. You can select the relevant status codes from the option list provided. The status codes defined through the 'Status Codes Maintenance' screen with 'Status Type' as 'Account' is available in this list.

When you select a status, the associated description is also displayed in the adjacent field.

The status 'INTR' has an adversity level next to 'NORM'. INTR is an intermediate status where an account's status after payment of overdue, moves from its worst status (Eg:DOUB) to INTR instead of moving to NORM.

Adversity Level

This signifies the adversity level of the status. The Status 'NORM' has an adversity level of '1' and is the most favorable. This is the default status for a loan.

If the new status INTR has to be used in the status rule movement, then the adversity level of the status INTR should be next to that of the level of NORM status.

Accrual Preference

For a status, you have to indicate the manner in which accounting entries should be posted when the loan moves to the status. The options are:

- Stop Accrual – accruals are frozen
- Reverse Accrual – accruals till date are reversed by transferring them to an expense GL
- Continue Accrual – accruals continue as in the previous status as per the Role to Head maintained for the status and as per the accounting entries defined

After you specify the status codes applicable for the product, you need to specify the manner in which the status movement should occur.

Compound on STCH

Check this box if you need to compound on status change.

4.4.7.1 Reverse Interest Income Button

You can maintain reverse interest income details for CL product. Click on the 'Reverse Interest Income' button to invoke 'Reverse Interest Income' screen.



You can specify following details here:

Tenor

Specify period for which you need to reverse interest income.

Unit

Select unit for which interest income has to be reversed from the adjoining drop-down list. This list displays the following values:

- Days – Select if you need to reverse days' income.
- Months – Select if you need to reverse months' income.
- Years – Select if you need to reverse years' income.
- Current Financial Year – Select if you need to reverse current financial years' income

Note

If you chose Current Financial Year, then 'Least of Interest Income for Current Financial Year and Chosen Period' and Tenor will not be available.

Least of Interest Income for Current Financial Year and Chosen Period

Check this box if you need least of interest income for current financial year and chosen period.

Note

If the check box is checked and 'Current Financial Year' is selected, then the system computes the amount based on the least of the two – Current Financial Year and Chosen Period. However; this reversing of income and accounting entries are processed only for 'Write-off' status.

From Status and To Status

When you highlight a status from the list of status codes maintained for the product, the selected status becomes the 'From Status'

In the option list provided for the 'To Status', the status codes applicable for the product is displayed. Select the relevant status into which a loan should move from the 'From Status'.

Movement Type

You have to indicate the type of movement of a loan from the current status (From Status) to the next status (To Status). The movement can be:

- Automatic
- Manual
- Both

Movement Rule

You have to define the status derivation rule which will determine the movement of a loan from one status to the other. This is the condition based on which the status movement occurs. If a loan satisfies all the rules defined due to which it can move to several statuses at a time, it will identify the most adverse status and move to that status.

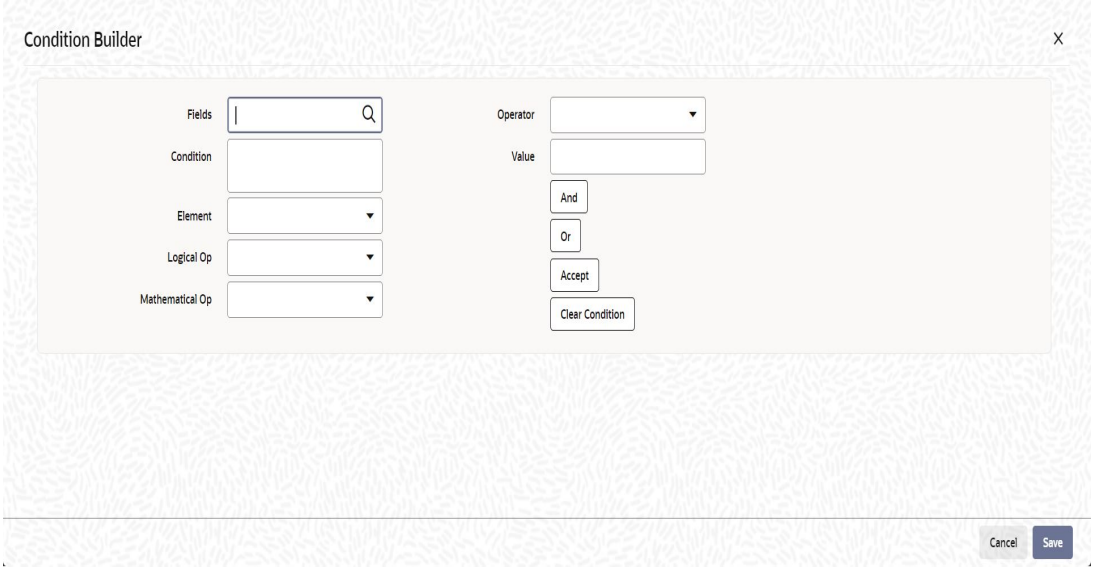
To define a derivation rule, click 'Condition' button in the screen above. The 'Condition Builder' is displayed.

Complete Pending Accruals

Check this box to indicate if the pending interest accruals need to be completed before the Account status changes. This is applicable only if Accrual Frequency is any one of the following:

- Monthly
- Quarterly
- Half yearly
- Yearly

This check box will not be enabled if Accrual Frequency in the ‘Consumer Lending Product’ screen is ‘Daily’.



You can build the conditions using the elements (SDEs), operators and logical operators provided in the screen above.

For details on building a condition using the options available in the screen, refer the section titled ‘Defining UDE Rules’ in the ‘Maintenances and Operations’ chapter of this User Manual.

For Example,

Assume that the current status of a loan is ‘ACTIVE’ and you want the loan to move to the ‘OVERDUE’ status if the overdue months exceeds zero. To meet this requirement, you can define the following parameters:

From Status: Active

To Status: Overdue

Movement Type: Automatic

Rule: If LOAN_STATUS = 'ACTIVE' AND OVERDUE_MONTHS > 0

If the loan satisfies the rule, it automatically moves to the ‘Overdue’ Status.

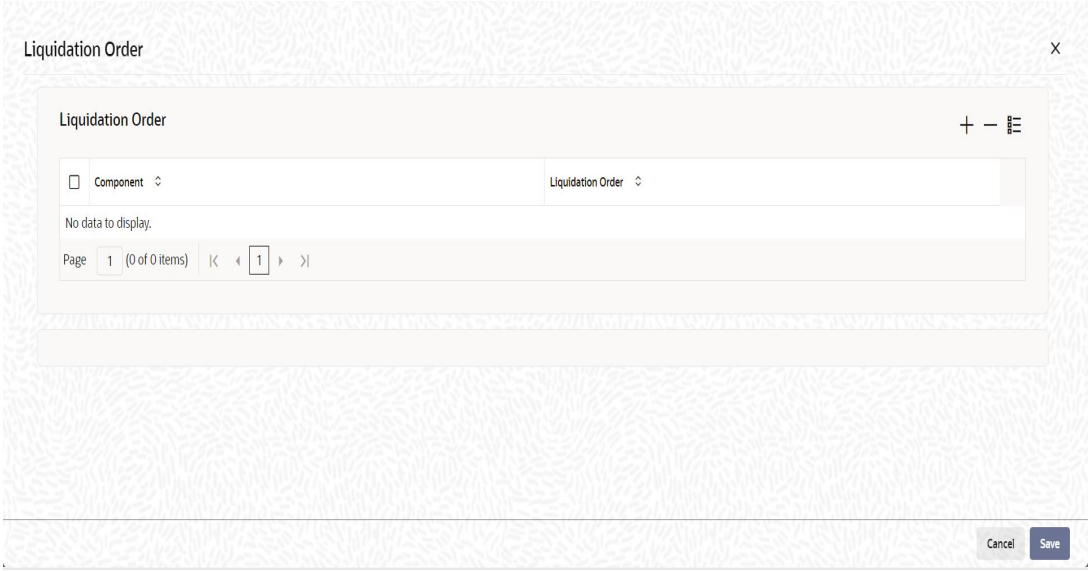
Note

For securitization supporting product, you need to define a status called ‘SECR’ in the product and maintain corresponding accounting entries for the status change to / from SECR status.

Before Securitization, the user defined status will be ‘NORM’. During securitization, system triggers the status change event and changes the status to ‘SECR’ and accordingly updates the Securitization Pool Reference Number. During Buyback of securitization contract, system triggers the status change event and changes the status from ‘SECR’ to ‘NORM’ status.

4.4.7.2 Liquidation Order Button

You can prioritize the liquidation of the various loan components at a status level. To maintain liquidation order of components, click ‘Liquidation Order’ in the ‘Account Status’ button of the screen – the following screen is displayed.



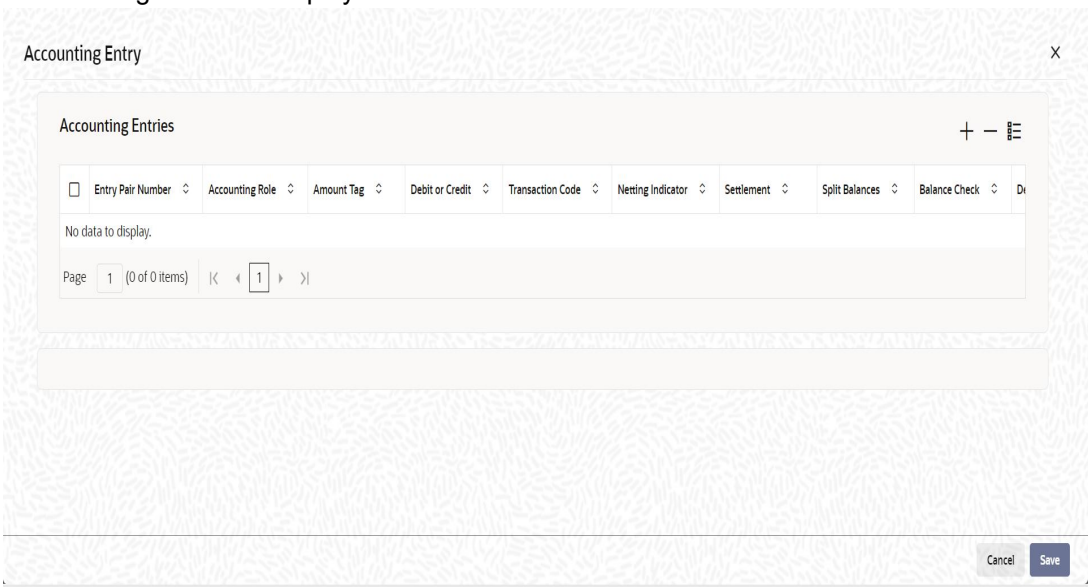
When a loan attains an adverse status, you may want to allot priority to the recovery of certain components. For example, you may want to recover the Principal first and then the Interest type of components.

The components maintained for the product are available in the option list provided. Select a component and then specify the order of liquidation for the component.

Click on Add icon to maintain the liquidation order for the next component

4.4.7.3 Specifying Accounting Preferences

You can specify accounting preferences at a status level. You may have a GL structure under which loans in ‘Normal’ status should report. You can maintain a different structure for loans in other status. To do this, click ‘Accounting Entries’ button in the ’Account Status’ screen – the following screen is displayed:



Also, for a status, you may not want to change accounting roles but change only the accounts/ GLs. The accounting roles will be the same. To achieve this, you can create a rule based ‘Role to Head’ mapping. The SDEs like ’Account Status’ can be used to create the rule and if a loan satisfies the rule i.e. moves to the status maintained in the rule, the Account Head selected for the rule is used for posting the entries.

For a commitment product, the following amount tags are used for passing accounting entries:

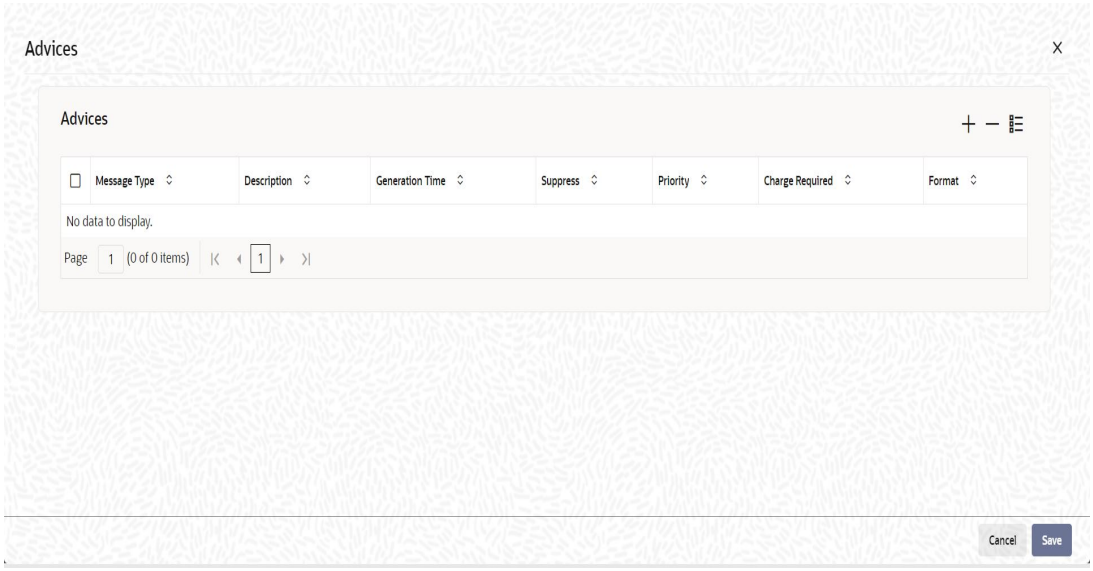
Sl No	Amount Tag	Description
1	COMMUTIL_INCR	Commitment Amount Utilized
2	COMMUTIL_-DECR	Commitment Amount Rein-stated
3	COMM_UNUTIL	Commitment Amount unutilized

Refer the section titled ‘Maintaining Role to Head mapping preferences’ for details on creating a ‘Role to Head’ mapping.

4.4.7.4 Specifying Advices

You can also specify the advices that should be generated when a status change occurs. For instance, when a loan moves from an ‘ACTIVE’ status to an ‘OVERDUE’ status, you can choose to send an advice to inform the customer of the status change and request for payment.

The advices can be maintained in the ‘Product Event Advices Maintenance’ screen - click ‘Advices’ button in the ‘Account Status’ screen to invoke it.

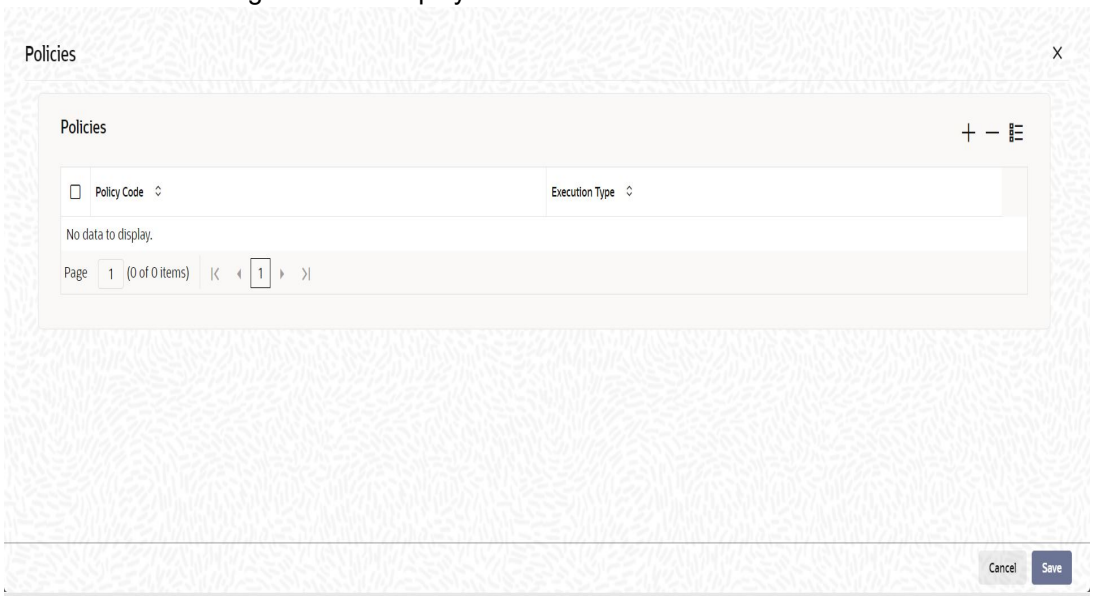


You can associate advices at an event level also.

For more details on maintaining advice preferences, refer the ‘Maintaining Event details’ section of this User Manual.

4.4.7.5 Policies Button

Just as you associate policies at an installment level, you can also associate policies for a loan account status. To do this, click ‘Policies’ button in the ‘Account Status’ screen of the product screen – the following screen is displayed:



Specify the following in this screen:

Policy Code

The policies defined in the ‘User Policy’ screen are available in the option list provided. Policies are used to handle special validations and operations on a loan.

Execution Type

You can associate a policy at one of the following points in time in a loan-event lifecycle:

- Before Event
- After Event
- Both

The policy gets executed appropriately

4.4.7.6 Charges Button

Whenever a loan undergoes a status change, you can apply charge on the loan. You need to associate charge components at a status level. To do this, click ‘Charges’ button in the ‘Account Status’ screen – the following screen is displayed:



The charge type of components defined for the product (in the ‘Components’ button of the screen) are displayed in the option list. Select the component you wish to associate with the loan. The charge is applied when the loan moves to the status and is debited to the customer account.

4.4.7.7 Processing at Account Level

At the account level, when there is a change in the status, Oracle FLEXCUBE will first check if accrual is required for the components. When the accrual frequency for a component is not ‘Daily’, Oracle FLEXCUBE will validate if the installment status or the account status changes before accrual execution date. If it changes, Oracle FLEXCUBE will trigger catch-up accrual for the component till the installment status and the account status change date. Subsequent to this, Oracle FLEXCUBE will process the installment status change and account status change.

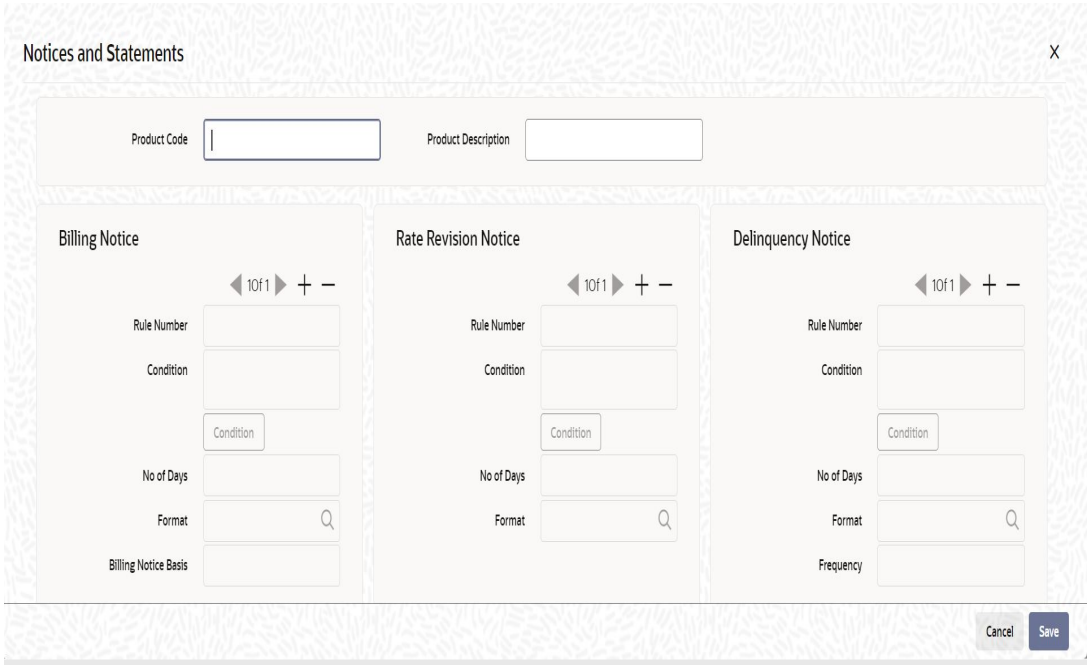
Note

- An installment status change will not change the next execution date of unprocessed ACCR events
- A status change is applicable for both manual and automatic account status
- If you delete an account level status change, it will delete the catch up accrual accounting entries also
- If you reverse an account level status change, it will reverse the catch up accrual accounting entries as well

4.4.8 Notices and Statements Button

Just as you define components that should become a part of the product, so also you can associate Notices and Statements with a product.

The actual communication/correspondence, however, is handled by the Messaging Module of Oracle FLEXCUBE. Click ‘Notices & Statements’ button in the ‘Product Maintenance’ screen.



In this screen, you need to maintain the preferences for Billing Notices, Delinquency Notices, Rate Revision Notice, Direct Debit Notice and Statements. Also, you can associate multiple formats for the generation of notices and statements. The selection of a particular format is based on the condition.

Rule No/Condition No

You can assign a unique number for each rule/condition that is being maintained for notice and statement generation.

Condition

Define the conditions/rules for notice and statement generation. The system will evaluate the conditions and based on the one that is satisfied, the corresponding advice format is selected for notice/statement generation.

To maintain a condition, click ‘Condition’ button in the screen above. The ‘Condition Builder’ is displayed.

For details on building a condition using the options available in the screen, refer the section titled ‘Defining UDE Rules’ in the ‘Maintenances and Operations’ chapter of this User Manual.

Number Days

The Number of days indicates the period before the due date, when the system starts sending the Billing/Delinquency notices to customers.

This period is defined as a specific number of days and will begin before the date the repayment becomes due.

Format

For the condition defined, select the format in which the advice should be generated. The system will select the specific format of the message type when the condition maintained evaluates favorably. Frequency Days

Specify the frequency (in days) for generation of Delinquency Notices. The first notice is sent on the basis of the 'Num Days' maintained. For instance, if the 'Num Days' is four and the payment due date is 4th April 2004, the first notice will be sent on 31st March '04 (4 days before due date). Subsequent generation of the same notice is based on the frequency days maintained. If the 'Frequency Days' is '2', the second notice will be sent on 2nd April '04 i.e. the notice is sent once in two days only.

The following information is applicable to Statement generation:

Frequency

Indicate the frequency in which the Statements have to be generated. The available options:

- Daily
- Monthly
- Quarterly
- Half Yearly
- Yearly

Number of Days

The frequency captured here is used to get the next date for statement generation subsequent to the first statement. This will be used in combination with the 'Frequency' explained above.

Start Date

The date entered here is used as a reference to start generation of the statement

Message Type

Specify the type of Statement that should be generated. Statements are of the following types:

- Interest Statements
- Loan Statements

Generic Notice

Notice

Select the notice type of the rate plan from the list of options.

Rule Number

Specify the unique number for the rule maintained for notice. It is a running number starting from 1.

Condition

Specify the condition for notice generation. The system will evaluate the conditions and based on the one that is satisfied, the corresponding advice format is selected for notice.

Click 'Condition' button to maintain a condition in 'Product' screen. The 'Condition Builder' is displayed.

Format

Select the format of the advice to be generated from the list of options.

Number of Days

Specify the number of days required to intimate the customer in advance about the UDE rate change period.

Frequency

Select the frequency at which the notice has to be generated from the adjoining drop-down list. This list displays the following values:

- Daily
- Monthly
- Quarterly
- Half Yearly
- Yearly

Tenor

Specify the tenor at which the notice has to be generated.

Start Date

Specify the date on which the notice has to be generated.

Transaction Code

Specify the identifier code of the transaction.

Interest Rate Revision within the Rate Revision Period

The Rate Revision Notice section allows you to maintain the number of days for the generation of the advice, prior to the scheduled date of rate revision. During End of Day if the notification date is less than or equal to schedule date, a Rate Revision Advice is generated.

The four different conditions for the rate revision will be handled in Oracle FLEXCUBE as follows:

- Condition 1:

Once the interest revision date is reached, the system continues to use the same interest rate code, till the next revision date.

- Condition 2

If the request for change in interest rate is received a few days before the scheduled revision date, the interest rate code of the loan account is changed by value dated amendment, with the effective date as the scheduled interest revision date. On the effective date, the system changes the rate code and picks up the new interest rate

- Condition 3

If the request is for a future dated prepayment of the loan account there is no change in the interest rate, the principal is changed depending on the prepaid amount and once the payment is available in the settlement account, you can liquidate the loan manually with the requested effective date.

An outstanding component breakup of prepayment penalty charges if applicable is sent to the customer.

- Condition4

If the request for interest rate revision is made much before the scheduled revision date, you can change the interest rate code of the loan account by value dated amendment with effective date as requested.

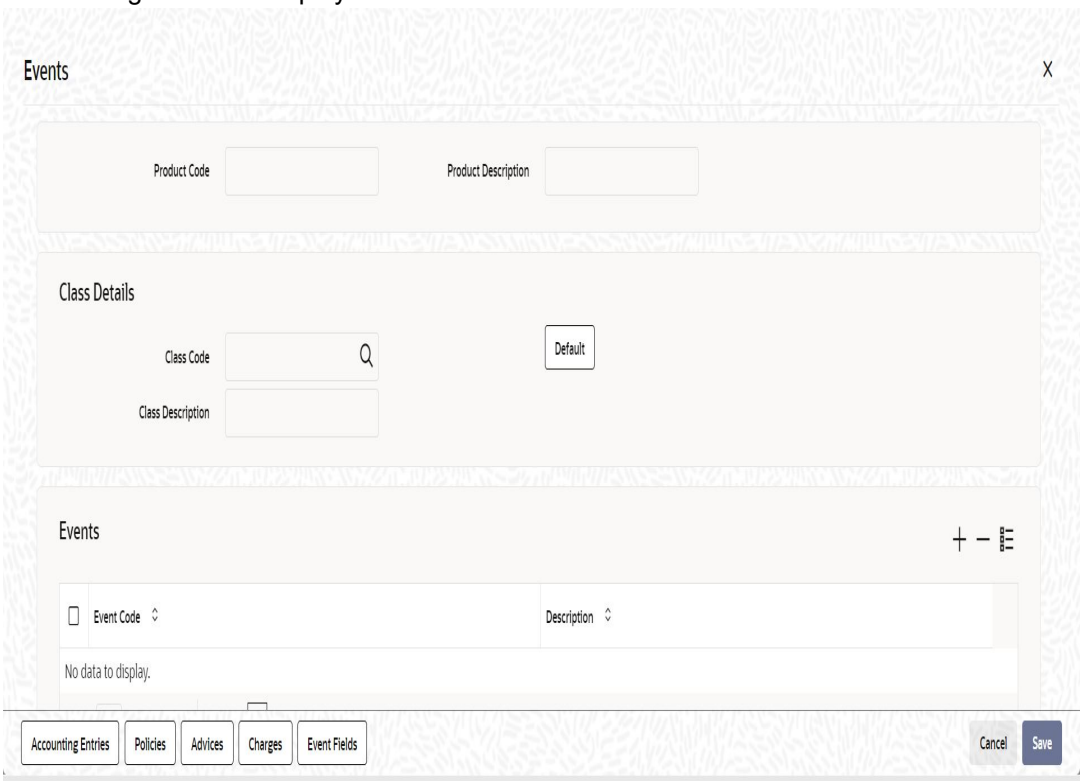
The rate revision will be applicable on the total principal outstanding amount.

4.4.9 Events Button

A contract goes through different stages in its life cycle. In Oracle FLEXCUBE, the different stages a contract passes through in its life cycle are referred to as 'Events'.

At an event, typically, you would want to post the accounting entries to the appropriate account heads and generate the required advices. When setting up a product, you can define the accounting entries that have to be posted and the advices that have to be generated after the authorization of loans involving the product.

Therefore, for the required events you have to specify the Accounting entries, Charges, Policies and Advices. To do this, click 'Events' button in the 'Product Maintenance' screen – the following screen is displayed.



Specify the following:

Class Code

Select the class code from the adjoining option list. The list displays all the class codes maintained in the system.

Click 'Default' button to default the events maintained for the selected class. You can select the required events for the product you are defining. You can also define new events apart from the defaulted events.

Event Code and Event Description

These are the events for which the accounting entries, advices, policies and charges will be maintained, individually. The event codes applicable for the module are available in the option list provided. This list also includes user defined events set up for the module. Select the relevant events for the product from this list.

The description for the event chosen is also displayed

For a commitment product the following events are used:

- LINK
- DLNK
- CLOC

The following events should not be maintained for a commitment product:

- BADJ
- CLOS
- REOP
- RNOG
- ROLL
- SROL
- YACR
- NOVA
- REVV
- REVL
- PWOFF

An event PWOF (Partial Write Off) is used when a loan is partially written off by the Bank.

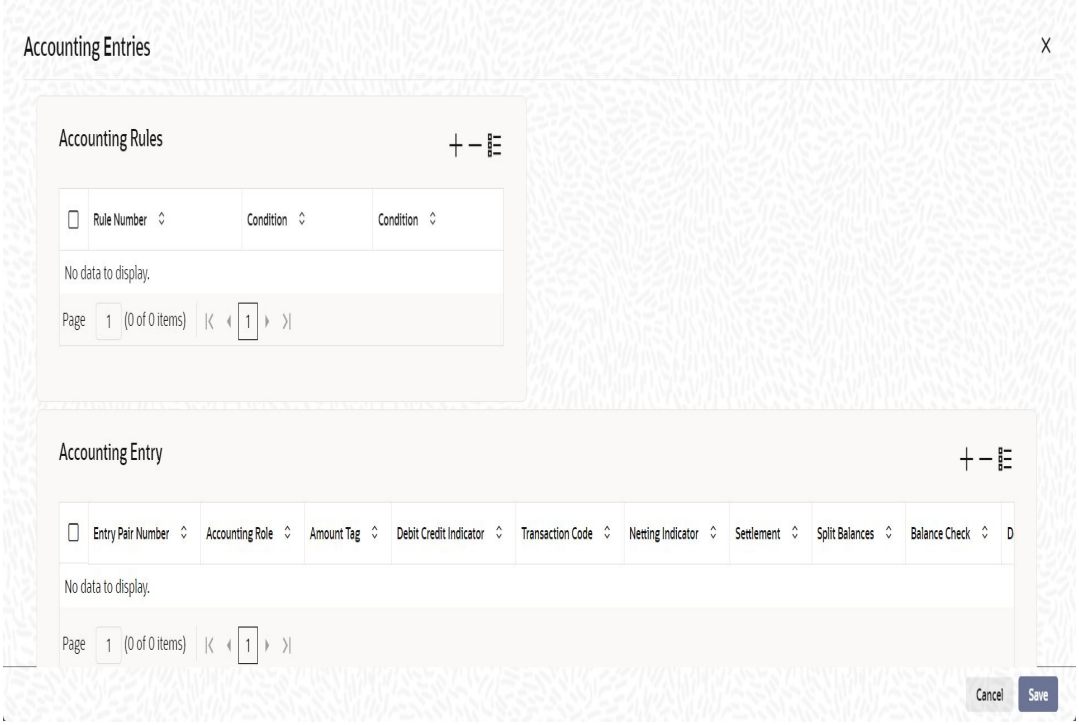
For more information on this topic refer section 'Partial Write- Off of Loans' in this manual.

For processing the changes in the EMI amount of a customer, the EMIC (EMI Change) event is used. The charges and advices can be linked to the EMIC event at the product level. You can liquidate the charges by using the _LIQD amount tags.

Refer the Product Definition User Manual under Modularity for further details.

4.4.9.1 Accounting Entries Button

To define accounting entries for an event, click 'Accounting Entries' in the 'Events' button – the 'Product Event Rule Based Entries' screen is displayed.



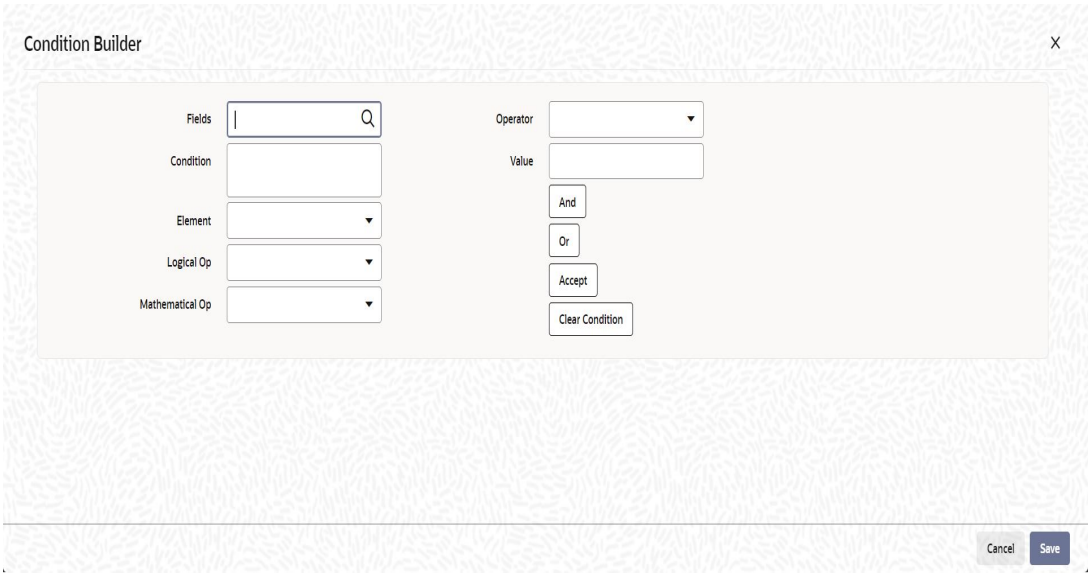
With the Rule definition builder, you can maintain different set of accounting entries for different conditions.

Rule Number

Every rule/condition you define for a product should be assigned a unique number. The rule number can consist of a maximum of 5 digits

Case

You can use the ‘Condition Builder’ to define a rule. Click on ‘Condition’ in the above screen to invoke it .



You can define a rule using the SDEs like Tenor, Customer Risk Category and other UDFs.

If you do no specify a rule/condition, the accounting entries become applicable to all conditions.

For details on building a condition using the options available in the screen, refer the section titled 'Defining UDE Rules' in the 'Maintenances and Operations' chapter of this User Manual.

Accounting Role

Select the accounting role that should be used at the event. The option list displays all the accounting roles specified for the product in the 'Role To Head' button of the 'Consumer Lending Product' screen. Select the role appropriate for the event.

Amount Tag

Specify the amount tag applicable for the Accounting Role. An amount tag identifies the amount/value that is actually due for a component. Depending on the components defined for the product, the system dynamically creates a set of amount tags. For instance, if the component is 'MAIN_INT', the following amount tags are automatically created:

- MAIN_INT _RESD - Component Amount Residual
- MAIN_INT_ADJ - Component Amount Adjustment
- MAIN_INT_LIQD - Component Amount Liquidated
- MAIN_INT_ROLL - Component Amount Rolled over
- MAIN_INT_CAP - Component Amount Capitalized
- MAIN_INT_ACCR - Component Amount Accrued
- MAIN_INT_DLIQ-Component Amount Paid against Due Schedules/future not-due schedules
- MAIN_INT_OLIQ-Component Amount Paid against Overdue Schedules
- _INT_INC_REVR – Component Amount Reversed

The '_DLIQ' and '_OLIQ' tags will be generated only for the events LIQD and ROLL.

Select the appropriate amount tag from this list

Debit or Credit

Here, you have to specify the type of accounting entry to be posted – the entry can be a debit entry or a credit entry.

Transaction Code

Every accounting entry in Oracle FLEXCUBE is associated with a Transaction Code that describes the nature of the entry. Specify the transaction code that should be used to post the accounting entry to the account head. You can group all similar transactions under a common transaction code. The transaction codes maintained in the 'Transaction Code Maintenance' screen are available in the option list provided.

Netting

Specify whether accounting entries should be netted at an event. You can net the accounting entries that are generated at an event by selecting 'Yes' from the drop down list. The system will then net the entries and show the resultant value in account statements. If you do not net, the entries will be shown separately in the statements.

MIS Head

An MIS Head indicates the manner in which the type of entry should be considered for profitability reporting purposes. This classification indicates the method in which the accounting entry will be reported in the profitability report. It could be one of the following:

- Balance
- Contingent Balance
- Income
- Expense

You can also link a product to an MIS Group if you do not want to define individual entities for the product.

Refer the section titled 'Associating an MIS Group with the product' in this chapter for more details.

Revaluation Required

Online Revaluation refers to revaluation done on transaction amounts during transaction posting, and not as part of an end-of-day process. The Revaluation profit /loss are booked to the Online 'Profit GL' or Online 'Loss GL' that you maintain for the GL being revalued.

You can opt for online revaluation by selecting the 'Reval Reqd' option.

Profit GL and Loss GL

If you have opted for online revaluation and the result of revaluation is a profit, the profit amount is credited to the Profit GL you select here. Similarly, if the result of revaluation is a loss, the loss amount is credited to the Loss GL you specify here.

Reval Txn Code

If you opt for online revaluation, you need to associate the transaction code to be used for booking revaluation entries. The system will use this transaction code to track the revaluation entries.

Holiday Treatment

Specify whether holiday treatment is applicable for processing accounting entries falling due on holidays. Select one of the following:

- Yes
- No

Rate Type Indicator

Select the rate type indicator used for revaluation purpose from the drop-down list. Following are the options available in the drop-down list:

- Mid
- Buy
- Sale

GAAP

Indicate the GAAP indicators for which the accounting entry is required for reporting under multi GAAP accounting. The adjoining option list shows all the GAAP indicators maintained in the system. Choose the appropriate one.

The system will then post entries into the specified books (GAAP indicators) during the different events that occur in the lifecycle of the loan. You can retrieve the balance for a certain component in an account in a specific status, for a given GAAP indicator, in a certain branch, reporting to a certain GL. The system will show the real and contingent balances accordingly.

Split Balance

Specify whether you need the balances to be split or not. If you check this option, the system will store the balance break-up for the specified GAAP indicators. You can then retrieve the balances separately for the different GAAP indicators to which accounting entries are posted for the loan.

If you need to move the balances from multiple/Single GLs, where the balances are currently lying, check this box. In such case the credit leg will be governed by the GLs from where component balances need to move, and not the GL maintained at the product level for the event.

Note

For partial write off (PWOF event) you need to check this box to split balance for all the credit legs of PWOF event.

Balance Check in Batch

Indicate whether the balance check is required for the batch operations/online processing.

The options available are:

- Reject – The transaction is rejected if there is insufficient fund to process the transaction.
- Delinquency Tracking – The transaction is processed. If you have specified delinquency tracking for the accounting entries, the tracking is done according to the parameters you have defined for the Delinquency Product.
- Force Debit – The transaction is processed. However, no delinquency tracking is done even if the account goes into overdraft.
- Partial Liquidation – The transaction is processed. If you have specified partial delinquency, the system liquidates upto the available amount and the delinquency tracking is done on the remaining amount only.

Delinquency Product

In case you have specified delinquency tracking for balance check type, you need to specify the delinquency product under which the entry is tracked. The option list displays all the delinquency product codes maintained in the Oracle FLEXCUBE. Select the appropriate from the option list.

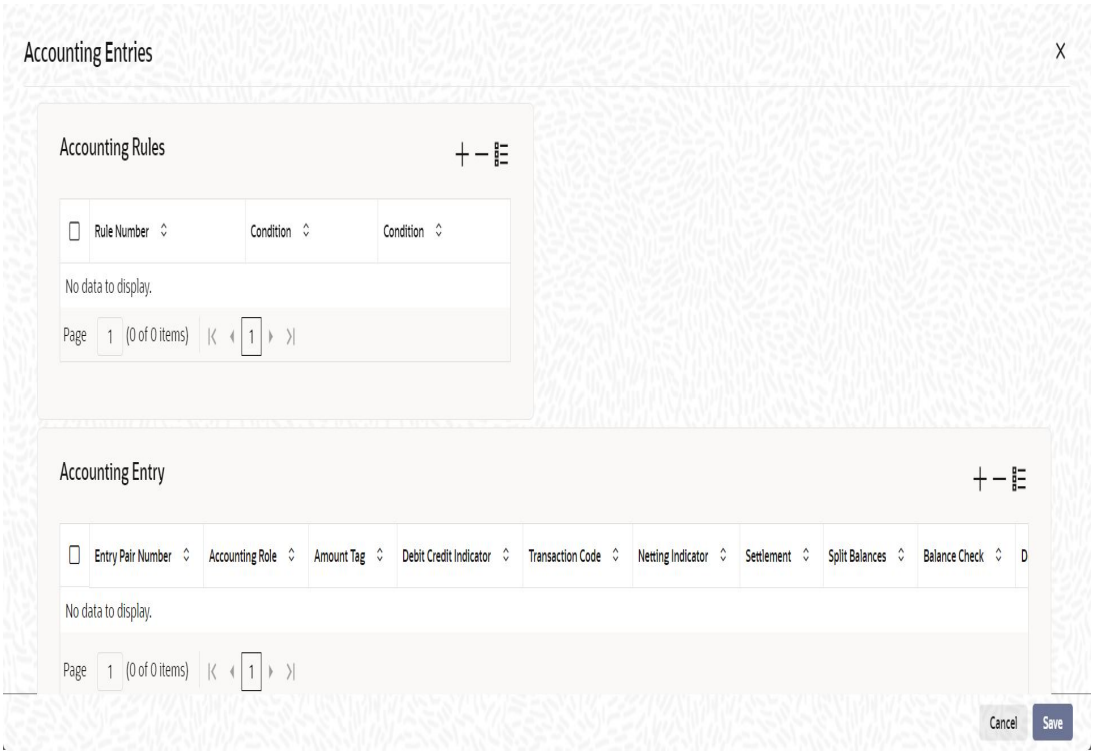
Settlement

This field used to settle the amount. If it set as yes, while doing settlement system uses the Account used during amount settlement. If it is no it will use default account, which is mapped in role to head.

If you have selected the ‘Accounting Role’ as DR_SETTL_BRIDGE or CR_SETTL_BRIDGE in and if ‘Settlement’ box is checked then system looks at the default settlement accounts maintained in the Debit settlement Mode and Credit settlement mode. If ‘Settlement’ box is not checked then the system tries to arrive at the GL through Role to Head Mapping.

4.4.9.2 Defining Accounting Entries for a Securitized Loan

Oracle FLEXCUBE provides a facility to transfer the payments related to Principal/Interest/ Charges to SPV’s settlement account for a securitized loan. Accordingly, you need to define the conditional based accounting entries. Thereby system automatically posts the entries to the respective account after validating the rule (LOAN_STATUS =’SECR’) defined.

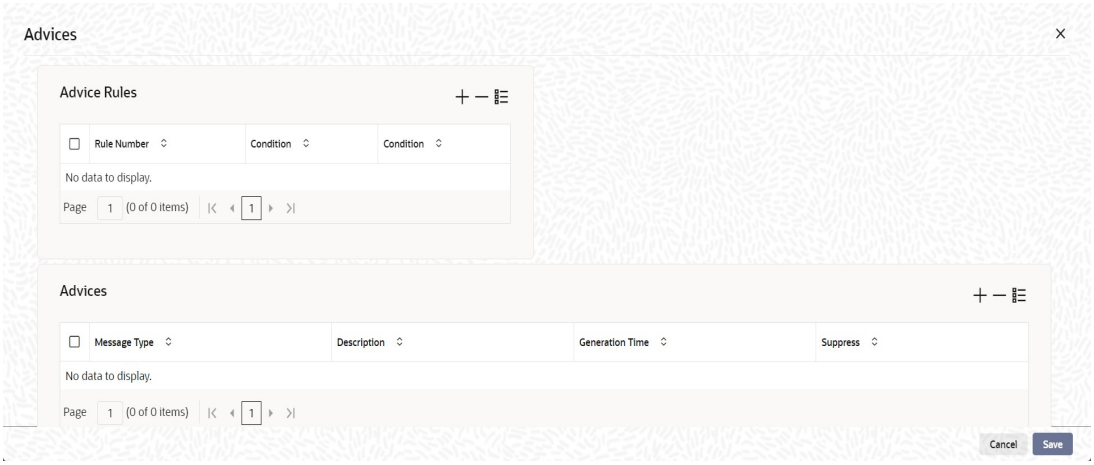


Here the system allows you to define the condition for the accounting entries in 'Accounting Rules' section. For each condition, you need to define accounting entries in the 'Accounting Entry' section. The system executes the first successful condition and executes the corresponding accounting entries. It does not execute the other conditions if any one of the condition is satisfied in the defined order (conditions should be mutually executive cases).

4.4.9.3 Advices Button

You can select the advices that should be triggered for various events. The selected advices are generated after the product is authorized. These advices can be simple Debit /Credit advices when any payment or disbursement is made, Deal Slip advices, Rate Revision advices, Loan advices etc.

To specify the advices for an event, click 'Advices' in the 'Events' button of the 'Product Maintenance' screen – the following screen is displayed.



The following advice details have to be maintained in the screen:

Advice Name

Specify a valid advice you want to trigger, from the option list provided. This option list displays advices applicable for the module.

Description

Description of the specified advice is defaulted here..

Generation Time

Select whether the appropriate time at which you need to generate the advices specified for the product from the adjoining drop down list. This list displays the following values:

- Input – Select to generate when the event takes place
- Authorization – Select to generate when the event is authorized.

Suppress

Select 'Y' or 'N' from the adjoining drop-down list to either suppress or allow the generation of some advices.

Priority

Select the importance of the advice generation from the adjoining drop-down list. This list displays the following values:

- High
- Medium
- Low

Charges

Check this box if you want to collect charges for advice generation.

You can specify a definite format for advice generation. The formats maintained through the 'Format File Maintenance' are available in the option list. Select the appropriate format from this list.

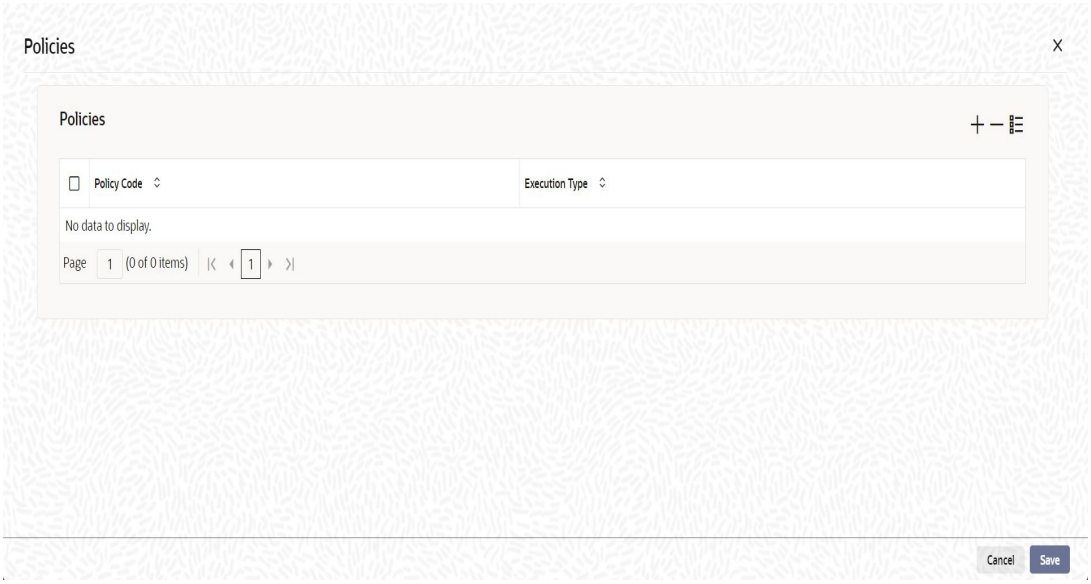
For a detailed list of Events, Advices, Accounting Roles and Amount Tags, refer 'Annexure 1' of this User Manual.

4.4.9.4 Policies Button

Policies are user defined validations that will be fired when any event is triggered. These can even be policies which govern the firing of an event under certain conditions.

For example, if an operation called payment is being done and the customer is paying an amount greater than his current overdue and one additional installment, you can associate a policy to disallow the payment. Therefore, you have to associate policies to an event.

Click on ‘Policies’ in the ‘Events’ button of the screen to define the policies that should be executed for an event.



You can select the appropriate policy from the option list provided. The policies defined in the ‘User Policy’ screen are available in this list. You should also specify the instance when the policy should be triggered for the event. The options are:

- Before Event
- After Event
- Both

4.4.9.5 Charges Button

You can associate charges to an event. Linking a charge to an event implies calculating the value of the charge.

To associate charges, click ‘Charges’ in the ‘Event’ button of the screen



The charge type of components defined for the product (in the ‘Components’ button of the screen) are displayed in the option list. Select the component you wish to associate with the event.

4.4.10 MIS Button

You can associate MIS details with a product in the ‘MIS’ screen. Click ‘MIS’ button in the ‘Consumer Lending Product’ screen to invoke it.



In this screen, you can associate an ‘MIS Group’ to which the product should be linked (if it is applicable; if not, you can define the individual entities under which the product should be reviewed).

To associate a group, check the ‘Link Group’ option. If a group is linked, the entities defined for the group will be displayed. Only the Transaction MIS Code will be applicable to a product. The specific MIS entity (in the form of an MIS Code) will be picked up by default only if you have defined them for the group. If not, you have to indicate the appropriate MIS code for each applicable MIS class.

4.4.11 Credit Score Button

You need to maintain the rules for calculating the credit score of a customer. You can do this in the ‘Credit Score’ screen which can be invoked by clicking ‘Credit Score’ button in the ‘Product Maintenance’ screen.



You can maintain the following details in this screen:

Rule Name

Specify a suitable name for the credit scoring rule.

Default Rule

Check this box if you want to select this rule as the default rule, which gets defaulted to the account.

> **Note**
>
> You can maintain only one rule as the default rule.

Line

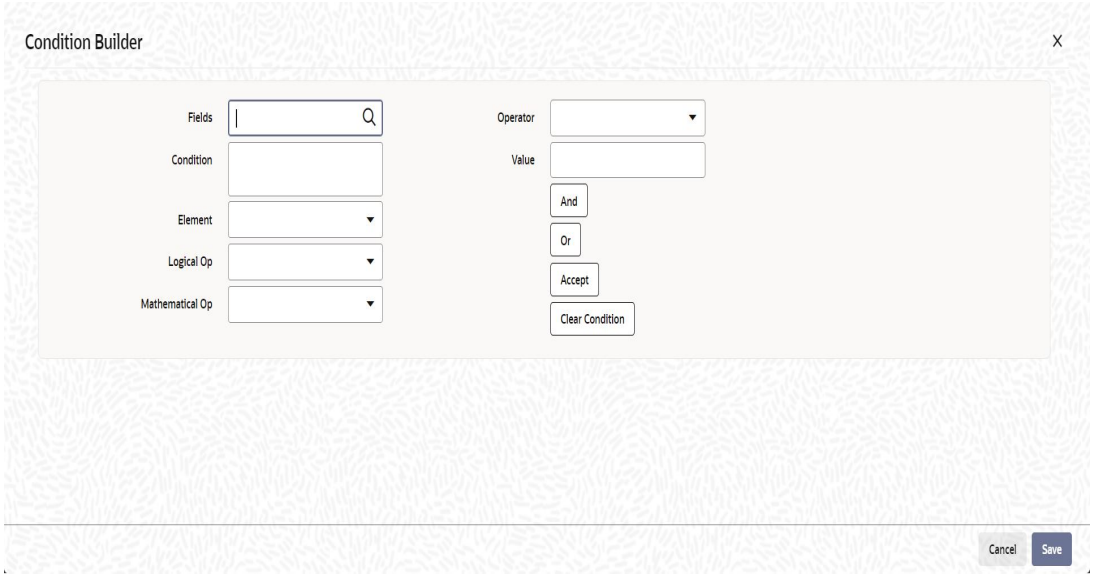
Specify a sequence number, to keep track of the number of expressions maintained for that rule name.

Result

Specify the expected result of the condition to be satisfied.

Condition

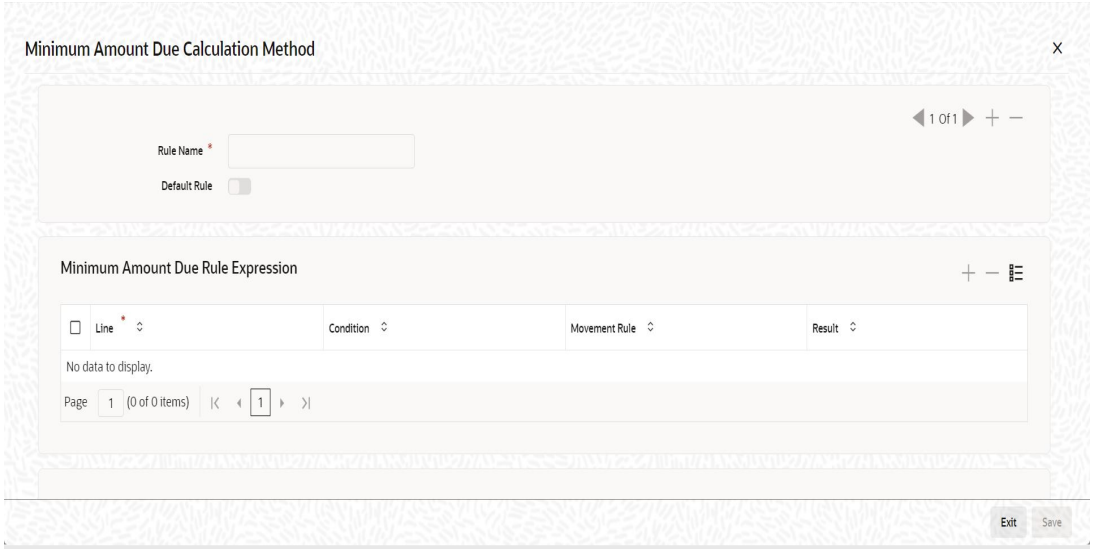
You need to specify the condition to be satisfied for the rule by clicking the ‘Condition’ button. You can specify the condition in the ‘Condition Builder’ screen, which gets invoked.



To specify the condition, you need to select the field name, operator and the value and click 'Accept'.

4.4.12 Min Amount Due Method Button

You can calculate the minimum amount due based on the formula maintained in the Product Maintenance. You can also maintain different formula for OLL minimum amount due calculation. Clicking on 'Min Amount Due Method' button, the following window is displayed:



Rule Name

The system displays the unique name for the formula setup.

Default Rule

Check this box to identify whether the method is default method or not.

Min Amount Due Calc Method Expression

Line

Specify the line number.

Condition

Set the condition by clicking on the 'Condition' button. The specified condition is displayed in the adjoining field.

Result

The system displays the result.

The following validations should be done for open line loans:

- Holiday treatment for all schedules:
  - Move across month and cascade schedules should be unchecked always
  - Ad-hoc treatment required can be applicable – pay by date will be moved either backward or forward based on the product setup.
- Holiday treatment for maturity dates/value dates:
  - Move across month should be unchecked always
- Following account preferences cannot be checked:
  - Passbook facility
  - ATM facility
  - Amend Past Paid Schedule
  - Cheque book
  - CL against bill
  - Packing credit product
- Following Product preferences are not applicable:
  - Revaluation required
  - Prepayment of loan
  - Readjustment entry preferences
  - Interest preference
  - Re-computation of amortized loan
  - A/c opening instalments
  - Holiday period
- Following Accrual preferences are not applicable:
  - Frequency
  - Handling of foreclosure
  - Acquisition type
- Following are not applicable in the components:
  - Calculation type – Discount
  - Include in EMI
  - Capitalized
  - IRR
  - Moratorium
  - Instalment level status change
- Component Formula type can only be one of the following:
  - Simple
  - User defined
  - Rate only

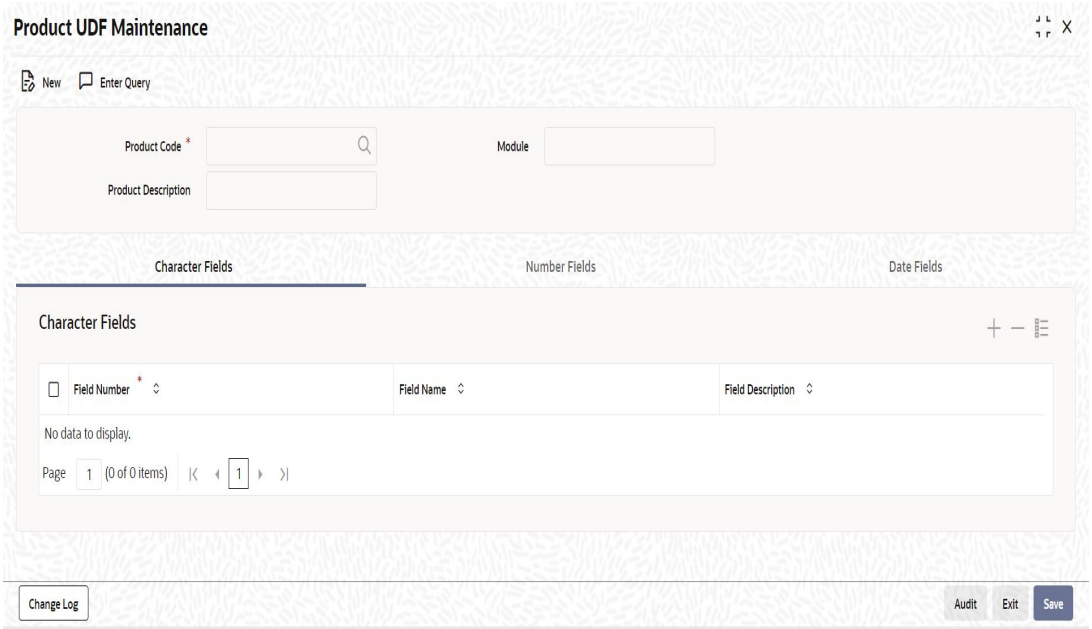
4.5 CL Product UDF Maintenance

This section contains the following topics:

Section 4.5.1, "Maintaining CL Product User Defined Fields"

4.5.1 Maintaining CL Product User Defined Fields

You can maintain all User Defined Fields (UDF) linked to the product code in the 'Product UDF Mapping' screen. You can invoke this screen by typing 'CLDPRUDF' in the top right corner of the Application toolbar and clicking the adjoining arrow button.:



Product Code

Specify the product code for product UDF mapping. Alternatively, you can select the product code from the list.

Field Name

Specify the field name. Alternatively, you can select the field name from the list.

You can maintain Character, Number and Data fields in Product UDF Maintenance screen.

The UDFs are segregated based on the 'Field Type', into the following:

- Character Fields
- Number Fields
- Date Fields

When you select an UDF from the option list, the description is also displayed in the adjacent field.

4.6 CL Product Restrictions

This section contains the following topics:

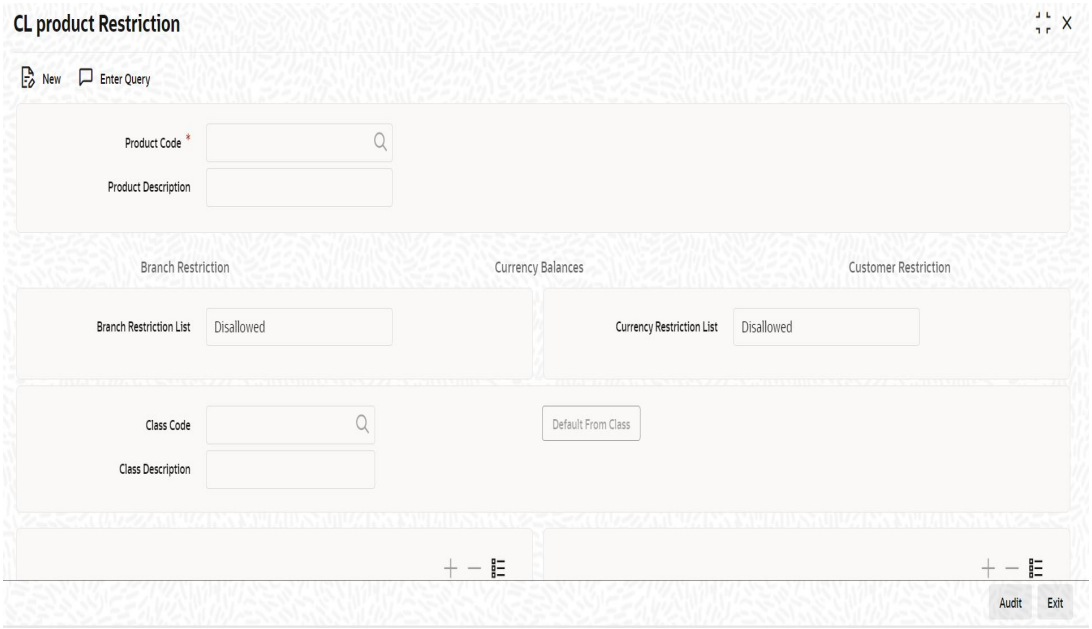
- Section 4.6.1, "Maintaining CL Product Restrictions"
- Section 4.6.2, "Branch Restriction Tab"
- Section 4.6.3, "Currency Balances Tab"

- Section 4.6.4, "Customer Restriction Tab"

4.6.1 Maintaining CL Product Restrictions

The loan products created in the Head Office Bank (HOB) are available across all the branches subject to the branch restrictions, maintained for the product. Likewise, you also restrict the products to select currencies and customer categories.

To achieve this, you can maintain a list of allowed/disallowed branches, currencies, customer categories and customer in 'CL Product Restriction' screen. You can invoke the screen by typing 'CLDPRDRS' in the top right corner of the Application toolbar and clicking the adjoining arrow button.



You can maintain the following details in this screen:

Product Code

Specify the product code. Alternatively, you can select the product code from the option list. The list displays all valid product codes maintained in the system.

Product Description

The system displays the product description based on the product code selected.

4.6.2 Branch Restriction Tab

You can maintain 'Branch and Currency Restrictions in Branch Restriction tab.

Branch List

The system displays the branch list as Allowed or Disallowed based on the product restrictions maintained in CL Product screen.

Class Code

Specify the class code. Alternatively, you can select the class code from the option list. The list displays all valid options based on the restrictions maintained.

Class Description

The system displays the description.

Branch

Specify the branch code. Alternatively, you can select the branch code from the option list. The list displays all valid branch codes maintained in the system.

Branch Description

The system displays the branch description based on the branch code selected.

Currency Restrictions

The system displays the currency restrictions as Allowed or Disallowed based on the product restrictions maintained in CL Product screen.

Currency Code

Specify the currency code. Alternatively, you can select the currency code from the option list. The list displays all valid codes maintained in the system.

Currency Description

The system displays the currency description based on the currency code selected.

Minimum Loan Amount

Specify the minimum amount for all the allowed currency maintained at the product level.

Maximum Loan Amount

Specify the maximum amount for all the allowed currency maintained at the product level.

Using the Add or Delete icons, you can add/delete a branch or currency from the corresponding allowed/disallowed column that you have maintained.

Note

When you create a product, it is, by default, available to all the branches of your bank, in all currencies, and for all customers unless restrictions are explicitly specified for the product.

Note

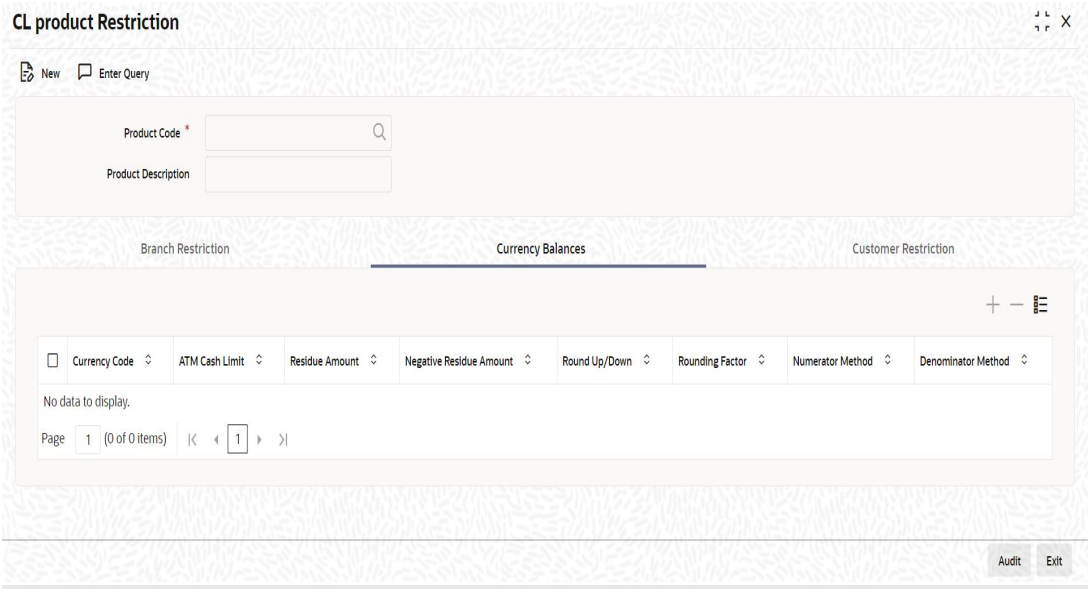
System checks the following:

- At the product level, if the minimum amount is less than the maximum amount
- At the Loan Contract screen, if the amount financed falls in the range of minimum and maximum amount derived from product for the currency same as the loan currency

---

4.6.3 Currency Balances Tab

Click ‘Currency Balances’ tab to maintain currency balance details.



You can maintain the following details here:

Currency Code

You can specify the transaction limit for a currency while defining currency restrictions for a product. Choose the currency code from the option list.

ATM Cash limit

Here, you can enter the maximum non- Cash transaction amount for the currency that you have defined. The ATM transaction amount cannot exceed the value given here.

Residue Amount

Here, you have to capture the minimum amount by which, if a component of a schedule becomes overdue, the system will consider it as paid.

Negative Residue Amount

If the difference between the amount paid (COMPONENT_EXPECTED) and the amount due is less than the residue amount specified here, then the difference is treated as an income otherwise the transaction is rejected.

In the case of an income, the installment schedule is marked as completely settled/paid and the income is posted to the residual suspense GL. This triggers the event called ‘RESD’ (Residual) and the following entries are passed:

Accounting Role	Amount Tag	Dr/ Cr
Loan Account	RESIDU-AL_AMOUNT	Cr
Residual Sus-pense	RESIDU-AL_AMOUNT	Dr

Round Up/Down

Indicate whether the EMI should be rounded up or down.

- Choose ‘UP’ in case you want to round the number to the next decimal value.

- Choose ‘DOWN’ if you want to truncate the number to the previous decimal value

The principal component of the EMI is adjusted based on the rounded EMI amount.

Rounding Factor

Specify the rounding factor if the EMI is to be rounded.

It is mandatory for you to specify the rounding factor if you have maintained the rounding parameter.

Numerator Method

Specify the day count method for the numerator for each currency applicable to the product. The following options are available in the drop-down list:

- Actual
- 30 Euro
- 30 US
- Working Days

Choose the appropriate one. This value will be used for calculation of the Net Present Value (NPV).

Denominator Method

Specify the day count method for the denominator for each currency applicable to the product. The following options are available in the drop-down list:

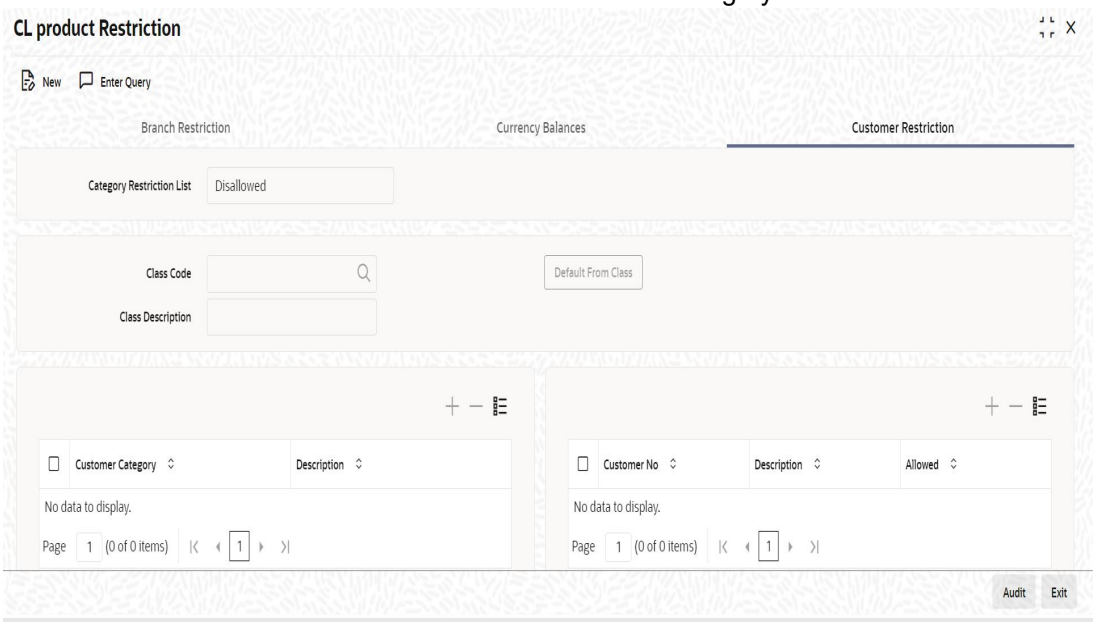
- 252
- 360
- 365

Choose the appropriate one. This value will be used for calculation of the Net Present Value (NPV).

4.6.4 Customer Restriction Tab

Just as you can maintain a list of allowed/disallowed branches and currencies for a product, you can maintain a list of allowed/disallowed customer categories and customers.

You can maintain several restrictions for each customer category and customer.



Only customer categories that are a part of an allowed list maintained for a product *can* avail the product. Likewise, customer categories that are part of a disallowed list *cannot* avail the product or service.

The allowed or disallowed column that you view depends on the list type that you choose to maintain. For instance, if you choose to maintain an allowed list, the column would display those customer categories that you choose to allow.

Categories List

The system displays the categories list based on the maintenance in the corresponding product screen.

Class Code

Specify the class code. Alternatively, you can select the class code from the option list. The list displays all valid options.

Class Description

The system displays the description.

Customer Category

Specify the customer category. Alternatively, you can select the customer category from the option list. The list displays all valid options maintained in the system.

Description

The system displays the description based on the customer category selected.

Customer No

Specify the customer number. Alternatively, you can select the customer ID from the option list. The list displays all valid customer numbers maintained in the system.

Description

The system displays the customer description.

Allowed

The system defaults the restriction type as ‘Allowed’ or ‘Disallowed’.

If a customer category restriction is maintained as ‘Disallowed’ and if one of the customer in that disallowed customer category has restriction type maintained as ‘Allowed’, then the system considers individual customer’s restriction type for further processing. This is applicable vice-versa also.

Click ‘Change Log’ button to view the details of values that are modified.

4.6.4.1 Allowing Access to Special Customers

Depending on the customer restriction you specify – allowed or disallowed, you can further maintain a list of customers who are allowed (for a ‘Disallowed’ list) or specific customers who are not allowed to use the product (in the case of an ‘Allowed’ list). For example, you may disallow the customer category ‘CORPORATES’ from availing a certain loan product. However, you may want to allow ‘Cavillieri and Barrett’ (belonging to the category ‘CORPORATES’) to avail the product.

Select the name of the customer from the option list provided. The ‘Customer Name’ is displayed after you select the customer id.

If the selected customer belongs to a category which is ‘Disallowed’ for the product but you want to allow the customer, check the ‘Allowed’ option. Similarly, if the customer belongs to a category that is ‘Allowed’ but you want to disallow the customer, do not check the ‘Allowed’ option.

Specifying Top up Details

You can apply for a top up amount on the existing loan account through ‘Top up Details screen’. If the product is eligible for a top up and the top up eligibility criteria is satisfied, then the system processes the request. If the top up criteria is modified, then there will be an impact on all the older accounts.

You can specify the following details in Top up Details screen:

Top up Eligibility

Check this box if the product is eligible for providing top up facility to the customer.

Minimum Top up Amount Allowed

Percentage

Specify the minimum percentage of top up allowed.

Amount Financed

Select ‘Amount Financed’ if the minimum top up amount should be based on the percentage of amount financed.

Outstanding Principal

Select ‘Outstanding Principal’ if the minimum top up amount should be based on percentage of outstanding principal.

Maximum Top up Amount Allowed

Percentage

Specify the maximum percentage of top up allowed.

Amount Financed

Select ‘Amount Financed’ if the maximum top up amount should be based on percentage of amount financed.

Outstanding Principal

Select ‘Outstanding Principal’ if the maximum top up amount should be based on the percentage of outstanding principal.

Maximum Overdue Days

Specify the maximum overdue days allowed.

Loan Tenor

Loan Tenor from the Account Opening Date

Specify in days, the allowed elapsed tenor since the account opening date.

Remaining Loan Tenor till the Maturity Date

Specify in terms of days, the allowed tenor remaining till maturity date.

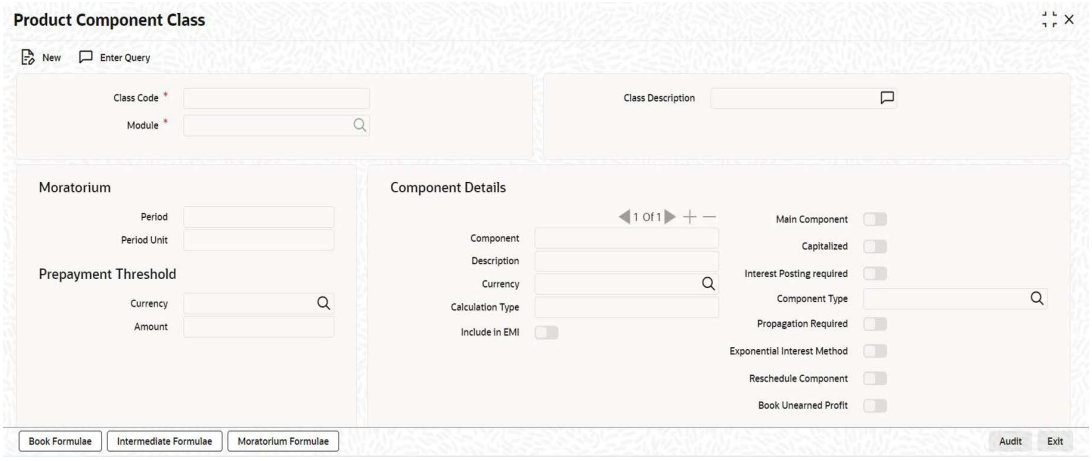
Maximum number of Top ups Allowed

Specify the maximum number of top ups allowed.

4.7 Defining Product Component Class

A product component class is used as a template for the features that you define on the component details screen of a retail lending product. If you define a product component class, you can populate the details of the class while defining the component details for a product.

You can invoke this screen by typing ‘CLDCMPCL’ in field at the top right corner of the application toolbar and clicking the adjoining arrow button.



For details on Product Component Class, refer Components Button section of Defining Product Categories and Products chapter in this user manual.

4.8 Processing of IRR Application on Loans

The internal rate of return (IRR) is the interest rate received for an investment consisting of payments (negative values) and income (positive values) that occur at regular periods. It is computed for a series of cash flows represented by the numbers in values. These cash flows may not be even, as they would be for an annuity. IRR is computed only when the cash flows occur at regular intervals, such as monthly or annually.

IRR is closely related to NPV - Net Present Value. The rate of return calculated by IRR is the interest rate corresponding to a 0 (zero) NPV. NPV measures the additional market value that the management expects the project to create (or destroy) if it is undertaken. It is computed

using a discount rate and a series of future payments (negative values) and income (positive values).

IRR for loan accounts (where applicable) is calculated when the YACR event is triggered and the corresponding batch is run. You need to set up certain specific accounting entries for this event.

Refer the chapter titled 'Annexure A: Accounting Entries and Advices' in this User Manual for the details of the accounting entries.

The system identifies the acquisition type of the product during account creation. For the account, it derives the acquisition type based on the following parameters:

For asset accounts (loans), if:

- Inflow>Outflow, then Acquisition type will be 'Discount'
- Inflow=Outflow, then Acquisition type will be 'Par'
- Inflow<Outflow Acquisition type will be 'Premium'

It calculates the constant yield or IRR during the initial disbursement of account using the following formula:

$$\left[\sum_{i=1}^{N} \frac{CF_i}{(1+IRR)^{(\frac{d_i-d_1}{D})}}\right] = 0$$

Where:

- **N** - Number of cashflows including the net cash flow on the contract value date (Initial disbursement record)
- **CF_i** - i^{th} Cashflow
- **IRR** - Internal Rate of Return for the contract
- **d_i** - Date of ith Cashflow
- **d_1** - Date of 1st Cashflow (the first disbursement date)
- **d_i-d_1** - Number of Days based on the Numerator Daycount Method
- **D** - Denominator Daycount Method

The IRR is computed in an iterative method by taking the contract interest rate as the initial guess. In case of loan amendment and prepayment, the cash flows are re-computed and used for IRR calculation post amendment/prepayment. The formula used for recomputation is the same as that used for the initial computation.

For subsidy loan, the IRR is computed based on the overall percentage of both the interest and subsidy component, if and only if the 'IRR is Applicable' field is checked in the both components. Else the component in which the "IRR is Applicable' field is checked, will be considered for IRR computation.

4.8.1 Recalculation of IRR with new effective date

In case of Bearing and Amortized accounts, IRR recalculation will be done using a new effective date, during the following events:

- Manual disbursement

- Value Dated Amendment with schedule redefinition
- Prepayment
- Floating Rate Revision
- Value Dated Increase of Principal
- Value Dated Maturity Date Change
- Value Dated Rate Revision
- Rollover
- Version reversal
- Up-front fee Amendment

For such accounts, s new charge is levied on the following events:

- Value Dated Amendment Initiation (VAMI)
- Rollover (ROLL)
- Partial prepayment(MLIQ)
- Account status change (STCH)
- Installment status change (STSH)

In case of Discounted accounts, IRR will be re-calculated using a new effective date, during the following events:

- Rollover
- Up-front fee Amendment

For such accounts, a new charge is levied on the following events:

- Value Dated Amendment Initiation (VAMI)
- Rollover (ROLL)
- Partial prepayment(MLIQ)

During the event ‘Value Dated Amendment with Schedule Re-definition’, IRR is recalculated with the currently active IRR effective date.

IRR re-calculation has to be done during reversal of partial and full prepayment, if the prepayment triggered recalculation of IRR.

In case of partial prepayment, if the payment value date is less than or equal to an existing IRR effective date, then IRR will be recalculated as of the earliest IRR effective date and all future dated IRR will be deleted.

IRR re-calculation does not happen in following cases:

- Regular Payment
- Overdue Payment
- Reversal of Regular Payment
- Reversal of Overdue Payment

Note

– Catch-up of discount accrual during various events like amendment leads to recalculation (i.e. principal change/maturity date change/rate change/schedule

redefinition), rate revision, liquidation, rollover, reversal of prepayment, etc. This is similar to the catch-up of interest liquidation in this module.

- During full repayment, outstanding accruals are passed unconditionally with the YACR event.
- During full prepayment, if there is a charge associated for the LIQD liquidation event, the charge amount will be populated with %LIQD amount tags.
- During foreclosure of the account the same processing as that of discount is followed for premium. This means that either complete pending accrual or refund happens based on the preference specified at the product level in the 'IRR Accrual Preference' screen. This implies that either the unaccrued discount for the entire tenor of the account will get accrued (in case of 'Complete Accrual' preference) or the refund happens to the customer for the unaccrued amount (in case of 'Refund' preference).
- In case of 'Par' acquisition type, there is no refund. Only the pending accruals are completed.

4.8.1.1 Processing during Account Status Change

During status change the system:

- Makes all discount accrual accounting roles available for transfer
- Identifies the balances to be transferred as 'Premium TBA – Premium Accrued' and 'Discount TBA – Discount Accrued'
- Stops the discount accrual and ensures that the YACR event doesn't pass any entries when the option 'Stop Accrual' is checked for a contract
- Reverses the balances for 'Premium Accrued' and 'Discount Accrued' when the 'Reverse Accruals' option is checked for a contract
- Cash flow for charge components being liquidated while booking of the loan (BOOK) or initiation of the loan (INIT) are populated with due date equal to first disbursement date
- For charge components wherein the charge currency is different from the contract currency, the charges are calculated in the specified charge currency at the product component level. These charges are liquidated during the BOOK or INIT events. The charge amount in the account currency is then arrived at based on the exchange rate as of account booking date.
- In case the charge currency not the same as the account currency, but the account currency is the same as the settlement account currency, the exchange rate input in the 'Settlements' screen will be used to convert the amount to account currency.
- IRR calculation is done during booking of the account (the BOOK event) instead of value date of the account (the INIT event) for future dated accounts.

4.9 Processing In-sequential Payment in Stop Accrual Status

The system will allow payment towards future instalment even when loan is in 'Stop Accrual' status. It involves the following processes:

- When loan is in 'Stop Accrual Status' and 'Payment Value Date' is less than the Branch Date, then the system will perform a catch up accrual from the date when loan has stopped accrual till payment value date.
- When loan is in 'Stop Accrual Status' and 'Payment Value Date' is equal to the Branch Date, then the system will perform a catch up accrual from the date when loan has stopped accrual till branch date.

- The system will calculate the Internal catch up accrual only when payment date is between the date when accrual has stopped and branch date.
- When payment value date falls on a date before the date when accrual has stopped, there will not be any internal catch up accrual.

The processes related to accounting entries are as follows:

- The accounting entries for the catch up accrual will not be passed during the payment when the catch up calculation happens.
- The accounting entries for the catch up accrual happened during the in-sequential payment will be passed when the status of loan account changes from stop accrual to continue accrual status.
- Accounting entry for this internal catch up amount will be passed when accrual process is called post status change resulting in the movement of status from stop accrual to continue accrual.

The reversal of payment in case of multi-payment (multiple payments in single multi reference number), the latest paid instalment should be reversed first in stop accrual status.

The internal catch up accrual amount calculated during the payment will be reversed, only if the loan account status remains in stop accrual status and is not in continue accrual status during the reversal. If the loan account status is changed to continue accrual status from stop accrual status before the reversal, then the internal catch up accrual happened during the payment will not be reversed.

4.10 Customized Promotion Products

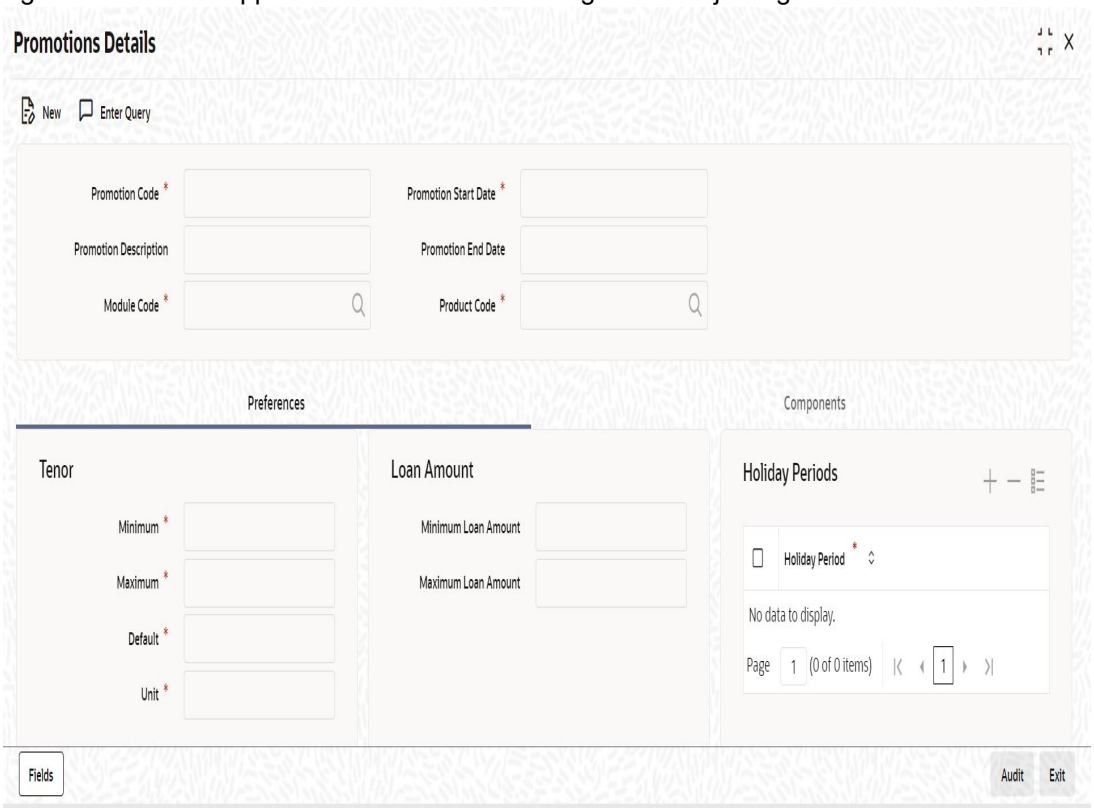
This section contains the following topics:

- Section 4.10.1, "Defining Customized Products"
- Section 4.10.2, "Preferences Tab"
- Section 4.10.3, "Components Tab"

4.10.1 Defining Customized Products

The CL module gives you the flexibility to create customized products for promotional and special offers whereby you can offer special incentives/ concessions to certain or all categories of customers. Such products are referred to as ‘Promotions’. A promotion can have a different set of preferences, schedules etc. You can associate a loan with one or more promotions.

You can create customized promotion products in the ‘Promotions’ screen available in the Application Browser. You can invoke this screen by typing ‘CLDPROMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The screen has two tabs: Preferences and Components. By default, the ‘Preferences’ tab is displayed when you invoke the screen.

Basic details

First, capture the following basic information about the promotion:

Promotion Code and Description

You have to specify a unique 4-character alphanumeric code to identify the promotion in the system.

Provide a brief description of the promotion. This description will be associated with the promotion product for information retrieval purposes.

Promotion Start Date and End Date

Specify the life span of the promotion. The promotion is valid for the period maintained here. By default, the current date is the ‘Start Date’ of the promotion. You can change it to a date in the past or future.

If you do not specify an end date for the promotion, it can be used for an indefinite period and the product becomes open-ended in nature.

4.10.2 Preferences Tab

As part of promotion preferences, you have to:

- Specify tenor details
- Associate holiday periods
- Select the relevant UDEs and specify their values

Tenor Preferences

You can set the minimum and maximum tenor limits for the promotion. You can also specify a standard or a default tenor.

Minimum Tenor

Specify the minimum tenor applicable for the promotion. If you associate the loan to the promotion being maintained, the tenor of the loan account should be greater than or equal to the minimum tenor specified here.

Maximum Tenor

Likewise, you can also specify the maximum tenor for the promotion. The tenor of the loan accounts associated with the promotion should be less than or equal to the Maximum tenor that you specify here.

Default Tenor

The 'default tenor' is the tenor that is applied to the loan account upon association with the promotion. The value captured here should be greater than the minimum tenor and less than the maximum tenor. You can change the default tenor applied on a loan account during loan processing. However, the new tenor should be within the minimum and maximum tenors maintained for the promotion.

Units

The tenor details that you specify for a promotion can be expressed in one of the following units:

- Days
- Months
- Years

It is mandatory to define the tenor details before specifying the holiday periods for the promotion.

Loan Amount

You can set the minimum and maximum loan amount limits for a promotion. The system processes the promotion only if the loan amount falls between the minimum and maximum loan amounts. During processing, the system would consider the minimum and maximum loan amounts in local branch currency.

Minimum Loan Amount

Specify the minimum loan amount applicable for the promotion.

Maximum Loan Amount

Specify the maximum loan amount applicable for the promotion.

Holiday Periods

You can maintain holiday periods for the promotion. Holiday periods or repayment holidays refer to the time when customers can avail repayment holidays owing to other expenses during the period. Holiday periods are defined in the 'Holiday Period' screen and the same are available for association with the promotion being maintained.

For more details, refer the section titled 'Maintaining Holiday Periods' in the 'Maintenance and Operations' chapter of this User Manual.

Select the appropriate holiday periods from the option list provided.

Promotion Rate Factor

You have to specify the special interest rates that are applicable for the promotion:

UDE Id

Select the UDEs (User Data Elements) for the promotion being maintained.

UDE Value

Specify the value of the UDEs selected. The value specified here is used in the formula defined for interest calculation. The UDEs maintained for the Promotion takes precedence over the product level UDEs. At the account level, the UDEs get defaulted from the promotion in the order of priority, the highest priority promotion being applied last.

Maximum Value

Specify the maximum value for interest rate component type.

Minimum Value

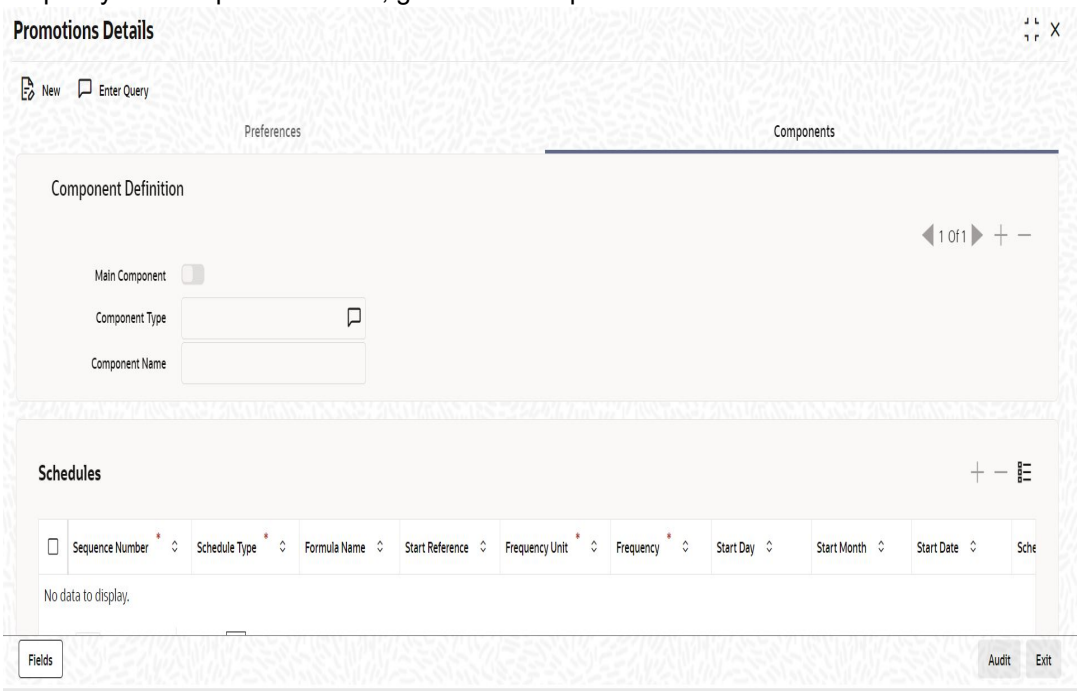
Specify the minimum value for interest rate component type.

> **Note**
>
> The system will validate the final interest rate (after application of RP) against the minimum and maximum interest rate maintained at the promotions level. If the value of the interest rate is greater than the maximum value, then the system will compute the maximum value. If the value of the interest rate is lesser than the minimum value, then the system will compute the minimum value.

For more details on loan accounts, refer the 'Account Creation' chapter of this User Manual.

4.10.3 Components Tab

To specify the component details, go to the 'Component' tab of the screen.



The following components are automatically defined for the promotion:

- MAIN_INT: This component is designated as the ‘Main Component’ and the ‘Component Type’ is ‘Interest’.
- PRINCIPAL

You cannot modify the components or define additional components for a promotion.

Schedules

Maintain the schedule details for the two components in this section of the screen. These include the following:

- Sequence Number
- Schedule Type
- Start Reference
- Unit and Frequency
- Start Day
- Start Month
- Start Date
- Flag (Normal or Moratorium)
- Number of schedules
- Whether capitalization of the component is applicable or not

For more details on the schedule preferences, refer the section titled ‘Specifying policy preferences’ in this chapter.

After the promotion is saved and authorized, it becomes available for association with loan accounts.

You can associate one or more promotions to a loan account in the ‘Account Details’ screen. The tenor details, holiday periods, UDEs and component details maintained for the promotion get defaulted to the account in the order of the priority level specified for the promotions. The promotion that has the highest priority level will be applied last.

For more details on associating promotions to a loan account, refer the ‘Account Creation’ chapter of this User Manual.

5. Account Creation

Loan Accounts in the Retail Lending module represent the receivable accounts that you create while disbursing a loan. These accounts derive their feature from the Loan Product. Loan Accounts are mapped to the Asset GL through the accounting Role LOAN_ACCOUNT. This role has to be mapped to the respective Asset GL of the Bank. You can override some product features at the account level.

The system allows you to do the following actions on the Loan accounts:

- Account Main Details Maintenance/Light Loans
- Liability details and UDE Values Maintenance
- Account Preferences/Defaults
- Account Component schedules
- Charges Maintenance and Settlement details
- Linkages Information
- Events, Events Due and Events Overdue

This chapter contains the following sections:

- Section 5.1, "Loan Account Creation"
- Section 5.2, "Financial Inclusion Loan Account Input"
- Section 5.3, "Commitment Account Creation"
- Section 5.4, "Loan Account Statement Generation"
- Section 5.5, "Calculating Exponential Interest for Loans"
- Section 5.6, "Maintaining Financial Operations Tax (IOF)"
- Section 5.7, "Loan/Commitment Account Authorization"
- Section 5.8, "Querying Account Details"
- Section 5.9, "Viewing OFAC Check Response"
- Section 5.10, "Inactive Loan Accounts"
- Section 5.11, "Viewing Details of CL Accounts Linked to L/C"
- Section 5.12, "Manual Confirmation by Notary"
- Section 5.13, "Calculating Tax for Loan Account"

5.1 Loan Account Creation

This section contains the following topics:

- Section 5.1.1, "Maintaining Loan Account Details"
- Section 5.1.2, "Main Tab"
- Section 5.1.3, "Preferences Tab"
- Section 5.1.4, "Holiday Preference Tab"
- Section 5.1.5, "Components Tab"
- Section 5.1.6, "Charges Tab"
- Section 5.1.7, "Linkage Details Tab"
- Section 5.1.8, "Advices Tab"
- Section 5.1.9, "Rollover Tab"
- Section 5.1.10, "Credit Score Tab"

- Section 5.1.11, "Fields Tab"
- Section 5.1.12, "Check List Tab"
- Section 5.1.13, "UnidirectoTab"
- Section 5.1.14, "Promotions Button"
- Section 5.1.15, "Other Applicants Button"
- Section 5.1.16, "Payment Mode Details Button"
- Section 5.1.17, "Assets Button"
- Section 5.1.18, "Internal Rate of Return Details Button"
- Section 5.1.19, "MIS Button"
- Section 5.1.20, "Events Button"
- Section 5.1.21, "General Ledger Query Button"
- Section 5.1.22, "Installment Button"
- Section 5.1.23, "Statistics Button"
- Section 5.1.24, "Securitization Details Button"
- Section 5.1.25, "Documents Button"
- Section 5.1.26, "SWIFT Message Details Button"
- Section 5.1.27, "Liquidation Order Button"
- Section 5.1.28, "Message Preview Button"
- Section 5.1.29, "Liquidate Loan Button"
- Section 5.1.30, "Viewing Special Condition Details"
- Section 5.1.31, "Financial Assistance Details Button"
- Section 5.1.32, "Additional Details"
- Section 5.1.33, "Viewing Loan Account Details"
- Section 5.1.34, "Repayment Holiday for Amortized Loans"
- Section 5.1.35, "Adjustment of Increased Amount Due"
- Section 5.1.36, "Handling Insurance for CL Customer"

5.1.1 Maintaining Loan Account Details

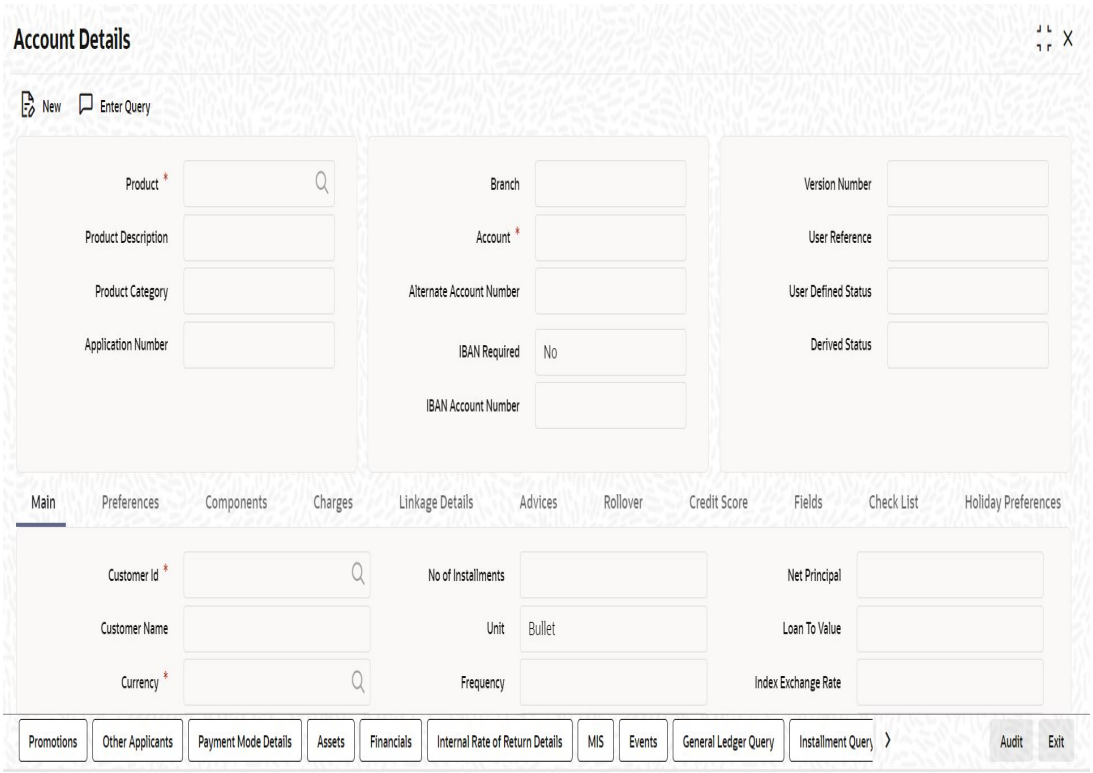
The account screen accepts the Customer, Currency and Amount Financed and creates a Light Loan. This is a default Loan that takes all other details from the defaults the product provides. For creating simple accounts in the CL module, you can follow this simple process. These Loans are called Light Loans in the CL module.

Oracle FLEXCUBE allows you to create loan account for project financing manually and link it to the project limit line. You can link the customer of the loan to the executor of the project. Joint venture limit tracking is based on the project loan and picking up the limit tracking using joint venture maintenance. The system will also store the project ID and PPC against which it is used. The ratio of joint venture at the time of loan creation is stored at loan level and in turn it is used for tracking till loan closure.

Once the loan is paid, i.e., the sponsor has made the money available to the executor and hence this transaction is to be marked against the PPC and reduce PPC limit to that extent.

You can create a loan account using the ‘Account Details’ screen. You can invoke this screen by typing ‘CLDACCNT’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

Click the ‘New’ button on the Application toolbar.



You can specify the following generic details in the Account Details screen:

Product

Click the option list to select a Product Code from the list of values. Double click on a Product Code to select a particular code. The product codes are maintained in the Product Definition screen.

Product Description

The system displays description of the specified product code.

Product Category

The system displays the product category in this field.

Application Number

The system displays the Application Number in this field

> **Note**
>
> This is applicable only if the origination of the loan is in Oracle FLEXCUBE or is interfaced.

Branch

The system displays the Branch Code of the branch into which the user has logged in, for which the UDE values are maintained.

Account

Based on the parameters that setup at the branch level, the account number would be either auto generated or would have to be captured in this field.

Alternate Account Number

Specify the alternate account number in this field. It can be an account number in the existing system from which the account has migrated to Oracle FLEXCUBE.

IBAN Required

Specify if IBAN is required for a loan account from the drop-down list.The options are:

- Yes
- No

IBAN

If IBAN Required is selected as ‘Yes’ the system displays the IBAN account number based on the IBAN format maintained in ‘Branch Parameters’ (STDBRANC) screen.

Version Number

System displays the version number of the loan account.

User Reference

A 16-digit User Reference Number is autogenerated and displayed here if the ‘Auto Generate User Ref No’ option is checked in the Branch Parameters. The format of the user reference number is BranchCode + ProductCode + Sequence number. You are allowed to modify the auto-generated User Ref No.

If the ‘Auto Generate User Ref No’ in Branch Parameters is not checked then the User Ref No will be blank by default and you have to specify it manually. Validations are done by the system not to save the account if an unsuppressed payment message is present which has the User Ref No as blank.

User Defined Status

After you enter the account number, the system displays the status of the account in this field. This is based on the products status maintenance rules.

If you have opted for status processing at the ‘Group/CIF’ level as part of your branch preferences, the system defaults the value of CIF status as available in the ‘Customer Maintenance’ screen. This status is the worst status among all the loans, savings accounts and current accounts for the customer within the current branch.

Derived Status

The system defaults the status of the individual loan account here. This is derived from the status maintenance rules of the product, during end of day operations.

5.1.2 Main Tab

You can capture the main details of the loan account in this tab.

Customer ID

To select a customer ID, click the option list. A screen called ‘Find Customer Details’ is displayed. You can enter search criteria in this screen. For example, you can enter the customer name or number and click on the ‘Search’ button. The system then fetches you all the details corresponding to the Customer name or account. Once you find all the details, double-click on the record to return to the account details screen.

CPF/CNPJ ID

Specify the CPF or CNPJ ID from the adjoining option list. The list displays all valid customer IDs along with CPF or CNPJ IDs maintained in the system. You can choose the appropriate one.

Customer Name

On selecting the customer ID, the system displays the customer name.

Currency

To select a currency, click the adjoining option list. A list of currencies is displayed. Double click to select a currency.

Click '**Product Default**' button after entering product code, customer ID, currency and amount financed. The system defaults other details maintained for the selected product. The system also defaults the schedule definitions from the product and computes the detailed schedules. After clicking the 'Product Default' button, you cannot change the product code. Also, the system prompts you to click the 'Product Default' button once again if you change 'Customer ID', 'Currency' or 'Amount Financed' fields.

Settlement Sequence Number

The system displays the settlement sequence number during product default. The default value displayed will be zero. You can select a different value from the adjoining list of values and re default the product details.

Note

If the **Payment By** detail of settlement instruction fetched is maintained as **Instrument/ Local Clearing**, then the system will display an override message while defaulting the settlement accounts. **Payment Mode** will be **Account** in settlement details irrespective of the '**Payment By'** details maintained.

Amount Financed

Specify the total loan amount of the loan in this field.

Note

If Calculate Gross Principle is checked, then the amount financed is the gross principal.

On saving the account, the system validates the value of the amount financed against the following:

- Product transaction limit
- User Input limit

If the transaction currency and the limit currency are different, then the system converts the amount financed to limit currency and checks if the same is in excess of the product transaction limit and user input limit. If this holds true, the system indicates the same with below override/error messages:

- Number of levels required for authorizing the transaction
- Transaction amount is in excess of the input limit of the user

Book Date

In this field, the current date when the loan details were entered is defaulted and cannot be modified.

Value Date

Select the Value date of the loan in this field using the date button.

First Pay By Date

Specify the customer's preferred first pay by date. The system will calculate the schedule due date as follows:

Schedule Due Date = (First Pay by Date) - (The credit days maintained at product level)

In case the calculated first schedule due date is less than or equal to the value date of the contract, then the user has to modify the first pay by date. For instance, if you prefer to have your payment date on 14th of every month, then the first pay by date should be 14th day of the month. Presuming credit days is maintained as '10' at the product level, the first schedule due date will be 4th of that month, i.e., 14th Apr 09 – 10 (first pay by date - credit days)

First Pay By Date	Credit days	Schedule due date
14 Apr 09	10	4 Apr 09

Total Principal Outstanding

Total Principal Outstanding inclusive of the compounded interest or penalty is defaulted here.

No of Installments

Specify the number of installments for the loan account.

Unit

Select the unit of frequency at which the EMI of the customer will change, from the adjoining drop-down list. This list displays the following values:

- Monthly
- Quarterly
- Half-yearly
- Annually

The system derives the first change date by adding the Frequency unit to the value date.

Frequency

Specify the frequency in which the EMI of the customer will change.

Installment Start Date

Specify the installment start date for the loan account. Alternatively, you can select the date from the adjoining calendar button.

EMI Amount

Specify the EMI amount here.

Due Date On

This option may be used to schedule an installment on a particular date of the month.

Maturity Type

Select the Fixed or Call option to specify the type of loan maturity.

Note

The system by default selects the option Fixed. For the Call option, the maturity date will not be computed upfront.

If you choose the 'Call' option, IRR processing will not be applicable to the account.

Maturity Date

Select the maturity date in this field using the date button.

If you are not sure of the maturity date, enter the tenor of the loan in either days or months or years as say 3M for 3 Months etc. The system automatically calculates the date on tabbing-out of the tenor.

Tenor

Specify the tenor of the loan.

Net Principal

The Net Principal is the actual principal amount financed. It is system calculated and excludes any other funded components.

Loan to Value

Specify the loan to value here.

Index Exchange Rate

Specify the exchange rate for index currency here

Subsidy Customer ID

Specify the unique identifier of the agency or the third party included in the subsidy loan contract.

Calculate Gross Principle

Check this box if you want the system to calculate the gross principal for the loan. If you have checked this box and have entered the amount financed then system takes the amount financed as the gross principal.

Securitization status

The system displays the securitization status. The status can be anyone of the following:

- Blank – Indicates account is not involved in securitization, that is it not part of the securitization pool
- Marked for securitized – Indicates loan account is part of securitization contract (on batch); however, the securitization batch is not executed yet.
- Securitized – Indicates the successful completion of batch process.

Enrich

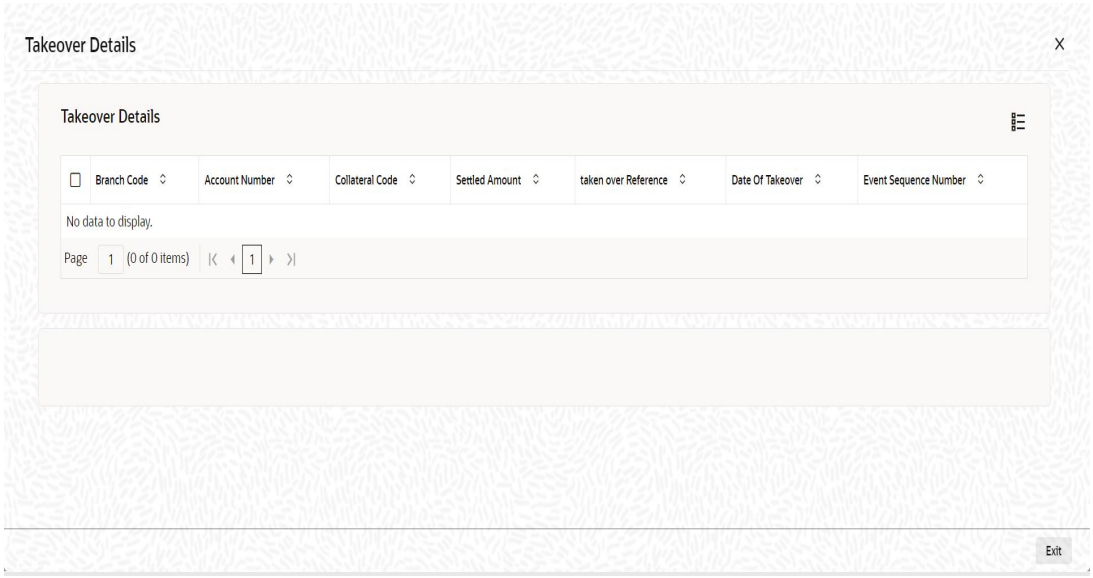
After product defaulting, you can change the contract details which impact the schedule computation. You should enrich these changed details. Click the 'Enrich' button. The system displays appropriate overrides and re-computes schedules and other details depending on the changed values.

For the rate code, if an active term deposit reference number is selected from the option list, then on clicking 'Enrich', system defaults linkage details as below:

- Linkage Type as 'Term Deposit'
- Linked Reference as the term deposit account selected in 'Rate Code' of the main interest UDE
- Linkage Amount as the 'Amount Financed' of the loan account
- Link % as 100%
- Customer Id as the loan account customer Id
- Linkage Branch as the branch of the term deposit account
- Linked Currency as the term deposit account currency
- Block reference number as blank

Collateral Takenover

This check box is checked if the collateral linked is been taken over.Click 'Takeover Details' button to view details of the take over.



You can view the following details in this screen:

- Collateral Code – The system displays the collateral code.
- Amount Settled – The system displays the amount settled.
- Date of Take Over – The system displays the taken over date.
- Branch Code – The system displays the branch code.
- Account Number- The system displays the account number.
- Taken over reference – The system displays the taken over reference number.
- Event Sequence Number – The system displays the event sequence number of MLIQ event fired during takeover process.

APRC Details

The system displays calculated value of the Annual Percentage Rate on save. The calculation is based on cash flow and is derived ones the value is saved.

The following details are considered for calculating APR:

- Load Details
  - Loan Amount
  - Tenor
  - Loan Interest Rate
- Amortization/Repayment Details
  - Frequency
  - Repayment Amount
  - Additional Payments if any
- Charges on loan’
- Disbursement details

The calculation of APR is done by using the expression

$$(1 + r)\Lambda\left(\frac{1}{n}\right) - 1$$

where,

'n' is the number of periods of payment in a year

'i' and 'r' are nominal and effective rate, respectively.

Note

Effective rate is arrived at considering all others costs (charges) on the loan in addition to interest.

The detailed expression is as below:

$$\sum_{k=1}^{m} C_k(1+X)^{-t_k} = \sum_{l=1}^{m'} D_l(1+X)^{-s_l}$$

X	is the APRC
m	is the number of last drawdown
k	is the number of a drawdown, thus 1 <= k <= m
C_K	is the amount of drawdown k
t_K	is the interval, expressed in years and fractions of a year, between the date of the first drawdown and the date of each subsequent drawdown, thus t1 = 0
m'	is the number of the last repayment or payment of charges
L	is the number of a repayment or payment of charges
D_1	is the amount of a repayment or payment of charges
s_1	is the interval, expressed in years and fractions of a year, between the date of the first drawdown and the date of each repayment or payment of charges

The calculated APR in simulation or origination is passed to loan account creation and it is supported in Retail loan Origination workflow. Calculation is supported in Retail Loan Origination workflow.The system calculated the APR on save at the time user creates loan directly.The APR calculation is updated once on the loan account and the same cannot be revised any changes or payments to the loan account.

EMI Details

Frequency Unit

Select the unit of frequency at which the EMI of the customer will change, from the adjoining drop-down list. This list displays the following values:

- Monthly
- Quarterly
- Half-yearly
- Annually

The system derives the first change date by adding the Frequency unit to the value date.

EMI Frequency

Specify the frequency in which the EMI of the customer will change.

Minimum EMI

Specify the minimum EMI amount for the customer. If the result of the derived EMI is below the 'Minimum EMI' specified here, the system sets the EMI for the customer to the Minimum EMI amount.

Maximum EMI

Specify the maximum EMI amount for the customer. If the result of the derived EMI is above the 'Maximum EMI' specified here, the system sets the EMI for the customer to the Maximum EMI amount.

Note

The Minimum EMI and Maximum EMI are optional inputs.

Base End Date

Specify the date beyond which the EMI Change (EMIC) will not be processed. Alternatively, you can also select the date from the calendar button.

Securitization status

The system displays the securitization status. The status can be anyone of the following:

- Blank – Indicates account is not involved in securitization, that is it not part of the securitization pool
- Marked for securitized – Indicates loan account is part of securitization contract (on batch); however, the securitization batch is not executed yet.
- Securitized – Indicates the successful completion of batch process.

Effective Date

You can specify the following detail here:

Effective Date

The effective date is used to pick the UDE value. The system displays this date from the General UDE maintenance screen.

For a product + currency combination, if the UDE values are not maintained for the effective date, then the system defaults “0” which the user can then edit.

User Defined Element Values

The UDE values for each Account are maintained here. After clicking the 'Product Default' button, the UDE values default from the UDE values maintenance for the Product, Currency, effective dates combination. The system disables this section. These can be overridden by providing account level UDE values. For this, you need to click the 'Edit UDE Details' button. After changing the details, the system re-computes the schedules. On saving the contract, the system prompts the changed details.

However the UDE are only those defined at the product level. No New UDEs can be introduced at the account level.

The system checks whether the UDE values fall within the minimum and maximum limits specified for the UDEs linked to the product. If a UDE value falls outside the permissible limits, the system will throw an error message,

If there are no product level UDE values maintained, the system will default the UDE value to Zero. However, at the time of saving, if UDE values are zero or any invalid value, then an override will be raised with an appropriate error message. If required this can be configured as an error message. In case of an ERROR, you will have to give a valid value. While if it is an OVERRIDE, you can overlook the message and continue and if it is for an ONLINE AUTHORIZATION the parameter should be authorized appropriately.

You can specify the following details for the UDE values:

User Defined Element ID

To select a UDE Id, click the option list. A list of UDE Ids is displayed. Double click to select a UDE Id.

User Defined Element Values

Specify the Actual Value for the UDE based on the effective Date in this field. The value specified here should fall within the minimum and maximum limits maintained for the UDE linked to the underlying product.

Note

Mandatory if a UDE is maintained.

Rate Code

Select the code for the Floating Rates if any and provide the spread in UDE value field. from the adjoining option list. The system also lists the active and open term deposit account as part of rate code option list.

Note

If the fixed rate term deposit reference number is selected from the option list, then the interest rate of term deposit is resolved for loan account.

If the floating rate term deposit reference number is selected from the option list, based on the code usage option selected at loan level, the respective date's rate of term deposit will be resolved for loans.

The term deposit reference number can be selected as a rate code only for the INTEREST_RATE UDE.

The system displays an error message on save, if the term deposit reference number is selected for any other UDE.

Loan account interest rate will be picked up from the linked term deposit account 'Main Interest Rate' UDE defined at the IC Product.

Auto Deposits, Denominated Deposits and Recurring Deposits (RD) will not be displayed in Rate Code for linking with the loan account.

The system validates the rate code:

- if values for MinUDE and MaxUDE are provided at the product level
- if a TD reference is linked to an Interest Rate

For a back dated loan, the interest rate as of value date will be fetched from the linked term deposit account and applied to the loan account.

Code Usage

Select the Code usage which can be periodic or automatic in this field

Rate Basis

The system displays the rate basis from maintenance or product level. You can select and modify the value from the drop down list. The list displays the following values:

- Null
- Per Annum
- Per Month
- Quote Basis

Note

- The rate basis will be defaulted as Quote Basis if the rate code attached to the UDE has a quote basis other than 'Per Annum'. If the quote basis is per annum, then the same will be defaulted here.
- If TD account number is selected as 'Rate Code', then the system will update the 'Rate Basis' as 'Per Annum'.

Resolved Value

This denotes the final value of a UDE. Resolved value = Rate code value taken from Floating Rate Maintenance + the spread [UDE Value]

Resolving Final Value for a UDE

Resolved rate of UDE is dependent on Rate basis selected.

Linear rate with rate basis as Per Month/Per Annum/Not Applicable

If 'UDE Type' is 'Rate'/'Rate Code' and the 'Rate Basis' is 'Per Annum'/'Not Applicable', the rate resolution is done as per normal procedure.

If 'UDE Type' is maintained as' Rate'/'Rate Code' at CL product level and 'Rate Basis' is 'Per Month', the system will calculate the per annum rate as per the formula specified below and display it when you enrich or save the account

Rate per Month *12

Linear Rate with rate basis as Quote Basis

If 'UDE Type' is 'Rate'/'Rate Code' and 'Rate Basis' is 'Quote Basis', the final rate will be based on the Quote basis at float rate maintenance level.

Float rate per annum will be derived depending on the quote basis a given in the table below:

Quote Basis	Resolved Rate
Exponential 252	{(((1+Float rate)^(1/252)) –1)}*YEAR
Exponential 365	{(((1+Float rate)^(1/365)) –1)}*YEAR
Linear 360	Float rate/360*YEAR

Note

Days in year is the Interest Basis Denominator used for the main interest component.

Exponential Rate with rate basis as per month/per annum/Not applicable

If 'UDE Type' is maintained as 'Exponential Rate', the calculations for rate resolution will be based on Exponential method.

For exponential loans, system will derive the effective annual rate (R) from the Per Annum rate (r) .Derived rate will be used internally by system in interest calculations.

The derived rate will be arrived at using the formula

R = (POWER ((1+r), (1/YEAR)) -1)*YEAR

Where, r = Per Annum rate (resolved rate for the UDE) ,
R = Derived rate

YEAR = Denominator basis of Main Interest component

If 'UDE Type' is maintained as 'Exponential Rate' and the 'Rate Basis' is 'Per Month', the system will calculate the per annum rate as per the formula specified below:

((1+Rate per Month)^12)-1

Exponential Rate with rate basis as quote basis

Depending on the Quote basis Floating rate Per Annum will be calculated as detailed in the table below:

Quote Basis	Float Rate per Annum
Exponential 252	{1+((1+Float rate)^(1/252) –1)}^YEAR-1
Exponential 365	{1+((1+Float rate)^(1/365) –1)}^YEAR-1
Linear 360	{1+(Float rate/360) }^YEAR-1

Note

If any spread is maintained in the 'Relationship Pricing' module, then it is applied after the final rate has been resolved based on the parameters listed above

Account EMI Change

In addition to specifying the change in EMI in terms of frequency, you can also input the change in terms of amount and percentage. Specify the following details related to the change in EMI amount of the customer:

Amount Change in EMI

Specify the fixed amount by which the current EMI amount of the customer is either increased or decreased. This can either be a positive or negative value.

Percentage Change in EMI

Specify the EMI percentage by which the current EMI amount of the customer is either increased or decreased. This can either be a positive or negative value.

Effective Date

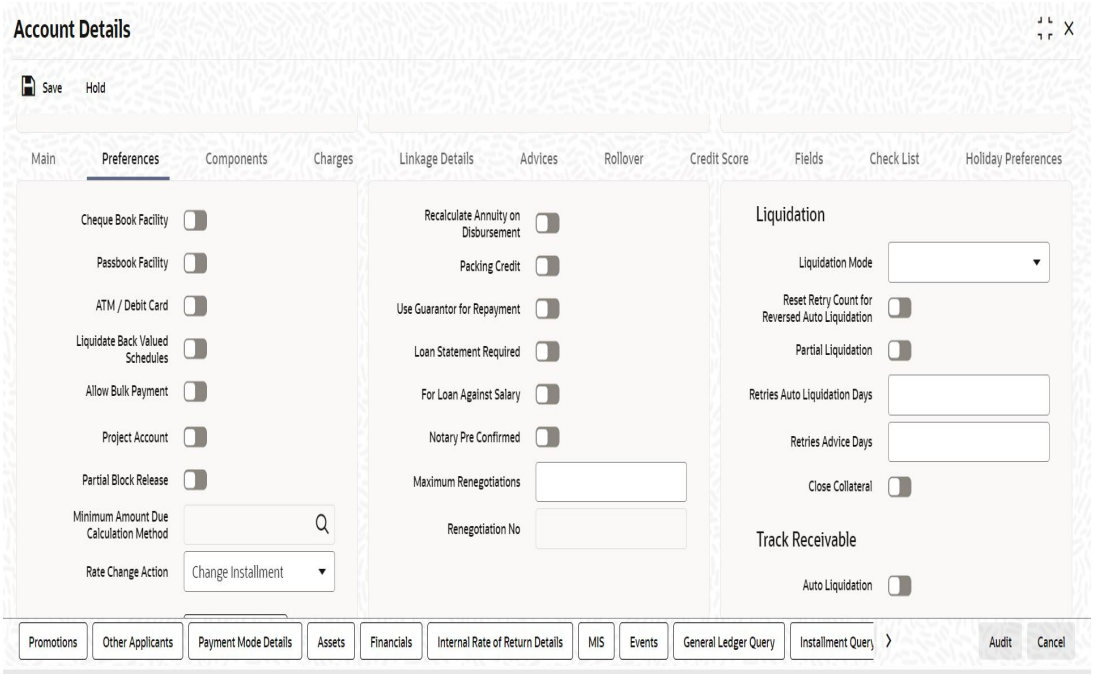
Specify the date from which the new EMI amount is effective for the customer. Alternatively, you can also select the date from the calendar button. The Effective Date for Account EMI Change should always be greater than the value date of the contract.

During value dated amendments, it is possible to change the EMI amount of the customer from the new 'Effective Date'. However, the 'Effective Date' should be greater than the VAMI effective date.

> **Note**
>
> It is mandatory to specify either 'Change EMI Percent' or 'Change EMI Amount' along with the 'Effective Date'.

5.1.3 Preferences Tab

The defaults are maintained by the bank. Depending upon the combination of various preferences, the bank can have various account preferences. The defaults primarily are based on product definition and can be overridden.



You can specify the following details here:

Other Details

Cheque Book Facility

Check this box to indicate that the cheque book facility should be allowed to loan account.

Passbook Facility

Check this box to indicate that the pass book facility should be allowed to loan account.

ATM/Debit Card

Check this box to indicate that the ATM/Debit card should be provided to the account holder.

Liquidate Back Values Schedules

Check this box to liquidate back valued schedules of a loan.

If this flag is turned on, during initiation, when a loan is input back dated and if there are any installment dues, then all those schedules with a due date less than the system date will be liquidated on initiation .

Allow Bulk Payment

Check this box to indicate whether the accounts under a commitment should be considered for bulk processing. Various disbursements are allowed for a corporate customer and these are treated as loans with separate products and EMI schedules. Assigning individual payments as Bulk payments provides the facility of viewing multiple loans under a single commitment.

Amend Past Paid Schedules

This preference determines if you can modify any feature such as interest rate, installment amount which affects already paid schedules. If you select this option then the paid schedules are recalculated and liquidations on them are recognized as pending as appropriate. Note that this option is applicable only to term loans.

Project Account

Check this box to track the working capital of the project.

Partial Block Release

The partial block release is defaulted from the product maintenance screen. However, this can be overridden at account level.

This field decides whether amount block placed on TD can be released partially (by the principal amount repaid as part of repayment) or not. If this field is not checked, then the block will be released on loan account liquidation only.

On save the system validates the linkage amount with available balance of term deposit. If the term deposit is less than the linkage amount then the system displays an error message as ‘Term deposit available amount is not sufficient for linking.’

On save the system marks a lien on the term deposit by the linkage amount, and with 'Amount Block Type' as 'Loan' and 'Reference No' as loan account number.

On save the system defaults ‘Block Reference No’ in Linkage Details as the amount block reference number of the term deposit account.

Min Amount Due Calc Method

Specify the minimum amount due calculation formula name maintained at the product level.On clicking the ‘Default Method’ button in the ‘Product Definition’ screen, the system will display the Min Amount Due Calc Method with the formula name.

For open line loans:

- The schedule due dates of MAIN_INT component will be the billing dates, the date on which the account will be picked for calculating minimum amount due.
- The service branch and service account are mandatory for PRINCIPAL Component to handle the excess payment.
- The Pay By Date is schedule due date plus the credit days maintained at product level.
- On click of the default button, the MAIN_INT schedules will be exploded and the pay by dates will be shown based on the First Pay By Date input by the user. If First Pay By
- Date is not input, then the first Schedule Due Date of MAIN_INT component plus the credit days (product parameter for OLL) will be defaulted as the First Pay By Date.
- Pay by date for bullet schedule (PRINCIPAL and MAIN_INT) will be the maturity date of the open line loan account.
- Holiday treatment will calculate the due date and pay by date respectively
  - System will be changed to always ignore holidays while computing the billing dates.
  - System will consider the holiday parameter setup in product while computing the pay by date.

Rate Change Action

Select the rate change action from the adjoining drop-down list. The available values are:

- Change Installments
- Change Tenor

The system defaults Change Installments as rate change action value. However, you can modify it. The value ‘Change Tenor’ is applicable only for amortized accounts.

Rate Change Action is applicable for ARVN and REVN operations.

Stop Disbursement

Check this box to indicate that the disbursement should be stopped.

Recalculate Annuity On Disbursement

Check this box to indicate that the annuity on disbursement should be recalculated.

Use Guarantor for Repayment

Check this box if you need to consider guarantor account for repayment of loans.

Loan Statement Required

The system defaults this value based on the product preferences. However, you can modify the default value. Check this box to indicate that the loan statement should be generated.

If this field is checked and the loan statement maintenance is not done at product level, the system will display an error at the time of saving the contract.

You need to have linked the ‘CLST_DETAILED’ message to the ‘DSBR’ event (for the product) in order to generate loan advice on each disbursal in the loan account.

For Loan Against Salary

The system defaults this value here based on the preferences maintained in the CL product. However, you can modify it at the account level

Notary Pre Confirmed

Check this box to indicate that you have already got confirmation from the notary, before creation of the loan.

If the value date of the account is on or before the application date, then 'NCON' will trigger INIT and DSBR event for auto disbursement product, else user will need to trigger manual disbursement post the notary confirmation**.** .

If the value date of the loan is beyond the application date, the system will trigger the NCON event online, once the value date is reached the INIT and DSBR events gets fired, if the loan is under an auto disbursement product.

You can also save a loan account with this option unchecked. Once you receive the confirmation, you can trigger the 'NCON' event manually using the 'Manual Notary Confirmation' screen.

Refer the section 'Manual Confirmation by Notary' in this chapter to see the steps required for getting confirmation from Notary.

Maximum Renegotiations

Specify the maximum number of renegotiation allowed for the account.

Note

If maximum renegotiation is not maintained, system will perform renegotiation without any restrictions. If the maximum renegotiation value is given as 'zero', system will raise over-ride in the first renegotiation itself.

Renegotiation No

The system displays the renegotiation count. This is the number of renegotiations that are already performed on the account.

Liquidation Details

You can maintain the following liquidation preferences:

Liquidation Mode

The system defaults the mode of liquidation from the product level. However you can modify the same to indicate the mode of liquidation that you are maintaining. You can select one of the following options:

- Manual
- Auto
- Component

When a loan is securitized, the system performs following actions during Payments and Charges liquidation:

- The system transfers all future payments (including Principal Payments, Charges, Interest, Prepayment of Loan and Pre-payment Charges) to SPV account (since the ownership of the loan Asset is changed to SPV). The system posts the consolidated payments to SPV account during the EOD cycle.
- If the sale/buyback happened in the middle of logical accrual period, system performs force accrual on sale/buyback date and passes the accounting entries accordingly. During EOD cycle, the system generates consolidated credit advice message at securitization contract level.

Reset Retry Count For Reversed Auto Liquidation

If auto liquidation has been reversed in an account, it will be retried depending upon the status of this field. If this option is selected, then the auto liquidation is retried.

Partial Liquidation

If you select this option, system will perform partial auto liquidation

Retries Auto Liquidation Days

When auto liquidation option is chosen and funds are not available, the number of times the system can retry auto liquidation is determined by this field

If blank, the number of retries is infinite.

Retries Advice Days

Number of retries for an advice is defaulted here from the product maintenance level; however, you can modify if needed. The value should be less than the value maintained for 'Retries Auto Liquidation Days'.

Close Collateral

Check this box if you need to close the collateral on full payment, during auto liquidation.

> **Note**
>
> During auto liquidation, the system will check is this check box is checked and closes the collateral automatically

Track Receivable

If Track receivable option is checked for an account, it tracks the amount to be liquidated as a receivable if funds are not available. So upon any subsequent credit, the receivables are blocked and allocated to the pending liquidation.

Auto Liquidation

Select this option to indicate that the Track receivable option is for Auto Liquidations. You can modify this during VAMI/rollover/renegotiation.

> **Note**
>
> This is defaulted from the product level

On schedule liquidation if there are insufficient funds in the settlement account to satisfy the liquidation and if both the product and the account are marked for receivable tracking then system initiates tracking of receivable.

If the account is marked for Partial liquidation, then liquidation happens to the extent of available funds, and the remaining amount is tracked.

If the account is not marked for partial liquidation, and the amount available in the settlement account is less than the due amount, then system won't do any liquidation and starts tracking the full due amount.

Oracle FLEXCUBE facilitates considering and generating guarantor account details maintained under 'Component' tab of 'Account Details' screen, if the main borrower defaults the payment of the due amount. Based on the value defined for missed installments, system considers guarantor account for repayment. If fund verification and track receivable are enabled, then the system facilitates track receivable facility for both main borrower and guarantor accounts.

Note

If a customer or a customer account is maintained as guarantor customer or guarantor account, then the system restricts closing them. However, details related to customer account being a guarantor account are not maintained at customer account level.

When due amount is not recovered from a primary settlement account and 'Use Guarantor for Repayment' box is checked, then the system processes ALIQ for the guarantor accounts with a status sequence number greater than the number maintained at the product level.

Note

ALIQ for the guarantor accounts is an independent subprocess of ALIQ for the primary settlement account.

System performs following activities under different conditions:

- If guarantor account number is not specified for a selected customer, then the system considers all the accounts belonging to that customer.
- If verify fund box is checked, then the system checks for availability of due amount in the guarantor account.
- If verify fund box is unchecked, then the due amount will be an overdue for the primary settlement account.
- If due amount is not recovered completely from the guarantor account and partial liquidation is checked for the primary settlement account, then the system tracks the balance amount as track receivable of primary settlement account.
- If the due amount for a primary settlement account is not recovered at the EOD batch process, then the system defaults the above activities for the next BOD batch.

When sufficient balance amount is available either in primary settlement account or in guarantor accounts, then the amount blocks imposed on all valid accounts will be processed.

Whenever there is a credit to an account, the tracking process checks if the account has any receivable against it and if it does then the relevant amount is blocked as a receivable and the corresponding amount is marked to be used for settlement during subsequent ALIQ for the account. This process happens till the amount needed for liquidation is fully available.

The decision of allocating this credit will be based on the preference order of products that has been specified at an account class level. On the following EOD/BOD, batch liquidation tries to liquidate the schedule. The amount receivable is made available for the liquidation, and liquidation happens to the extent of receivable amount.

When an amount is credit to any of the linked guarantor account, then the system verifies for any repayment due at the primary settlement account level. If an amount is due for repayment, then the system blocks the overdue amount in the guarantor account currency. If the component currency and the guarantor currency are different, then the amount block would be computed based on the exchange rate derived from 'Sell' indicator. These amount blocks would be removed only at CL batch stage and the data of the guarantor block details would be stored.

Note

If an amount is credited to a guarantor account with higher liquidation order than the guarantor account blocked earlier, then the due amount would be blocked for the guarantor account with higher liquidation order.

Manual Liquidation

Select this option to indicate that the Track receivable option is for Manual Liquidations.

During manual liquidation, if a due amount is settled, then the system removes the settled amount block for the guarantor accounts followed by the primary settlement account. After manual liquidation, the system recalculates the eligible amount block which has to be processed.

Note

- By default, the system selects this option.
- Repayment from guarantor account will be considered only for auto liquidation and not for manual liquidation.

When a loan is securitized, the system performs following actions during Payments and Charges liquidation:

- The system transfers all future payments (including Principal Payments, Charges, Interest, Prepayment of Loan and Pre-payment Charges) to SPV account (since the ownership of the loan Asset is changed to SPV). The system posts the consolidated payments to SPV account during the EOD cycle.
- If the sale/buyback happened in the middle of logical accrual period, system performs force accrual on sale/buyback date and passes the accounting entries accordingly. During EOD cycle, the system generates consolidated credit advice message at securitization contract level.

Intermediary Initiated

Check this box to indicate that the loan has been initiated by an intermediary.

Provisioning Preference

You can define the provisioning preference of loan accounts by selecting the required option in Provisioning Mode.

Provisioning Mode

Select the Provisioning Mode preference of loan accounts from the drop-down list. The list displays the following options:

- Not Applicable
- Auto
- Manual

The provisioning mode option will get defaulted from Product level. However, you can switch between Auto to Manual mode or vice versa, but cannot change the mode as “Not Applicable” if defined as either Auto or Manual mode.

It is mandatory to select the provisioning mode as either ‘Auto’ or ‘Manual’ if CL product is created with a provision component. If CL product does not have provision component, then provisioning mode should be selected as 'Not Applicable'.

Holiday Periods

After product default, the system disables the ‘Holiday Periods’ section. You can click on the ‘Edit Holiday Periods’ button to edit the holiday periods. After changing the details, the system re-computes the schedules. On saving the contract, the system prompts the changed details.

You can specify the following detail here:

Period

Select the period for which repayment holiday is to be given to the customer. The holiday periods maintained in the system are displayed in the adjoining option list. If the selected repayment holiday period exceeds ‘Interest Only Period’ field in the ‘Product’ screen, the system will display an appropriate error message.

For details on repayment holidays for amortized loans, please refer to the section ‘Repayment Holiday for Amortized Loans’ in this chapter.

UDE Rate Plan

Start Date

The start date from which the rate plan change can be done is displayed here. However, you can modify this value at loan account level.

End Date

The end date till which the rate plan change can be done is displayed here. However, you can modify this value at loan account level.

Note

Based on the product maintenance, the ‘Rate Plan Change’ details are defaulted to the loan account and this can be modified.

Intermediary Details

You can capture the Intermediary Details at the loan account level to keep track of the accounts created through Intermediaries. You can link multiple intermediaries to a single loan through CL account details screen. In case of multiple intermediaries, you need to maintain the applicable intermediary percentage against each intermediary for the loan.

Intermediary Code

If you have checked the box 'Intermediary Initiated', you need to specify the code of the intermediary who has initiated the loan. The adjoining option list displays all valid and active intermediary codes maintained in the system. You can select the appropriate one. Using this option you can link multiple intermediaries along with the respective percentage for the individual intermediary against the loan amount.

Note

Both the fields are disabled after the first authorization of the loan. They field cannot be modified during value-dated amendment and rollover operation.

Intermediary Name

System defaults the intermediary name once the intermediary code is specified.

Intermediary Ratio

Specify the ratio of individual intermediary contribution against the loan amount.

For example, Loan description is as below:

Loan Description	Home Loan
Loan Amount	5000
Intermediary 1 Contribution	2500
Intermediary 2 Contribution	2500

While creating the above loan contract in FCUBS, link intermediary 1 and intermediary 2 with the loan and maintaining 50% ratio for each intermediary.

Note

Sum of intermediary's ratio need not be equal to 100.

Note that adjustment of commission and charge computed for the intermediary (in the past cycle) should be done manually in case of a reversal of any transaction done by the intermediary post the computation.

Loan Statements

You can specify the following details for the generation of the loan statements:

Start Date

Specify the start date for the loan generation statement, using the adjoining calendar.

Frequency

Select the frequency of the generation of loan statement, from the adjoining drop-down list. The list displays the following values:

- Daily
- Monthly
- Quarterly
- Half Yearly
- Yearly

Frequency Unit

Specify the unit of frequency for the statement generation.

Note

If the above preferences are not maintained, the system will generate the loan statements as per the loan advices maintained in 'Notices and Statements' screen at the product level. If the Loan Statement details are not maintained at the product level, the system will not allow you to maintain the loan statement preferences for the contract. The system checks the product level preferences during EOD or BOD batches. You can also amend the loan statement preferences using 'Value Date Amendment' screen.

Loan Settlement Notice

The system displays the following loan settlement details based on the values specified at 'Value Dated Amendments' level:

- Loan Settlement Request
- Notice Date
- Expected Closure Date

Status Change Mode

Select the status change mode. The options available are:

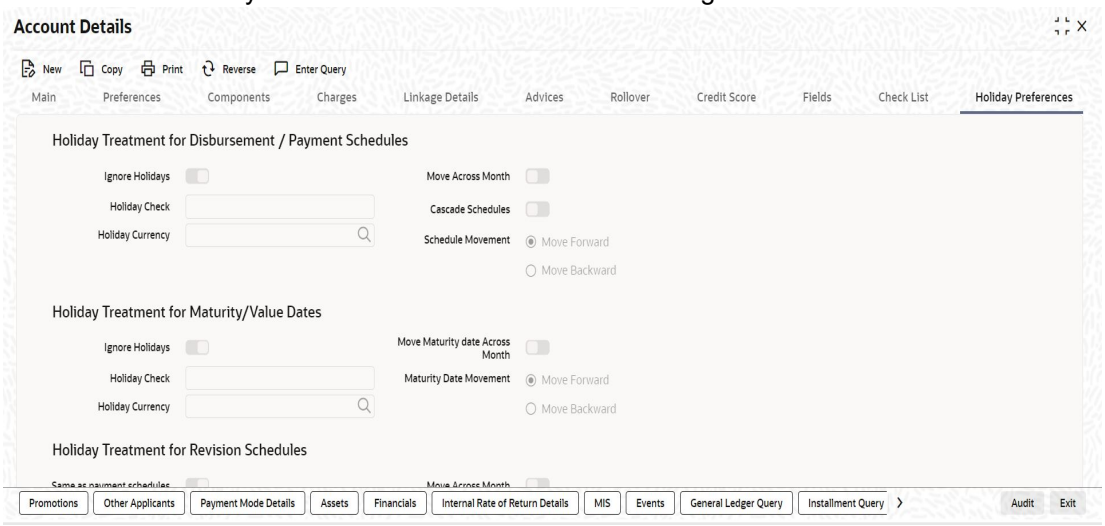
- Auto
- Manual

The system defaults Auto as the status change mode.

While processing End of Day, the system picks only those accounts with Auto as status change mode. The processing of the accounts which are picked up is based on the status options set at the product level.

5.1.4 Holiday Preference Tab

Click on the 'Holiday Preference' tab to invoke the following screen: ..



You can specify the holiday preferences for Disbursement/Payment Schedule, Maturity/Value dates, and Revision schedules using this screen.

The values here are defaulted from the product screen. You can change the parameters before first authorization. After modifying the holiday parameter, you have to click the 'Re-default' button so that the schedule dates are rebuilt by the system.If maturity date is changed due to maturity date related holiday parameters then the system will do a product re-default.

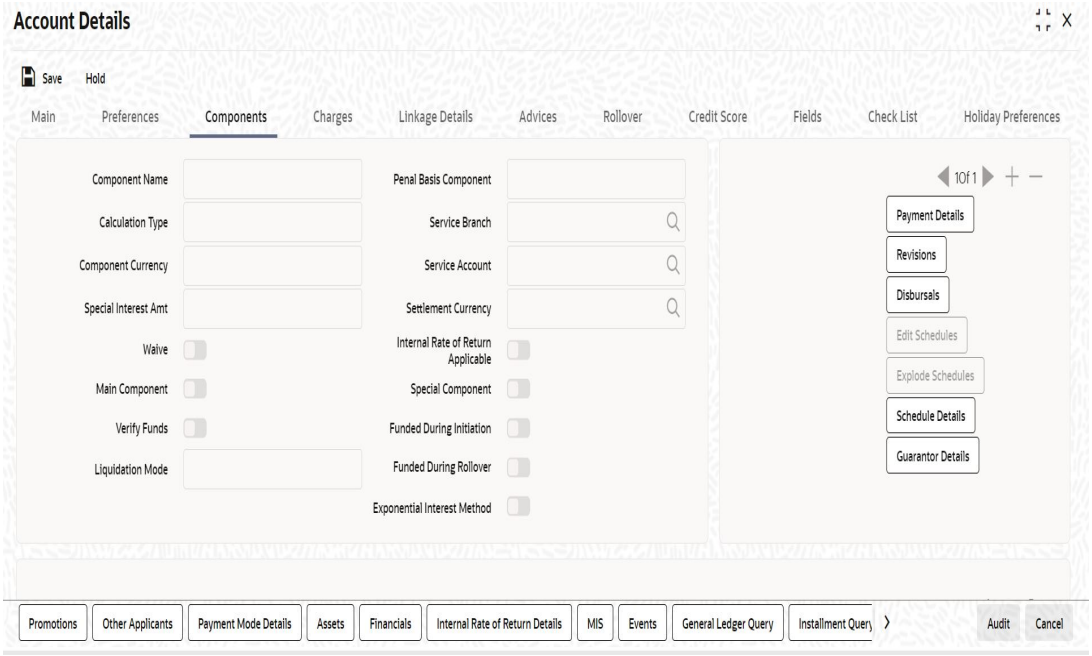
If 'Ad-hoc treatment required' option is checked at the product level then 'Cascade Schedules' and 'Ignore Holidays' cannot be checked at the account level.

If value date of the loan account falls on a holiday based on the Holiday check parameters maintained, then system will display a configurable override while defaulting schedules. User has to manually amend the value date and default the schedules again, if required

For more details on fields in this screen, refer the section titled 'Holiday Preference Tab' in Chapter 'Defining Product Categories and Products' in this user manual.

5.1.5 Components Tab

Clicking against the ‘Components’ tab in the ‘Account Details’ screen invokes the following screen:



You can specify the following details for the components:

Component Name

Specify the name of the component.

Calculation Type

To specify the manner in which the component should be calculated and liquidated. You can choose one of the following options:

Formula with schedule (Component Type - Interest)

- Formula without schedule (Charge)
- Penal Interest
- Prepayment Penalty
- Discount
- Schedule without formula (Principal)
- No schedule No formula (Ad Hoc Charges)
- Penalty Charges

Component Currency

The system displays the currency associated with the component in this field. The value is defined at Product level.

Special Interest Amt

Specify the amount for the special interest in this field.

Waive

Select this option to waive the component for the account

Note

The system does not select it by default.

Main Component

Check this box to indicate that the specified component should be main component.

Verify Fund

You can indicate whether the system should verify the availability of sufficient funds in the customer account before doing auto liquidation of the component

Capitalized

Select this option if the scheduled amounts are to be capitalized

Liquidation Mode

The system defaults the mode of liquidation from the product level. However you can modify the same to indicate the mode of liquidation of the component from the drop-down list. The following options are available for selection:

- Auto
- Manual

Note

This is applicable only if 'Liquidation mode' is selected as 'Component' at the account preference level.

Penal Basis Component

The system displays the Penal basis for calculating penalty component in this field.

Service Branch

Click the option list to select the branch that services the customer account

Double click on a value to select it.

Service Account

Click the option list to select the account in the service branch.

Double click on a value to select it. All modes except CASA needs service account. Adjustments etc. will be settled through this account.

Settlement Currency

Select the settlement currency for the option list. Click the adjoining option list to choose a settlement currency from the list of currencies. Double click on a value to select it.

In case of a subsidy loan, the system displays the settlement currency based on the subsidy customer ID specified in the 'Main' tab. However you can change it. The settlement currency is maintained as a default for both Credits and Debits.

Internal Rate of Return Applicable

Check this option to indicate that the component is to be considered for IRR calculation for the account. This field is applicable to interest, charge and fee components. For adhoc charge, charge, penalty and prepayment penalty components, the value will be defaulted from the product level and you will not be able to modify it.

This field will not be available for input if ‘Accrual Required’ and ‘IRR Applicable’ are left unchecked at the product level.

Note

- For bearing type of component formula this option will be enabled only if ‘Accrual Required’ is checked for the component at the product level
- For discounted or true discounted type of component formula this option will be allowed irrespective of whether the ‘Accrual Required’ option is checked or not at the product component level
- If the option ‘Accrual Required’ is unchecked and ‘IRR Applicable’ is checked, then discounted component will be considered as a part of total discount to be accrued for Net Present Value (NPV) computation
- If both ‘Accrual Required’ and ‘IRR Applicable’ are checked, then discounted component will be considered for IRR computation
- Upfront Fee component will be considered for IRR only when ‘Accrual Required’ and ‘IRR Applicable’ both are checked
- For upfront fee component, if ‘IRR Applicable’ is checked, then ‘Accrual Required’ has to be checked
- Post securitization, the accrual event’s credit and debit GL account will be pointing to the same SPV Bridge GL, so that the accrual is nullified.

Special Component

Check this box if the component is a special Interest type. This implies that the computed value of the component can be overridden with the entered value.

Funded During Initiation

Check this box if the component can be funded during the INIT event.

Funded during Rollover

Check this box if the component can be funded during the rollover process.

Exponential Interest Method

The system displays the value as maintained in product. If the check box is selected, it provides restrictions for exponential loans.I

Schedule Summary Definition

This section is disabled both on product defaulting and enriching. You can modify any component details by clicking ‘Edit Schedules’ button.

The following details are captured here:

Schedule Type

Select the type of schedule from the drop-down list. Schedule can be a payment, a disbursement or a rate revision schedule.

Note

Post Securitization, the system consolidates all the changes of the pool and sends consolidated information to SPV. You need to pass additional income/expense on account rate revision on SPV. If the loan tenor has been increased, the system generates the advice message and sends it to SPV.

Schedule Flag

Select the option for the Schedule flag from the option list.

The options are Normal or Moratorium.

Select the option Moratorium if there are no scheduled repayments for the component for the Moratorium period. However the component is accrued for a certain Moratorium period.

Formula

Enter the formula used to compute the component for that schedule.

First Due Date

Enter the first due date for the schedule for the component. The first due date can be defined based on the value date for the loan or a calendar date.

No of Schedules

Enter the number of times the schedule is repeated for a chosen frequency for the schedule. If the Frequency is Monthly and Number is 1, it implies once a month.

Frequency

This implies the number of times the schedule will repeat for a Unit. If it is 2 and the Unit is Monthly, it implies twice a month.

Units

Enter the installment unit for the component for the schedule. The units of frequency definition can be Daily, Weekly, Bullet, Monthly, Quarterly, Half Yearly or Yearly.

Select the unit of the schedule from the option list.

Due Date On

This option may be used to schedule an installment on a particular date of the month.

End Date

End date for the component for the schedule will be computed from the start date, frequency, unit and number for the schedule.

Amount

The amount of payment done (whether disbursement or repayment) is displayed in this field.

EMI Amount

Specify the EMI amount that should be paid during the schedule.

Compound Days

Specify the number of compound days.

Compound Months

Specify the number of compound months.

Compound Years

Specify the number of compound years.

Days in Month

Select the number of days that would constitute a month for calculation from the drop-down list. The list displays the following values:

- Actual: The actual number of days in a month is takenl
- 30(Euro): Thirty days is considered for all months including February irrespective of leap year or not

- 30(US): Thirty days is considered for all months except February where the actual number of days is considered
- Working Days: Working days in a month is considered

Days in Years

Select the number of days that would constitute a year for calculation from the drop-down list. The list displays the following values:

- 252: Number of days in a year is taken as 252, which is the number of working days
- 360: Number of days in a year is taken as 360 irrespective of actual number of calender days
- 365: Number of days in a year is taken as 365 for leap as well as non leap year
- Actual: Actual number of days in a year is taken for interest calculation which is 366 for leap year and 365 for non leap year

Capitalize

Select this option if the schedule amounts are to be capitalized.

Waive

Select this option to specify if you need to allow a waiver of the component payments for the schedule

---

Note

The system by default does not select this option

A schedule can be either applicable or capitalized or waived

After making necessary changes click ‘Explode Schedule Details’ button to re-compute the schedules. You can view the following details:

Schedule Number

The system generates and displays a sequential schedule number for installments.

Due Date

The system displays the due date of the payments and disbursements in this field.

Pay By Date

The system will display the pay by date.

Pay by date = (Schedule due date) + (Credit days maintained at product level)

On clicking the ‘Default Method’ button in the ‘Product Definition’ screen, the MAIN_INT schedules are exploded and the system will display the pay by dates based on the value of the First Pay By Date. If you have not entered the first pay by date details then the system will calculate the first pay by date as follows:

(First Schedule Due Date of MAIN_INT component) + (Credit days (product parameter for OLL))

Pay by date for bullet schedule (PRINCIPAL and MAIN_INT) will be the maturity date of the open line loan account.

Amount Settled

The system displays the settlement amount for the schedule in this field.

Amount Due

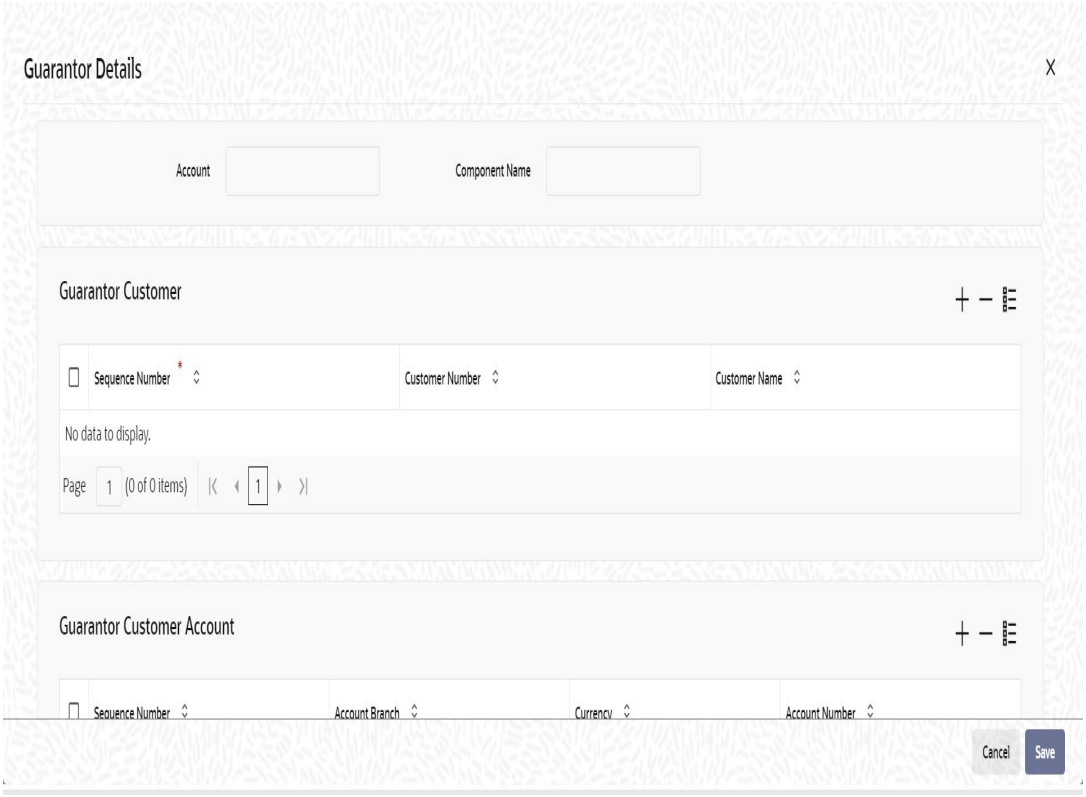
The system displays the amount due for the schedule in this field

EMI Amount

The EMI that should be repaid in this schedule is displayed in this field.

5.1.5.1 Guarantor Details Button

Click ‘Guarantor Details’ button under the ‘Components’ tab in the ‘Account Details’ screen, to invoke ‘Guarantor Details’ screen.



Note

If you check the ‘Use Guarantor for Repayment’ box and not specify the guarantor details, then the system will display an error message.

You can specify guarantor account details here.

Account

Account number for which repayment is due is defaulted here, from the ‘Account Details’ screen.

Component Name

Name of the component for which repayment is computed is defaulted here, from the ‘Component’ tab in the ‘Account Details’ screen.

Guarantor Customer

You can specify customer details of the guarantor here.

Sequence Number

Serial number of the guarantor account is defaulted here. If multiple guarantor accounts are provided, then the system follows sequence number for the liquidation order.

Customer No.

Select a valid customer id for the guarantor from the adjoining option list.

Customer Name

The customer name of the selected customer id is defaulted here.

Guarantor Customer Account

You can specify account details of the guarantor here.

Sequence Number

Serial number of the guarantor account is defaulted here. If multiple guarantor accounts are provided, then the system follows sequence number for the liquidation order.

Account No

Select a valid account number for the guarantor from the adjoining option list. This adjoining option list displays all valid accounts for a selected customer id maintained at the guarantor customer level.

Note

- If the selected account number is already a guarantor to another primary settlement account, then the system will display an override message indication the same.
- If the guarantor and primary settlement account are interchanged for a different loan account, then the system will display an error message.

Account Branch

The current branch code of the selected guarantor account is defaulted here.

Currency

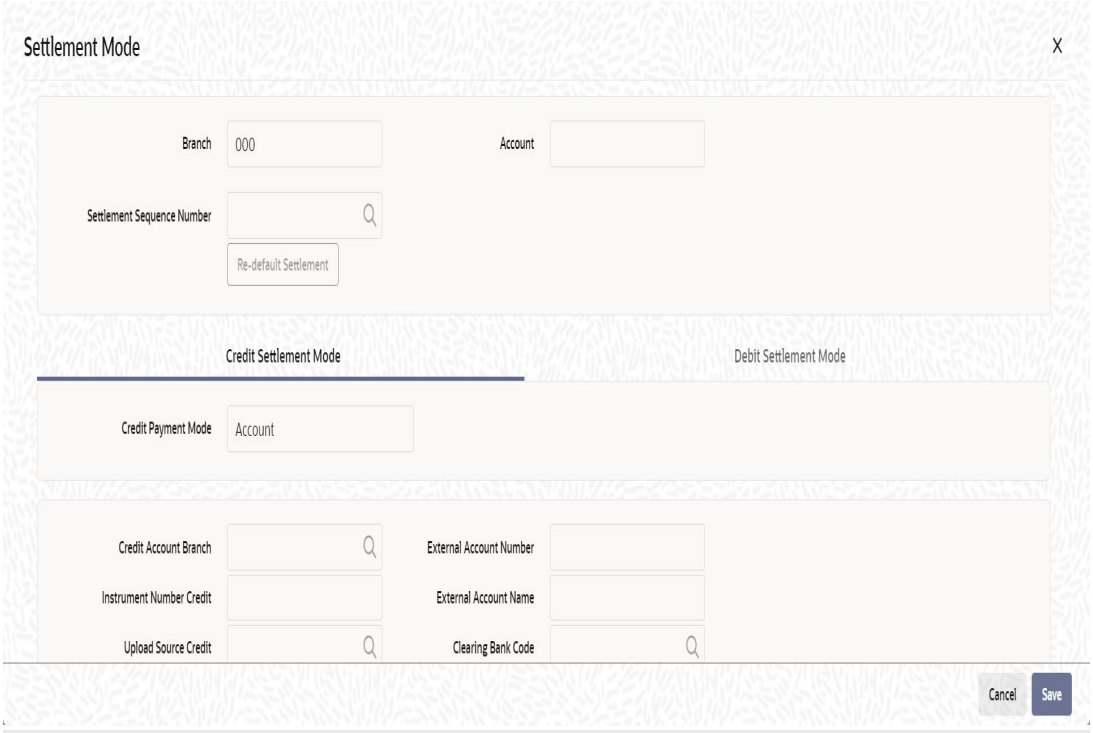
The currency of the guarantor account is defaulted here.

Note

Guarantor currency type can be different from component currency type.

5.1.5.2 Payment Mode Details Button

You can specify the details of payment mode in the ‘Settlement Mode’ screen. To invoke the screen, click ‘Payment Mode Details’ button under ‘Components’ tab in the ‘Account Details’ screen.



Here you can specify the following details:

Branch

Specify the branch in which the customer account resides.

Account

Specify the unique number of the account in the specified branch.

Settlement Sequence Number

The system displays the settlement sequence number during product default. You can change the value from the adjoining list of values.

If the sequence number is altered, click on **Re-default Settlement** button for settlement account to get re-defaulted. If re-defaulting is done for principal component, then the message details will also be modified based on the new sequence number chosen.

5.1.5.3 Credit Settlement Mode Tab

You can specify the credit settlement details under the ‘Credit Settlement Mode’ in the ‘Settlement Mode’ screen.

Credit Payment Mode

Select the credit payment mode from the adjoining drop-down list. The list displays the following values:

- CASA
- Credit Card
- Clearing
- Debit Card

- External Account
- Electronic Pay Order
- GIRO
- Internal Cheque
- Instrument
- Cash/Teller

Credit Product Account

Specify the account number of the credit product.

To view the joint holder's details of an account and the mode of operation maintained at the account level, place the cursor on the Credit Product Account field and press Ctrl+J. The system displays the 'Joint Holder' screen.

For more information on the 'Joint Holder' screen refer to the section 'Joint Holder Maintenance' in the Core User Manual.

Credit Account Branch

Specify the name of the branch in which the credit account should be maintained.

Instrument Number Credit

Specify the instrument number that should be used for credit payment.

Upload Source Credit

Specify the upload source that should be used for credit payment.

End Point

Specify the end point maintained in the clearing system. The adjoining option list displays all valid end points maintained in the system. You can choose the appropriate one.

External Account Number

Specify the external account number.

External Account Name

Specify the name of the beneficiary who is holding the external account.

Clearing Bank Code

Specify the code of the external bank that should be used for clearing maintenance. The adjoining option list maintains all valid banks maintained in the system. You can choose the appropriate one.

Clearing Branch Code

Specify the branch code of the specified external bank that should be used for clearing. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Product Category

Specify the category of the product. The adjoining option list displays all valid products maintained in the system. You can choose the appropriate one.

Routing Number

Specify the routing number of the specified branch for clearing.

Clearing Product Code

Specify the product code that should be used for clearing. The adjoining option list displays all valid code maintained in the system. You can choose the appropriate one.

Sector Code

Specify the code of the sector that should be used for clearing. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Giro Number

Specify the GIRO number of the corporate customer.

Payer Account

Specify the account from which the amount should be paid.

Payer Bank Code

Specify the code of the payer's bank that should be used for the payment of amount.

Payer Branch

Specify the branch of the specified payer's bank that should be used for the payment of amount.

Payer Bank Address 1-4

Specify the address of the bank that should be used for the payment of the amount.

Bank GIRO

Indicate the type of bank GIRO that should be used for corporate customers. You can select one of the following:

- Bank GIRO
- Plus

Auto GIRO

Indicate the type of the Auto GIRO for automatic direct debit. You can select one of the following values:

- Auto
- Manual

Exchange Rate

For a customer availing any Relationship Pricing scheme, the customer specific exchange rate derived by adding the original exchange rate and the customer spread maintained for the relationship pricing scheme gets displayed here.

You can change the defaulted rate provided the change is within the variance level maintained for the underlying product.

If Relationship Pricing is not applicable, Exchange Rate will be the same as the Original Exchange Rate.

For more details on customer specific exchange rates, refer the section titled 'Specifying Pricing Benefit Details' in Relationship Pricing user manual.

Negotiated Cost Rate

Specify the negotiated cost rate that should be used for foreign currency transactions between the treasury and the branch. You need to specify the rate only when the currencies involved in the transaction are different. Otherwise, it will be a normal transaction.

The system will display an override message if the negotiated rate is not within the exchange rate variance maintained at the product.

Negotiated Reference No

Specify the reference number that should be used for negotiation of cost rate, in foreign currency transaction. If you have specified the negotiated cost rate, then you need to specify the negotiated reference number also.

Note

Oracle FLEXCUBE books the online revaluation entries based on the difference in exchange rate between the negotiated cost rate and transaction rate.

Original Exchange Rate

The base or actual exchange rate between the account currency and settlement currency gets displayed here.

Payment Details

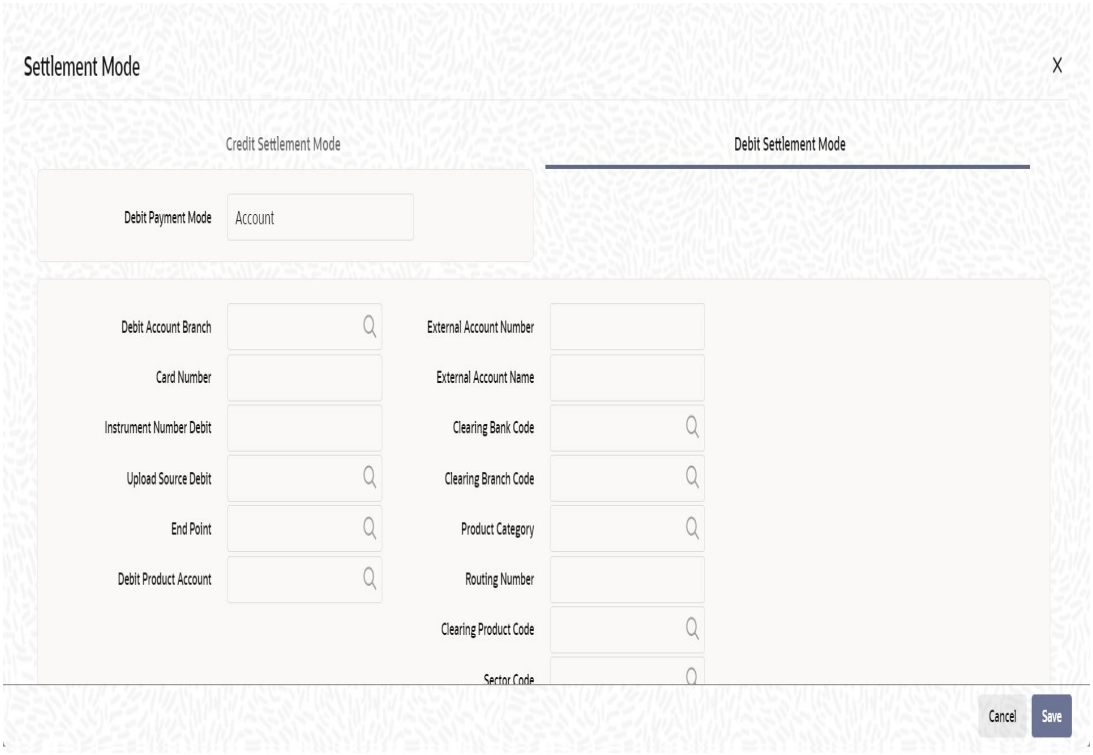
If the Credit Payment Mode is External Account, then you can specify the payment details in the following fields:

- Payment Details 1
- Payment Details 2
- Payment Details 3
- Payment Details 4

While creating outgoing payment during auto disbursement process, the payment details are passed to the External Payment System.

5.1.5.4 Debit Settlement Mode Tab

You can specify the debit settlement details under the 'Debit Settlement Mode' in the 'Settlement Mode' screen.



Here you can specify the following details:

Debit Payment Mode

Select the Debit payment mode from the adjoining drop-down list. The list displays the following values:

- CASA
- Credit Card
- Clearing
- Debit Card
- External Account
- Electronic Pay Order
- GIRO
- Internal Cheque
- Instrument
- Cash/Teller
- PDC

Note

If the Debit Settlement mode is selected as PDC, then the other debit settlement details are not maintained.

If the debit Settlement is PDC then the liquidation mode of the component should be manual.

The Debit Settlement can be chosen as PDC only when contract is amortized.

Debit Product Account

Specify the account number of the debit product.

To view the joint holder's details of an account and the mode of operation maintained at the account level, place the cursor on the Debit Product Account field and press Ctrl+J. The system displays the 'Joint Holder' screen.

For more information on the 'Joint Holder' screen refer to the section 'Joint Holder Maintenance' in the Core User Manual.

Debit Account Branch

Specify the name of the branch in which the debit account should be maintained.

Instrument Number Debit

Specify the instrument number that should be used for debit payment.

Upload Source Debit

Specify the upload source that should be used for debit payment.

End Point

Specify the end point maintained in the clearing system. The adjoining option list displays all valid end points maintained in the system. You can choose the appropriate one.

External Account Number

Specify the external account number.

External Account Name

Specify the name of the beneficiary who is holding the external account.

Clearing Bank Code

Specify the code of the external bank that should be used for clearing maintenance. The adjoining option list maintains all valid banks maintained in the system. You can choose the appropriate one.

Clearing Branch Code

Specify the branch code of the specified external bank that should be used for clearing. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Product Category

Specify the category of the product. The adjoining option list displays all valid products maintained in the system. You can choose the appropriate one.

Routing Number

Specify the routing number of the specified branch for clearing.

Clearing Product Code

Specify the product code that should be used for clearing. The adjoining option list displays all valid code maintained in the system. You can choose the appropriate one.

Sector Code

Specify the code of the sector that should be used for clearing. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Payer Account

Specify the account from which the amount should be paid.

Payer Bank Code

Specify the code of the payer's bank that should be used for the payment of amount.

Payer Branch

Specify the branch of the specified payer's bank that should be used for the payment of amount.

Payer Bank Address 1-4

Specify the address of the bank that should be used for the payment of the amount.

GIRO Number

Specify the GIRO number of the corporate customer.

Bank GIRO

Indicate the type of bank GIRO that should be used for corporate customers. You can select one of the following:

- Bank GIRO
- Plus

Auto GIRO

Indicate the type of the Auto GIRO for automatic direct debit. You can select one of the following values:

- Auto
- Manual

Exchange Rate

For a customer availing any Relationship Pricing scheme, the customer specific exchange rate derived by adding the original exchange rate and the customer spread maintained for the relationship pricing scheme gets displayed here.

You can change the defaulted rate provided the change is within the variance level maintained for the underlying product.

If Relationship Pricing is not applicable, Exchange Rate will be the same as the Original Exchange Rate.

For more details on customer specific exchange rates, refer the section titled 'Specifying Pricing Benefit Details' in Relationship Pricing user manual.

Negotiated Cost Rate

Specify the negotiated cost rate that should be used for foreign currency transactions between the treasury and the branch. You need to specify the rate only when the currencies involved in the transaction are different. Otherwise, it will be a normal transaction.

The system will display an override message if the negotiated rate is not within the exchange rate variance maintained at the product.

Negotiated Reference No

Specify the reference number that should be used for negotiation of cost rate, in foreign currency transaction. If you have specified the negotiated cost rate, then you need to specify the negotiated reference number also.

Note

Oracle FLEXCUBE books the online revaluation entries based on the difference in exchange rate between the negotiated cost rate and transaction rate.

Original Exchange Rate

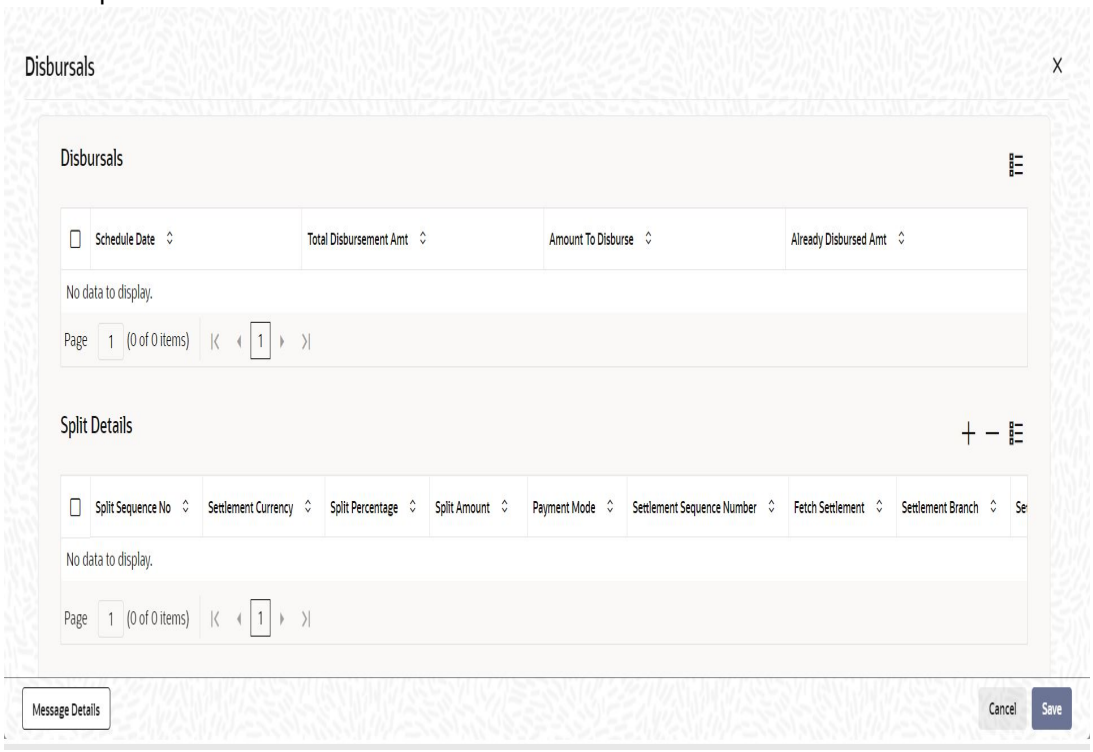
The base or actual exchange rate between the account currency and settlement currency gets displayed here.

5.1.5.5 Schedule-wise Split Settlement for Auto Disbursement

Oracle FLEXCUBE allows you to maintain split details for schedule-wise auto disbursement in a loan account, only if you have set the disbursement mode to 'Auto' in the account preferences tab of the Product Maintenance screen (CLDPRMNT).

In the Account Details (CLDACCNT) screen, click 'Product Default' button after entering product code, customer ID, currency and the amount. The system defaults the product level component and schedule details of the selected product in the component tab of the account details screen After you click 'Product Default and 'Enrich' buttons, the system disables the schedule definition section in the component tab. However you can modify the disbursal amount and the number of schedules for the disbursal by clicking 'Edit Schedules' button.

You can view the disbursement schedule and maintain the schedule-wise CL split details for auto disbursement in the Disbursal screen. To do this, first select the principal component in the component tab and then click on ‘Disbursals’ button. The screen is as shown below:



The system displays the list of Schedules for the disbursements and their corresponding Disbursement amounts.

Schedule Date

The system displays the due date of the schedule.

Total Disbursement Amt

The system displays the total disbursement amount for the specified CL account.

Amount to Disburse

The system displays the amount to be disbursed.

Already Disbursed Amt

The system displays the amount which has been disbursed.

Note

Oracle FLEXCUBE allows auto disbursal only for the principal component.

Split Details

You can maintain the following split details:

Split Percentage

Specify the split percentage of the disbursement amount.

Split Amount

Specify the split amount for the schedule. Split amount is calculated based on the percentage and the disbursal amount.

If you specify only the amount and not the percentage, the system calculates the percentage of the amount to be disbursed and displays it in the percentage field during save.

Note

- The system validates if the amount and percentage are not entered and if split for the same disbursement schedule is available
- If one disbursement schedule maintains one split with percentage and other split with amount, system maintains either amount or percentage for the disbursement schedule.
- If the total amount is less than the amount to disburse for the schedule, system adjusts the rest of the amount in last split of the particular schedule and percentage gets calculated based on the amount.
- The system displays an error, if you specify an amount greater than that of the disbursement schedule
- The system displays an error, if the total amount or total percentage maintained exceeds the amount to disburse or 100 percent.

Settlement Sequence Number

The system displays the settlement sequence number. The default value displayed in zero. You can edit the sequence number by selecting from the adjoining list of values.

Click on the **Fetch Settlement** button to update the selected settlement sequence number.

Note

If the Payment By' maintained for settlement sequence number is not 'Messages', the system displays configurable override message.

Settlement Account Branch

Specify the branch of the customer account. The adjoining option list displays the list of valid open branches maintained in the system. You can choose the appropriate one.

Settlement Account Number

Specify the settlement account number. The adjoining option list displays the valid accounts maintained for the given branch. You can choose the appropriate one.

Netting Account for Debits

Check this box to set the account as the netting account. It is to this account that interest/ charge/ fee components with the same settlement account are netted.

Suppress Message

Check this box to stop message/advice generation for the selected split disbursals.

Note

- If the message PAYMENT_MESSAGE is suppressed from the advices screen, then no message/advice creation will happen for the split disbursals
- If the media for the settlement account is maintained as 'MAIL' then credit advices will be generated.

The system displays the following split details:

Split sequence number

The sequence number for each split is auto generated by the system on save.

Payment Mode

The system displays ‘ACC’ as the payment mode for disbursal.

Settlement Account Currency

The system defaults the currency of the specified settlement account based on the details maintained in the system.

Customer

Once you choose the account number, the customer id gets defaulted.

It is mandatory to re-enter the split settlement details during VAMI, if there is a change in the disbursement schedule. For the disbursed schedules, the split settlement amendment would be ignored during VAMI.

During BOD, the system checks the CL split settlement details before taking the Credit Settlement details of the principal component. The credit settlement details of the principal component /Service account would be considered only in the absence of split settlement details for that particular schedule.

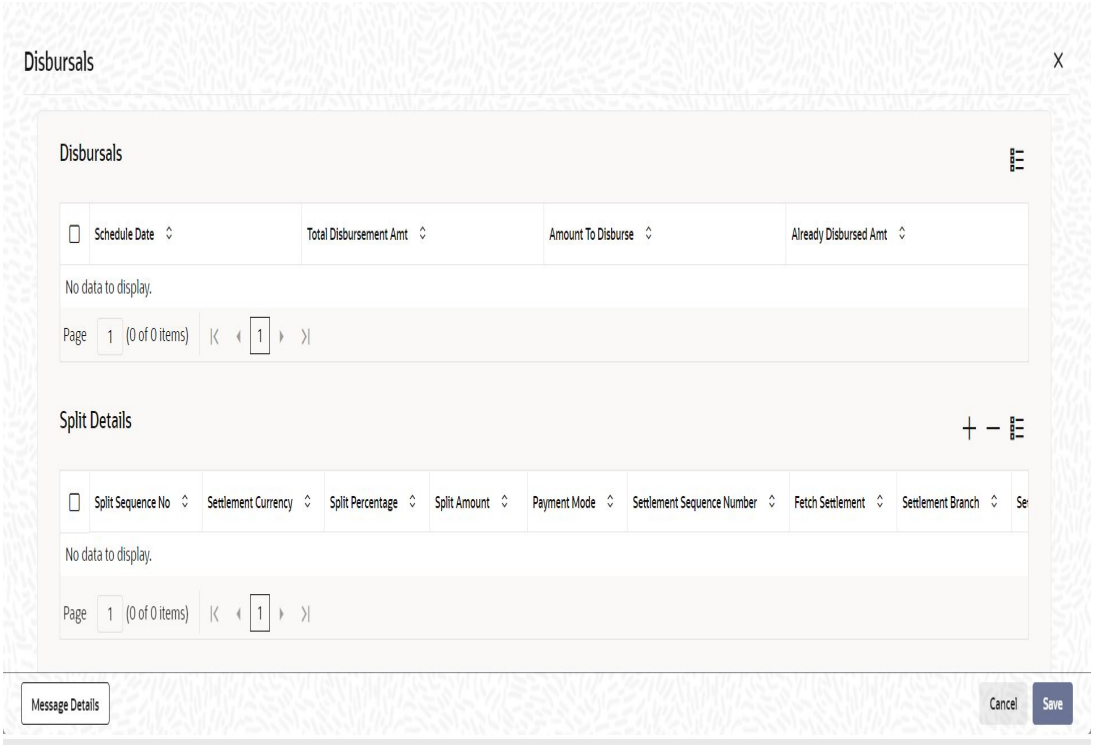
5.1.5.6 Message Details Button

Click on the Message details button to view the swift message details for each split disbursal. The swift party details will be populated based on the settlement sequence provided for each split disbursal. You can view and edit the party details.

For details on Message Details, please refer to the section ‘SWIFT Message Details Button’ in this chapter.

5.1.5.7 Disbursals Button

Select the Principal Component. Click ‘Disbursals’ to see the Disbursal schedule. This gives the list of Schedules for the disbursements and their corresponding Disbursement amounts.



You can check the details of the due date of the schedule and the Amount to be disbursed from the Sch Due date field and the Amount To Disburse field respectively.

Note

If any disbursal results in a status change for the account, the system will update the current status for the account in the ‘Derived Status’ field. During end-of-day batch processing, it will update the ‘User Defined Status’ for the account with the worst status that is available for all accounts and loans for this CIF and post the required accounting entries for the change.

During Amendments/Disbursements, post securitization the system raises an alert message saying ‘The loan account has been securitized’.

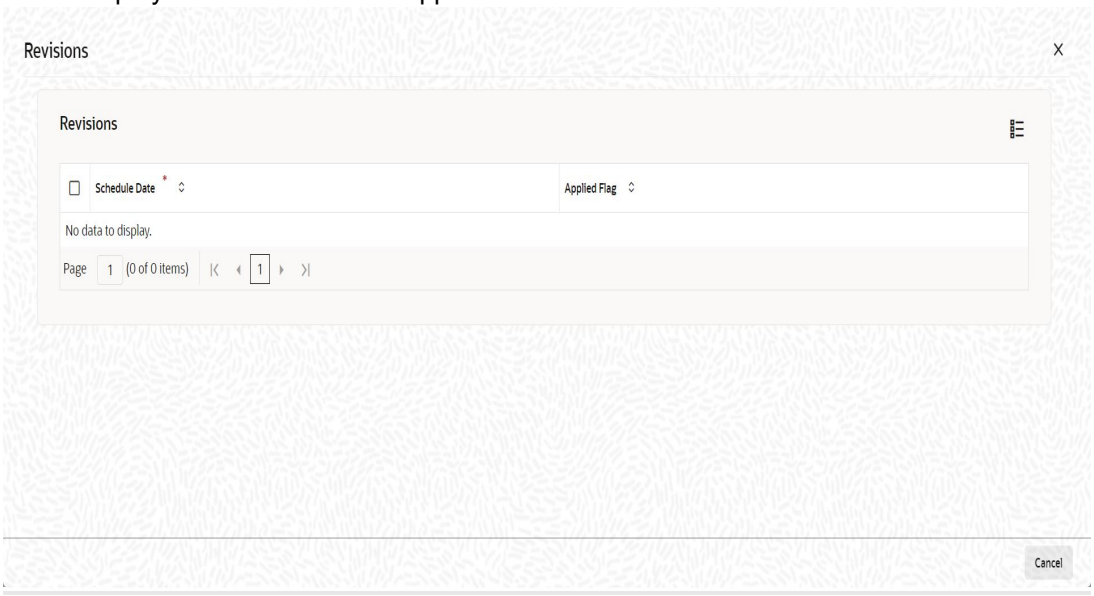
Note

In such cases, you need perform the amendments/disbursement after getting the approval from SPV.

5.1.5.8 Revisions Button

Select a component which has rate revision defined. To view the details of the Rate revision schedule, click the ’Revisions’ button. This lists the details of the revisions done on the Components.

This lists the revision date against the component name. This also has an application option which displays if the revision was applied or not.

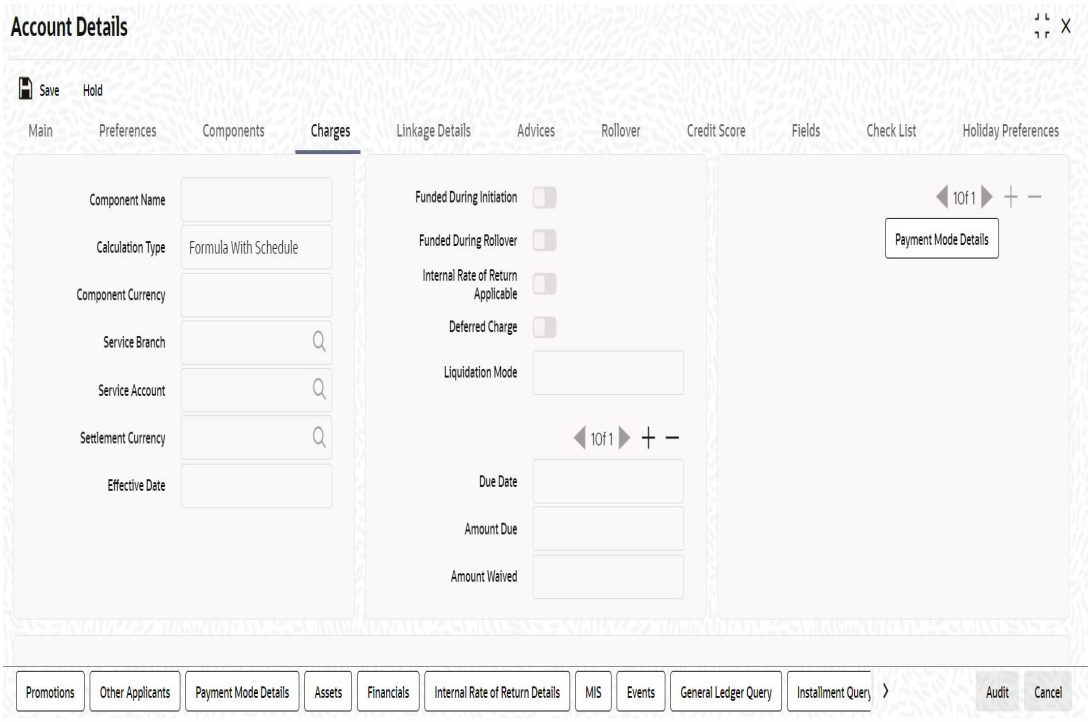


You can check the details of the name of the component that is revised and the date when it has been revised from the field Component name and Revision date respectively.

5.1.6 Charges Tab

This module is used for calculating and applying charges on an account. To calculate the charges that we would like to levy on an account, we have to specify the basis on which we would like to apply charges. For example, we may want to apply charges on the basis of the debit turnover in an account. When we define a Charge product, we have to specify the Charge basis.

When we apply the charge product on an account or an account class, charges for the account will be calculated on this basis..



The following details are captured:

Component Name

System displays the component name here.

Calculation Type

To specify the manner in which the component should be calculated and liquidated. You can choose one of the following options:

Formula with schedule (Component Type - Interest)

- Formula without schedule (Charge)
- Penal Interest
- Prepayment Penalty
- Discount
- Schedule without formula (Principal)
- No schedule No formula (Ad Hoc Charges)
- Penalty Charges

Component Currency

The system displays the currency associated with the component. The component currency is defaulted from the Product level.

Service Branch

The branch that services the account - Any Valid, Open Branch

Service Account

Denotes the account in the service branch. A valid open account in the service branch .The service account is needed for all modes apart from CASA. The adjustments etc will be settled through this account.

Settlement Currency

Click the option list to choose the details of the currency in which the payments are to be made in this field. A list of currencies is displayed. Double click on a value to select it.

Effective Date

Enter the details of the date from which the charge is applicable in this field

Funded during Initiation

Select this option if the component can be funded during loan initiation

Funded during Rollover

Select this option if the component can be funded during the rollover process

For each component, the following details are displayed:

- Event Code
- Component Name: A component will be of type ‘Charge’
- Amount Due: The amount due for repayment in this field
- Amount Settled: The settled amount in this field
- Schedule Due Date: The scheduled date for repayment in this field

Deferred Charge

If this option is checked, the charge defined for the charge component is deferred. This is defaulted from the Loan product maintenance and you cannot modify this.

Due Date

The date on which the charge was applied

Amount Due

Enter the details of the amount due for repayment in this field.

For each component, the following details are displayed:

- Event Code
- Amount Settled: The settled amount in this field

Schedule Date: The scheduled date for repayment in this field

5.1.7 Linkage Details Tab

At the time of Loan account capture, the Linkages to securities backing the loan is captured. They include:

- The reference number of the Local Collateral, Line, Account, Amount block, Commitment, Guarantee Collection Bill is linked
- The amount which is attributed to the particular reference number is also maintained

The account input screen captures the Linkages as shown below:

You can specify the following collateral and linkage details:

Collateral Linkage Details

You can maintain the following collateral details here:

Linkage Type

Select a type of linkage to which you need to link the specified account from the adjoining drop-down list. This list displays the following values:

- Facility – Select if you need to link the account to a facility.
- Local Collateral – Select if you need to link the account to local collateral.
- New Collateral – Select if you need to link the account to new collateral.

Linked Ref No

Specify a valid linkage reference number for the selected linkage type from the adjoining option list. Linkage reference number is not applicable for 'New Collateral' linkage types.

Note

If you maintain 'Linkage Type' as 'New Collateral' and maintain linkage reference number, then the system displays an error message.

Description

Description of the linkage type is defaulted here; however, you need to specify description if the 'Linkage Type' is 'New Collateral'.

Branch

Branch code of the branch in which the linkage is maintained is defaulted here; however, you need to specify branch code if the 'Linkage Type' is 'New Collateral', from the adjoining option list.

Currency

Currency code of the currency maintained for linkage is defaulted here; however, you need to specify the currency, if the 'Linkage Type' is 'New Collateral', from the adjoining option list.

Overall Amount

Specify overall amount of the collateral if you have selected 'Linkage Type' as 'New Collateral'. The system displays values of different parameters based on the linkage type.

- If the linkage type is 'Local Collateral', then the system displays the local collateral value as the overall amount.
- If the linkage type is 'Facility', then the system displays the effective line amount as the overall amount.

Collateral Category

Category of the collateral is displayed here, if the 'Linkage Type' is maintained as 'Local Collateral'; however, you need to specify collateral category if the 'Linkage Type' is 'New Collateral', from the adjoining option list.

Hair Cut %

Percentage of hair cut for the collateral is displayed here, if the 'Linkage Type' is maintained as 'Local Collateral'; however, you need to specify Hair Cut %, if the 'Linkage Type' is 'New Collateral', from the adjoining option list.

Limit Amount

The system displays the following as limit amount based on the selected linkage type, on saving the loan account:

- If the 'Linkage Type' is 'New Collateral', then the system displays the value computed after applying Hair Cut percentage on the amount.
- If the 'Linkage Type' is 'Local Collateral', then the system displays the limit amount of the selected collateral as the limit amount of the account.
- If the 'Linkage Type' is 'Facility', then the system displays the overall amount as the limit amount of the account.

Linked Amount

You can specify either the linked amount or linked percentage. If you specify the linked amount, the system updates and displays the linked percentage of the amount financed.

If you specify the linked percentage, the system will update and display the linked amount. You need to specify the linked percentage based on the amount financed.

Linked %

You can specify either the linked amount or linked percentage. If you specify the linked percentage, the system will update and display the linked amount. You need to specify the linked percentage of the amount financed.

If you specify the linked amount, the system updates and displays the linked percentage of the amount financed.

Utilization Order No

Specify a valid order in which you need to utilize the linkage linked to the account. The system utilizes the linkage in an ascending order.

Utilization Amount

Utilized amount of the account is displayed here.

Commitment Product

Commitment product of the selected collateral is displayed here, if the ‘Linkage Type’ is maintained as ‘Local Collateral’; however, you need to specify a valid commitment product, which is open and authorized if the ‘Linkage Type’ is ‘New Collateral’, from the adjoining option list.

Taken Over Collateral

The system displays the taken over collateral as ‘Yes’ if the collateral is taken over. The system defaults the status as ‘No’ if the collateral is not taken over.

Note

While saving an account:

- The system generates a unique collateral code for the collateral, automatically created. This unique code is the loan account number concatenated with a three digit unique number.
- If the ‘Linkage Type’ is ‘New Collateral’, then the system creates and authorizes the collateral with ‘Collateral Type’ as ‘Normal’ and assigns the Liability ID of the customer. However, you can manually create collateral with different type and link it to the account.
- The system validates if the Amount Financed is greater than the Linked Amount of the Collateral Linkage Details Block. If the Amount Financed is greater, then the system will auto track the remaining amount against the Liability ID of the customer.
- If the Liability ID does not have sufficient available balance, then the system displays the override message as ‘The liability does not have enough available balance. Do you want to continue?’.
- When an account is deleted, the system re-instates the collateral if it is utilized by the account and closes the collateral that was created new, automatically.

Commitment \ Linkage Details

You can maintain the commitment linkage details here:

Linkage Sequence Number

Enter the sequence number for the linkage type commitment.The system defaults the linkage type ‘Deposit’.

Linkage Type

Select the linkage type from the adjoining drop-down list. The valid values are Commitment and Deposit. You can select only commitment from the list. The system defaults a record with linkage type as ‘Deposit’ when a term deposit is linked in UDE Rate code.

Linkage Branch

Select the branch code of commitment from the adjoining option list for the linkage type commitment. System defaults branch code for the linkage type ‘Deposit’.

Customer ID

Select the customer ID of the commitment from the adjoining option list for the linkage type commitment. The system defaults customer Id of the term deposit for the linkage type ‘Deposit’.

Linked Reference Number

Select the account number of the commitment from the adjoining option list for the linkage type commitment.The system defaults term deposit number for the linkage type ‘Deposit’.

Linked Currency

Select the currency of the commitment from the adjoining option list for the linkage type commitment. The system defaults currency of term deposit for the linkage type ‘Deposit’.

Linkage Amount

Enter the linkage amount for the linkage type commitment. The system defaults the amount for the linkage type ‘Deposit’. If the linkage type is ‘Commitment’, you can leave the field blank.

Link Percentage

Specify the linkage percentage.

Block Reference No

On save the system displays the block reference number for the linkage type ‘Deposit’.

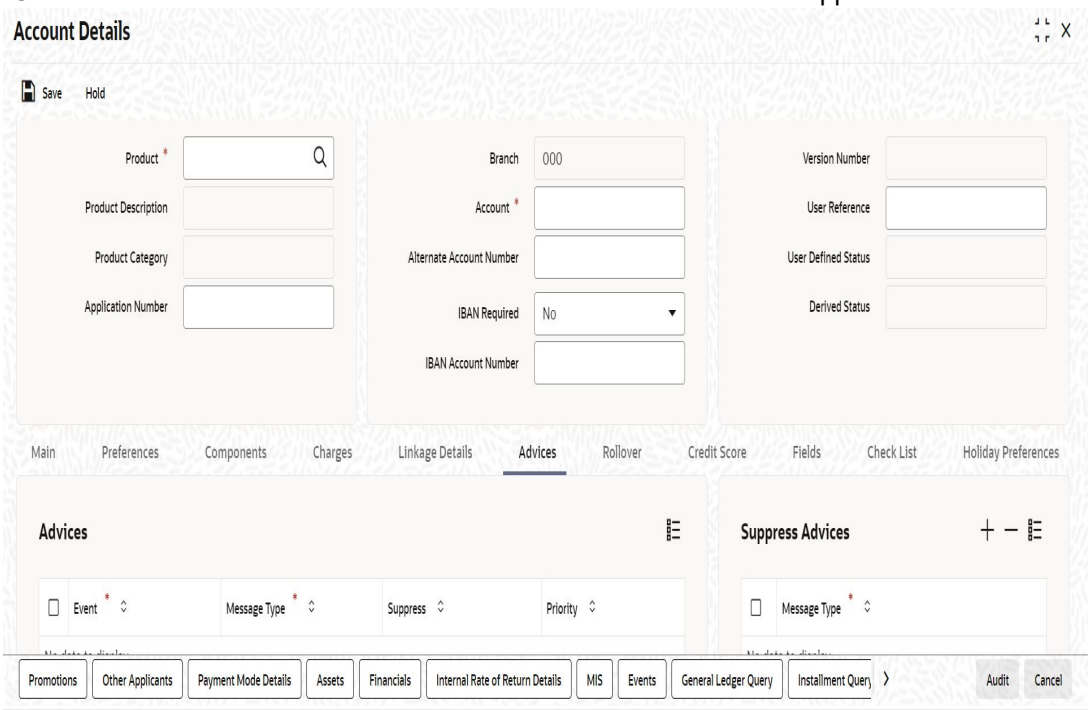
On save:

- the system validates the linked amount with term deposit available balance. If the term deposit available balance is less than the linkage amount, then the system displays an error message.
- the system marks a lien on the term deposit by the linkage amount with 'Amount Block Type' as 'Loan' and 'Reference No' as Loan account number.

5.1.8 Advices Tab

Advices that may be generated whenever the account level status changes or whenever a particular event is fired can be linked at the Product level. Priorities of the advice can be changed and also a particular advice for an event can be suppressed.

Generation of an advice across the life of the account can also be suppressed.



You can specify the following Advice details:

Message Type

The system displays all the advices for all the events for the account. The list will include all the advices that are defined at the product level

Suppress

This field allows you to suppress the generation of the advice for a particular event. The options are ‘Yes’ and ‘No’.

Priority

Click the option list to select the priority of generation. A list of values is displayed. Double click on a value to select it.

The options are High, Medium or Low

Suppress Advices across the Account

The generation of an advice across the life of the account can be suppressed.

Message Type

Click the option list to select the type of advice, the generation of which can be suppressed across the account. A list of values is displayed. Double click on a value to select it.

The list includes advices defined at the product level

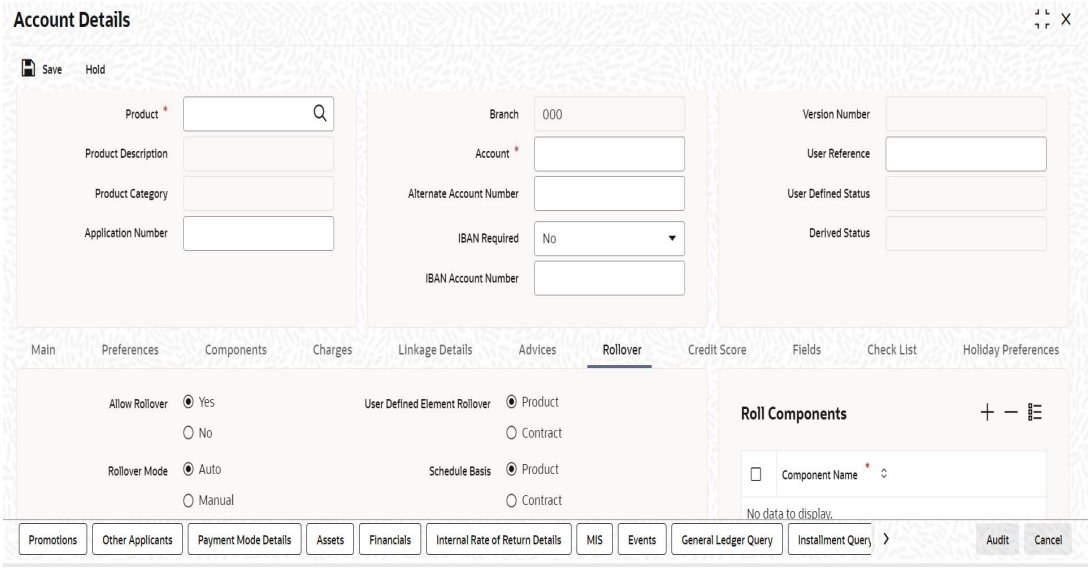
You can suppress the Payment Message defaulted in case you do not need a credit through swift message.

The message is automatically suppressed if the Principal Credit Settlement account is changed to a GL or if the receiver in ‘Swift Msg Details’ screen is not valid to receive the message i.e, if the Customer Type of the Receiver party is not a Bank.

Also, if the settlement mode for PRINCIPAL component is anything other than CASA, the swift message is automatically suppressed.

If the Transfer Type is chosen as blank i.e, neither Customer Transfer nor Bank Transfer, then PAYMENT_MESSAGE will become CREDIT_ADVICE by Swift(MT910) if the Receiver is a bank and the credit settlement account is a current account.

5.1.9 Rollover Tab



You can maintain the following details here:

Allow Rollover

Select the required option to indicate if rollover should be allowed for the loan or not. The options are:

- Yes
- No

Rollover Mode

This option is used to determine if the Rollover is system driven or not .You can select either of the following options:

- Auto - If you select the option Auto Rollover, then upon maturity, the Account will be rolled over automatically by the system Rollover batch run in BOD.
- Manual - If you select the option Manual roll over, then the system does not perform the auto rollover and you can perform a manual rollover.

Note

By default, the system selects the 'Auto' option

The system by default does not select the option Contract

Roll By

Specify the basis for rollover. It could be any of the following:

- Days
- Months
- Years

Rollover Type

Select either of the following options:

- Special Amount: If your rollover is a special amount, select this option and capture the amount that has to be rolled over
- Custom: If the rollover type is 'Custom', then select the 'Component Names' that have to be rolled over

User Defined Element Rollover

Select the required option to determine if at the time of rollover the UDE value would be defaulted from the product or from the account /Contract

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Note

The system by default does not select the option Contract

Schedule Basis

This flag will determine if at the time of rollover the schedule would be defaulted from the product or from the account/Contract

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Note

Roll Components

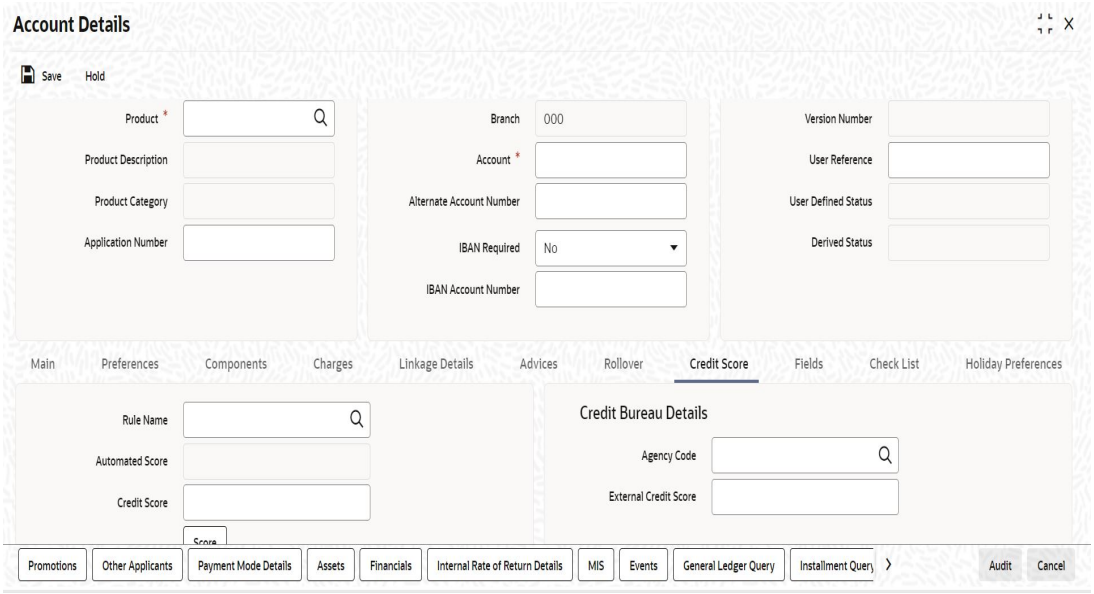
You can maintain the following detail here:

Component

This option is applicable when Rollover Type is Custom. The option list provided will display the components relevant to the account from which you can choose the components that are to be rolled over.

5.1.10 Credit Score Tab

Click ‘Credit Score’ tab to specify the details for calculating the credit score.



You need to specify the following details here:

Rule Name

The rule associated with the loan product gets defaulted here. You can modify this, if required.

Automated Score

The credit score calculated by the system based on the rules maintained at the product level gets displayed here

Agency Code

Select the code of the external agency, to be approached for calculating the score

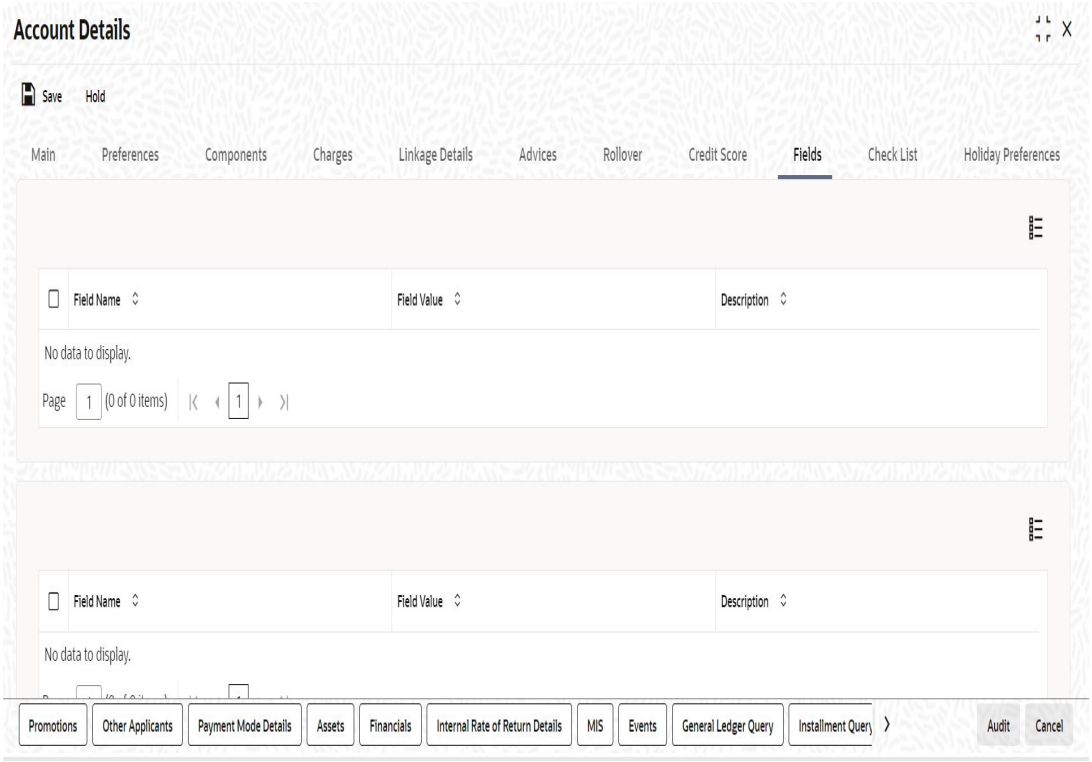
External Credit Score

The score as calculated by the external agency is displayed here

Click ‘Score’ to auto-generate the credit score for the customer. Click ‘External Score’ to auto-generate the credit score for the Bureau.

5.1.11 Fields Tab

The User Defined Fields are defined at the Product level. These fields are available in the UDF button at the time of account creation.



The following details are displayed/captured here:

Field Name

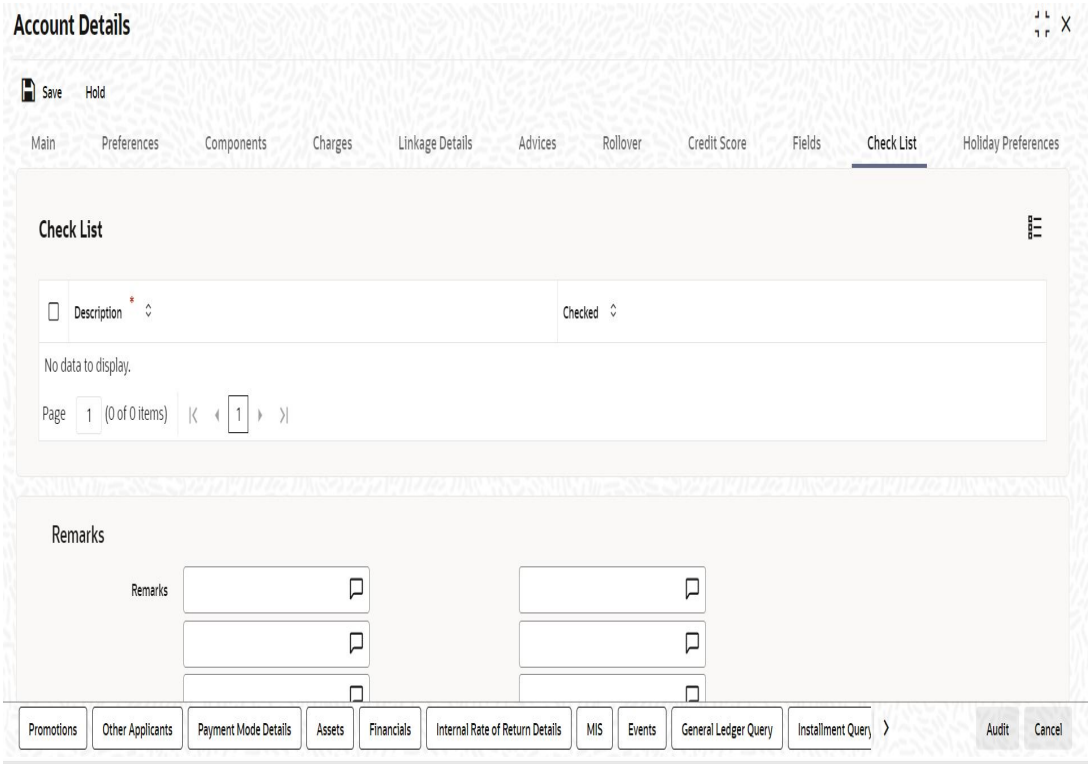
The UDF descriptions defaulted from the Product screen are displayed. The system displays all the UDF descriptions defined at the Product level

Field Value

Specify the UDF value in this field. This is applicable only if the user input or list of values is defined at the time of creation of the UDF

5.1.12 Check List Tab

The Check lists are maintained in the 'Check List Maintenance' screen and are linked to different events of the contract. The checklist maintained for the BOOK event is available in the Checklist button at the time of account creation.



The following details are captured here:

Description

The description of the check list maintained for the BOOK event is displayed here

Checked

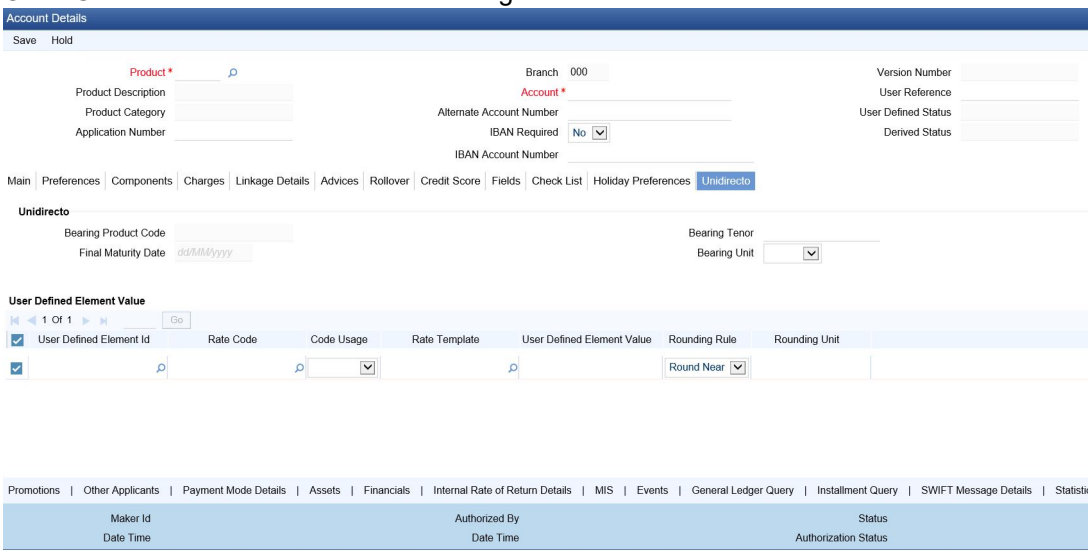
Check this box to indicate that the check list item has been verified

Remarks

Specify any additional remarks about the check list or the account in this free format text field

5.1.13 UnidirectoTab

Click ‘Unidirecto’ tab to invoke the following screen.



The following details are captured here:

Bearing Product Code

The system displays the bearing product code from the product level.

Final Maturity Date

The system displays the final maturity date based on the bearing tenor and holiday treatment.

Bearing Tenor

Specify the tenor of the bearing period of the loan.

Bearing Unit

Select the preference for bearing unit from the adjoining drop-down list. The list displays the following values:

- Days
- Months

User Defined Element Value

User Defined Element ID

Specify the UDE ID. The adjoining option list displays the relevant UDE IDs. You can choose the appropriate one.

Rate Code

Specify the rate code to be used. The adjoining option list displays the relevant rate codes. You can choose the appropriate one.

Code Usage

Select the preference for code usage from the adjoining drop-down list. The list displays the following values:

- Periodic
- Automatic

Rate Template

Specify the rate template to be used. The adjoining option list displays the rate templates maintained in the system. You can choose the appropriate one.

User Defined Element Value

Specify an appropriate value for the UDE.

Rounding Rule

Select the rounding rule preference from the adjoining drop-down list. The list displays the following values:

- Round Near
- Round Up
- Round Down

Rounding Unit

Specify the rounding unit to be used.

Component Details

Component Name

Specify the component for which you are defining schedules.

Schedule Definition

Sequence Number

Specify the sequence number.

Schedule Type

Select the type of schedule from the adjoining drop-down list. The list displays the following values:

- Revision
- Payment
- Disbursement

Schedule Flag

Select the kind of schedule from the adjoining drop-down list. The list displays the following values:

- Normal
- Moratorium

Formula Name

Specify the name of the formula to be used for calculating the schedule. The adjoining option list displays the formula names maintained in the system. You can choose the appropriate one.

First Due Date

The system displays the due date of the first schedule.

No of Schedules

Specify the number of schedules for the component.

Frequency

Specify the frequency of the schedule.

Units

Select the units for the frequency from the adjoining drop-down list. The list displays the following values:

- Daily
- Weekly
- Monthly
- Quarterly
- Half Yearly
- Yearly
- Bullet

Schedule End Date

The system displays the end date for the schedule.

Capitalized

Check this box to indicate that the schedule should be capitalized

Waiver Flag

Check this box to indicate that the schedule should be waived.

Schedule Start Date

The system displays the start date for the schedule.

The system allows you to maintain two types of interest for a loan account - Discounted in the initial period and Bearing in the final period. The bearing product you define at the product level gets defaulted here. You can define the other details that are required for the bearing product in this screen.

If you want to rollover the outstanding principal of the discounted loan into a bearing loan with the same set of components as defined in the discounted loan, by giving a tenor extension but with bearing loan type, you can do so by specifying the 'Bearing Tenor and Bearing Tenor Unit' details. The system uses the 'Bearing Tenor and Bearing Tenor Unit' details to arrive at the maturity date for the newly created bearing loan.

If you want to rollover the outstanding principal of the discounted loan into a bearing loan with the different set of components and different schedules details for the component, then you can do so by defining 'Bearing Tenor and Bearing Tenor Unit' details and also the tenor details using component schedule parameters.

When a discounted loan gets defaulted on its maturity date, the system considers the outstanding principal of the discounted loan as the principal component for the bearing loan. It uses the details maintained here, and during EOD, it triggers a special rollover and creates the bearing loan. This is done for all discounted loans that have not been liquidated on the maturity date (there is outstanding principal amount).

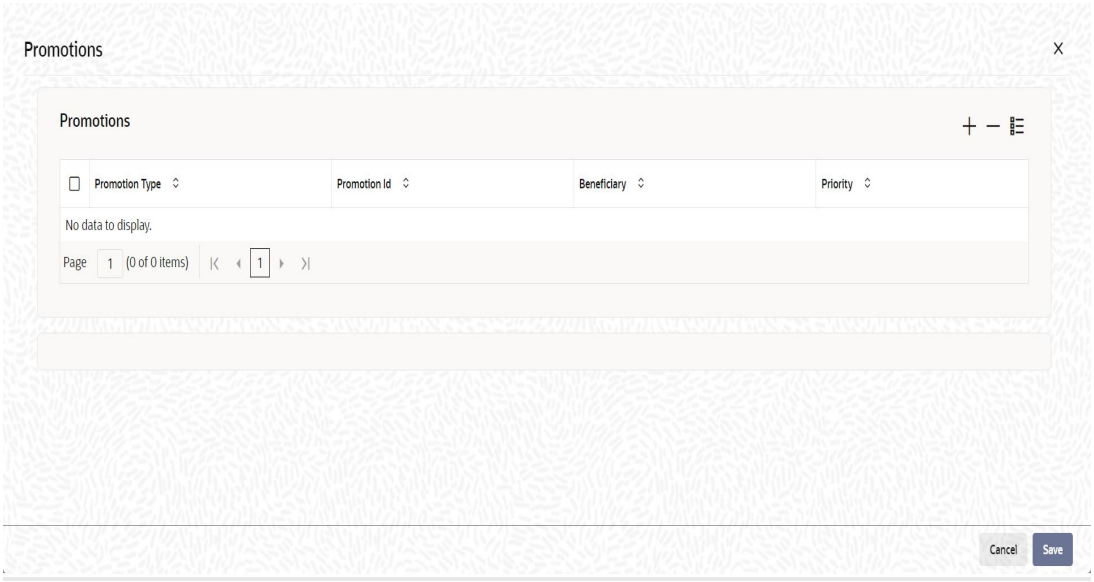
If the maturity date falls on a holiday, the system triggers the special rollover on the EOD of the next working date. This process can be invoked in BOD or EOD of the CLDBATCH.

All the UDE details provided for bearing loan on the creation of discounted loans are used to rollover the loans. If you provide component schedule details during discounted loan creation for the bearing loan, the system defaults the component schedule details and builds the schedule for the bearing period.

If, during the discounted loan creation, you have specified the component schedules details with amount for principal component and during special roll over, if the principal outstanding is less or more than the given schedule amount, the system decreases or increases the principal due amount proportionally.

5.1.14 Promotions Button

Invoke the ‘Promotions’ screen by clicking the ‘Promotions’ button in the ‘Account Details’ screen.



The following details are captured here:

Promotion Type

The system displays the Promotion type to which the original loan is linked. It could be any of the following:

- CONVENIOS
- PROMOTION
- CORFO
- FOGAPE

Promotion ID

The system displays the promotion ID in this field

Beneficiary

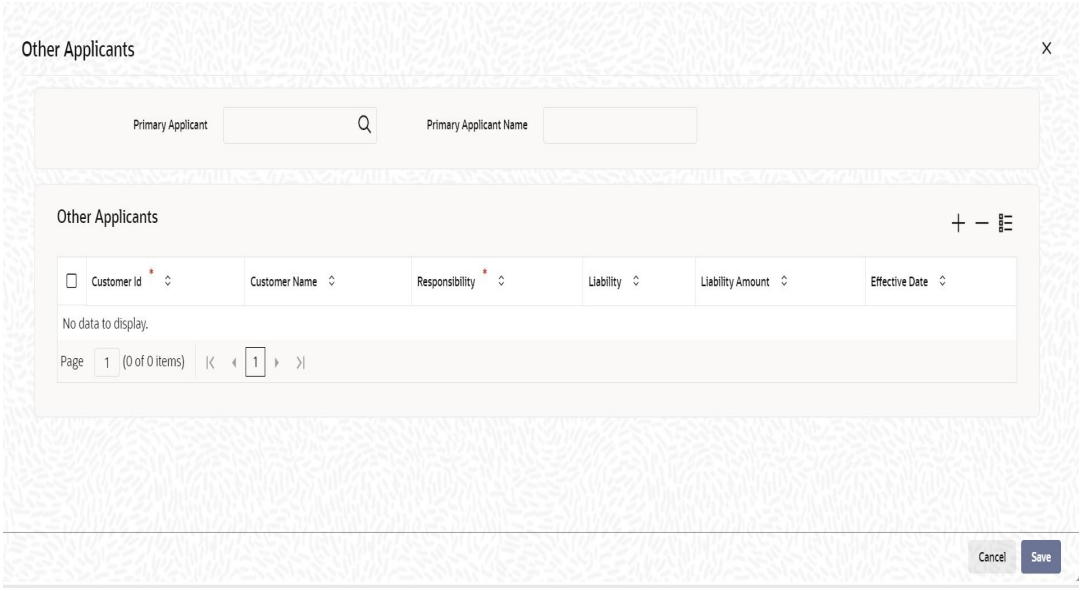
The system displays the beneficiary CIF in this field

Priority

The system displays the priority assigned to the promotion.

5.1.15 Other Applicants Button

You can maintain the primary and other applicants details in the ‘Other Applicants’ screen. Click the ‘Other Applicants’ button to invoke the screen.



You can maintain the following details of the Primary applicants:

Primary Applicant

This detail is defaulted from the main screen. Enter the Customer ID of the primary applicant in this field

Primary Applicant Name

After you enter the Customer ID, the system displays the Name of the primary applicant in this field

Other Applicants

The details of the liability parties to the account are maintained in this field. Other Applicants of a loan include Co-signers and Guarantors.

You can specify the following details of the Co-applicants:

Customer ID

To select the customer ID of the co-applicant, click the option list. A list of customer IDs is displayed. Double click to select the customer ID of the co-applicant.

Customer Name

After you enter the name of the Customer, the system displays the name of the customer in this field.

Responsibility

Select the details of the co-applicants and their responsibility as a Co-signer or as a guarantor from the option list. You can enter the details like the guarantor, co-signer, main addressee, advice notice receiver, and borrower etc., who is relevant to a joint account relationship. During initiation of the account, the primary customer is defaulted to ‘Borrower’ with 100% Liability and value date as the effective date. You are allowed to maintain multiple applicants (customer id) for a loan with the same responsibility (Borrower).

Note

While there is no processing impact, the difference will become important when the original debtor is absconding and the loan is unpaid etc.

Liability

Specify the contribution of the co-applicants to the Loan. You can specify the Liability of the co-applicant if any, in case of a Loan default. You can also specify the percentage of interest split among different co-applicants. It is not made mandatory to maintain 'Liability %' for the responsibility 'Borrower'. There could be borrowers with 0% liability.

Note

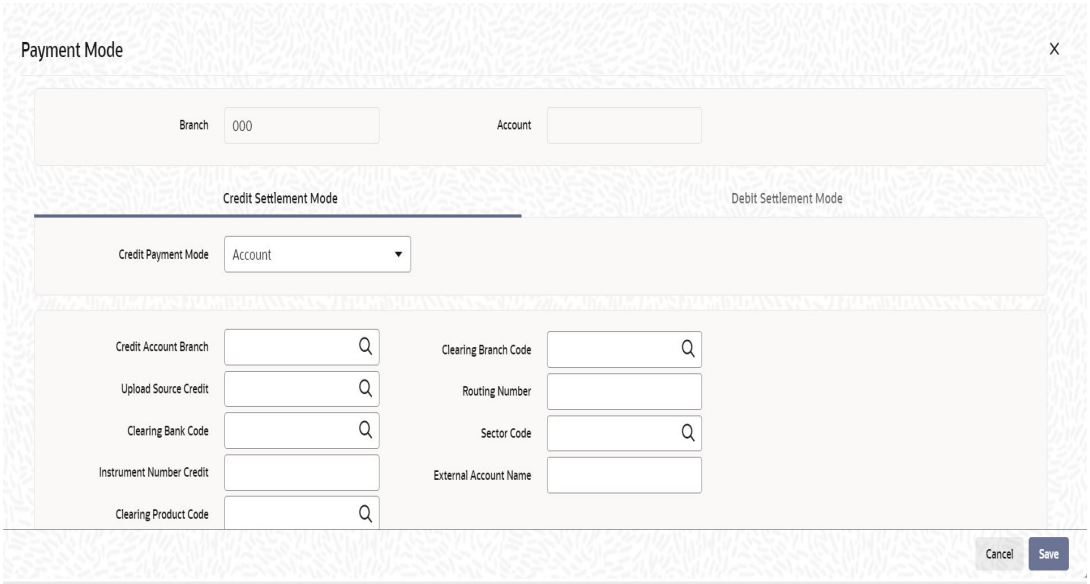
The sum of 'Liability %' for all the customers of a loan to be equal to 100%

Liability Amount

The system calculates and displays the upper limit of the liability in terms of the amount in this field. You may override the computed value.

5.1.16 Payment Mode Details Button

The debit and credit settlement mode details for the account can be maintained in the 'Settlement Details' screen. You can invoke this screen by clicking the 'Payment Mode' button in the 'Main' tab.



The options for debit mode are CASA, Credit Card, Debit Card, Clearing, External Account, Electronic Pay Order, Internal Check, Instrument, GIRO and Cash/Teller.

The options for credit mode are CASA, Clearing, External Account, Instrument, and Cash/Teller.

You can maintain the following details here:

- CASA:
  - Branch: Click the option list to choose the branch in which the customer account resides. Double click on a branch to select it
- Account: Click the option list to choose the account in the branch selected. Double click on an account to select it. Credit Card / Debit Card

- Card Number: This field captures either the Credit No or the Debit No details based on the selection

  The card must be a valid card whose number can be checked with a modulo logic or maintenance file

- Clearing Network
  - Clearing Bank Code: Click the option list to select the bank code as per clearing maintenance. Double click on a bank code to select it
  - Clearing Branch Code: Click the option list to select the clearing bank branch. Double click on a branch code to select it
  - Instrument No: Enter the number on the instrument presented for clearing in this field. Double click on a value to select it
  - Routing No: Enter the routing number of the branch selected for clearing in this field
  - Clearing Product Code: Click the option list to choose a product code if the clearing is using an Oracle FLEXCUBE clearing product. Double click on a branch to select it
  - End Point: This field picks up the end point maintained in the clearing system
  - Sector Code: Click the option list to choose the clearing sector code. Double click on a sector code to select it
- External Account
  - Clearing Bank Code: Click the option list to choose the external bank code as per clearing maintenance
  - Clearing Branch Code: Click the option list to choose the external bank branch used for clearing
  - Ext Acc No: Enter the external account number in this field
  - Ext Acc Beneficiary Name: Enter the name of the beneficiary of the external account in this field
- GIRO
  - Auto/Manual GIRO – Select Auto GIRO for automatic direct debit or else select Manual
  - Bank/Plus GIRO – Select the GIRO clearing system used, which can be either Bank or Plus
  - GIRO Number – This is applicable only for corporate customers and not for individual customers. You have to enter the GIRO number
  - Payer Bank Name – Specify the name of the bank from which the amount is paid
  - Payer Branch - Specify the branch from which the amount is paid
  - Payer Account - Specify the account from which the amount is paid
  - Payer Bank Address - Specify the address of the bank from which the amount is paid
- Instrument / Cash / Teller
  - AC Branch: Click the option list to choose branch where the account is serviced. Double click on a branch to select it

Product or Account: If the payment mode is Account, this field specifies the CASA / GL account to be debited. If the payment is through Instrument / Cash, it denotes the teller product to be used.

If the Credit Payment Mode is External Account, then you can specify the payment details in the following fields:

- Payment Details 1
- Payment Details 2

- Payment Details 3
- Payment Details 4

While creating outgoing payment during auto disbursement process, the payment details are passed to the External Payment System.

To view the joint holder's details of an account and the mode of operation maintained at the account level, place the cursor on the Credit Product Account field or Debit Product Account field and press Ctrl+J. The system displays the 'Joint Holder' screen.

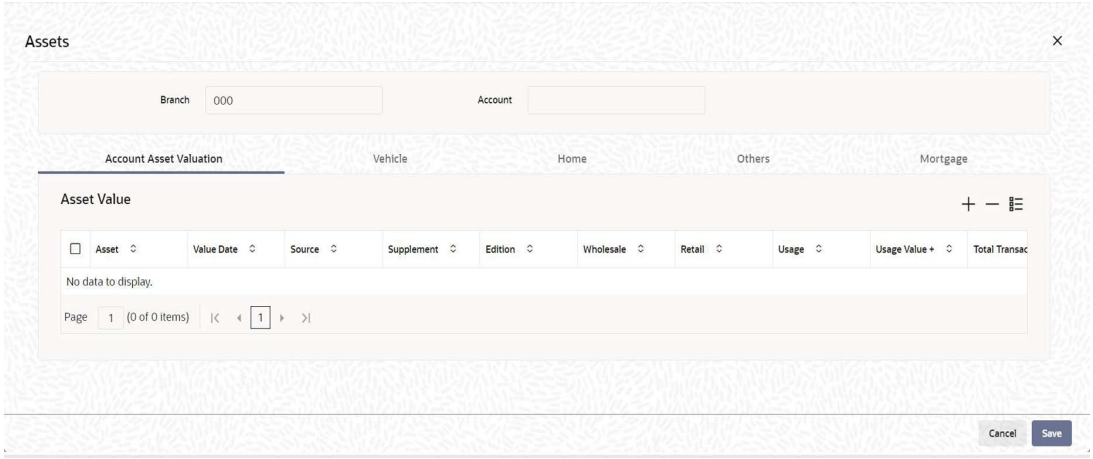
For more information on the 'Joint Holder' screen refer to the section 'Joint Holder Maintenance' in the core User Manual.

5.1.17 Assets Button

You can capture the details corresponding to the collateral being provided for the current loan in the 'Assets' screen. To invoke this screen, click 'Assets' button in 'Account Details' tab of the 'Account Details' screen.

5.1.17.1 Account Asset Valuation Tab

You can capture valuation details of the asset in this tab.



Here, you can specify the following details related to your assets like vehicle, home, etc.

Assets

Select the type of asset from the drop-down list. The following values are provided for selection:

- Vehicle
- Home
- Others

Value Date

Specify the valuation date for the selected asset, or select the date by clicking the 'Calendar' button.

Source

Specify the source associated with the asset selected

Supplement

Specify the supplement of the valuation source used for the valuation

Edition

Specify edition of the valuation source used for the valuation

Wholesale

Specify the wholesale rate associated with the asset selected

Retail

Specify the retail rate associated with the asset selected

Usage

Specify usage level at the time of the valuation

Usage Value +

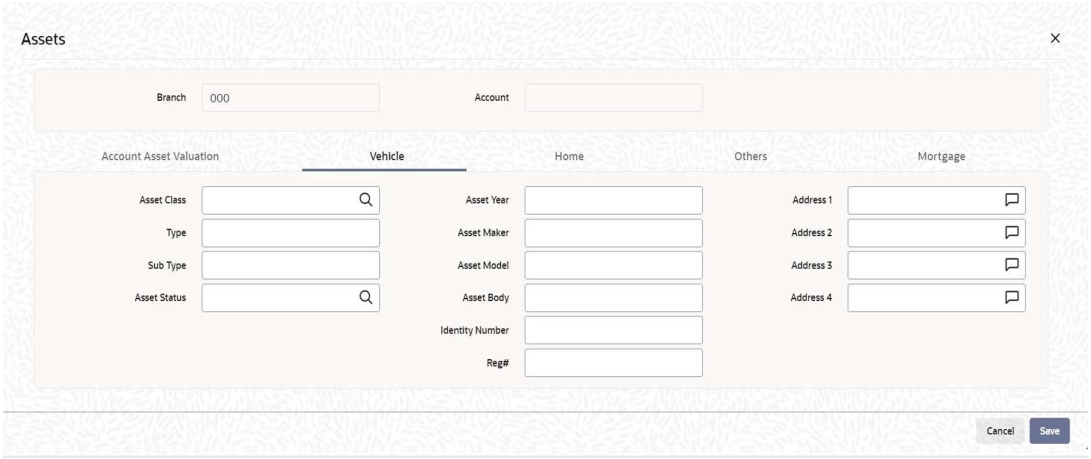
Specify the initial usage value

Total Transaction Value

Specify the total transaction value of the asset.

5.1.17.2 Vehicle Tab

You can capture details regarding the asset of type 'vehicle' in this tab



You can specify the following common details associated with asset of type vehicle:

Asset Class

Select the class associated with the asset selected, from the option list. The following options are provided:

- New
- Used
-

Type

Specify the type of the selected asset here

Sub Type

Specify the subtype associated with the asset, if any

Asset Status

Select the status of the asset selected, from the option list. The following options are provided:

- Active
- Inactive

- Inventory
- Undefined

Asset Year

Specify the year of association with the selected asset

Asset Make

Specify the make of the selected asset. For vehicle, you can specify the manufacturing company name and for home you can specify the name of the builder or developer.

Asset Model

Specify the model of the selected asset.

You need to specify the following details additional related to vehicle type of asset:

Asset Body

Specify the body number associated with the vehicle

Identify Number

Specify the unique identification number associated with the vehicle

Reg#

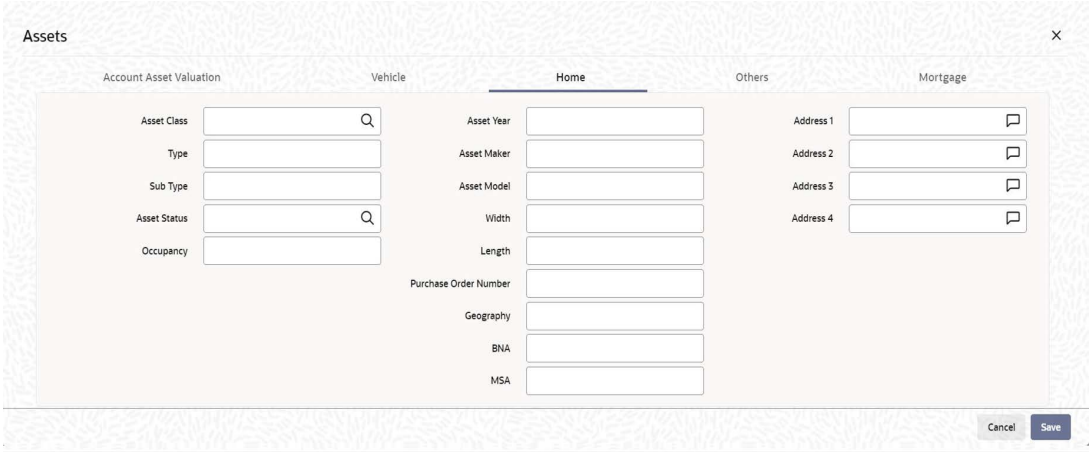
Specify the registration number of the vehicle

Address

Specify the address associated with the asset

5.1.17.3 Home Tab

You can capture details regarding the asset of type Home in this tab



You can specify the following additional details for home type of asset:

Occupancy

Specify the number of people occupying the house

Width

Specify the width associated with the selected asset

Length

Specify the length associated with the selected asset

Purchase Order Number

Specify the post office number of the location of the property

GEO

Specify the property GEO code (Geospatial Entity Object Code) for the asset

BNA

Specify the census tract/BNA code (Block Numbering Area) for the asset

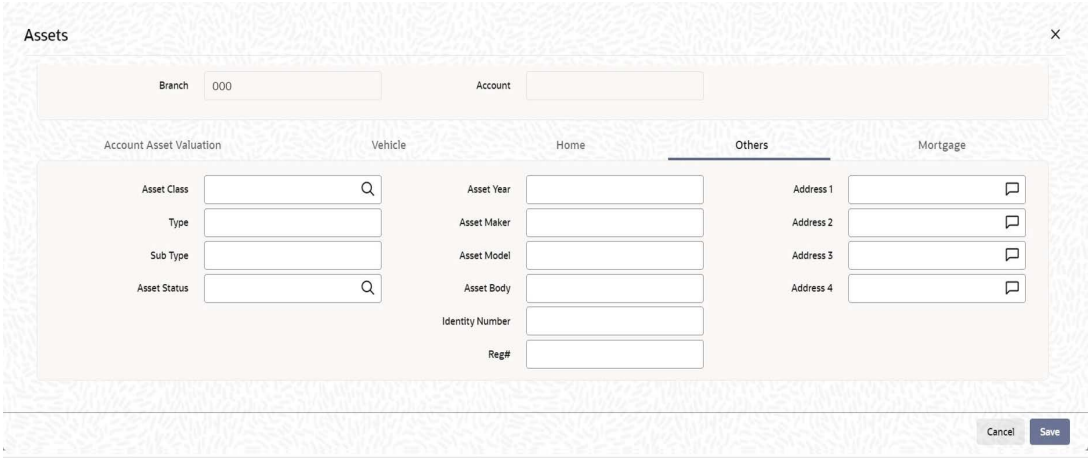
MSA

Specify the metropolitan statistical area (MSA) code for the asset

Click ‘Ok’ to save the details.

5.1.17.4 Others Tab

You can capture other asset details here.

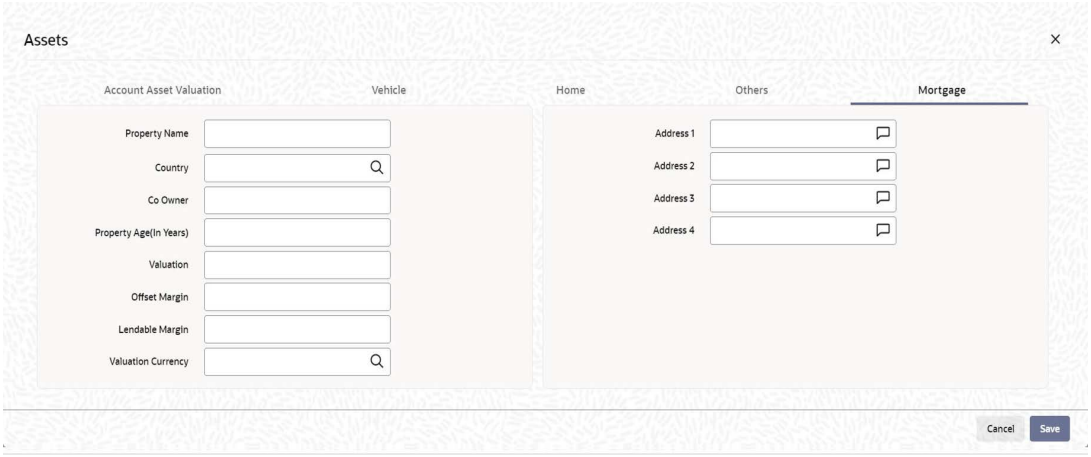


Specify the following details:

- Asset Class
- Type
- Sub Type
- Asset Status
- Asset Year
- Asset Make
- Asset Model
- Asset Body
- Identity Number
- Register Number
- Address

5.1.17.5 Mortgage Tab

You can capture details regarding the asset of type Mortgage in this tab.



Here you can specify the following mortgage type asset:

Property Name

Specify the name of the mortgage property.

Collateral Category

Specify the category to which the collateral belongs.

Country

Specify the name of the country to which the mortgage property belongs.

Co-Owner

If the property is jointly held, specify the name of the co-owner of the property.

Property Age (in Years)

Specify the age of the property in terms of number of years.

Valuation

Specify the actual value of the mortgage property.

Offset Margin

Specify the offset margin of the mortgage property.

Lendable Margin

Specify the margin that should be allowed for lending.

Valuation Currency

Specify the currency in which the property has been valued. The option list displays all valid currencies maintained in the system. Choose the appropriate one.

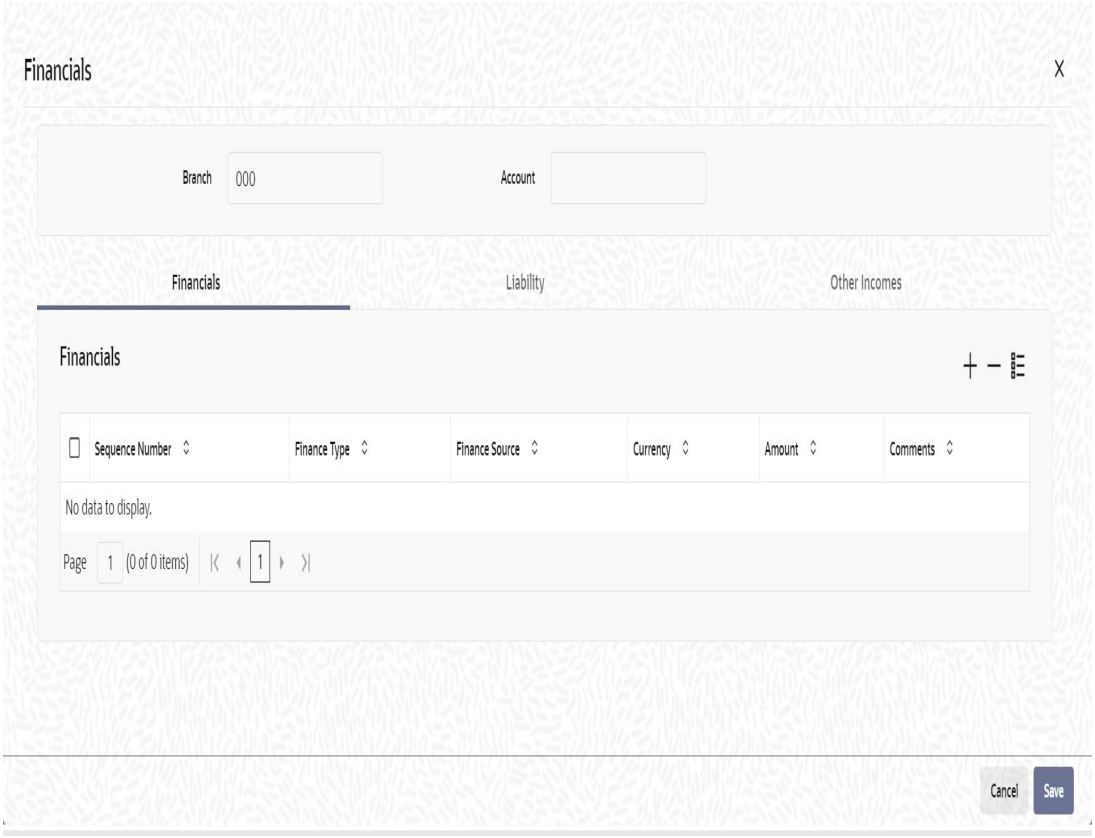
Property Address

Specify the address details of the property.

5.1.17.6 Financials Tab

You can capture the income or liability details of the customer in the ‘Financials’ screen. To invoke this screen, click ‘Financials’ in ‘Account Details’ tab of the Account Details screen.

You can specify the following details related to the customer's income here:



The following details are captured here:

Finance Type

Select the type of the income from the option list provided

Finance Source

Specify the source of the income

Currency

Select the currency associated with the income, from the option list provided

Amount

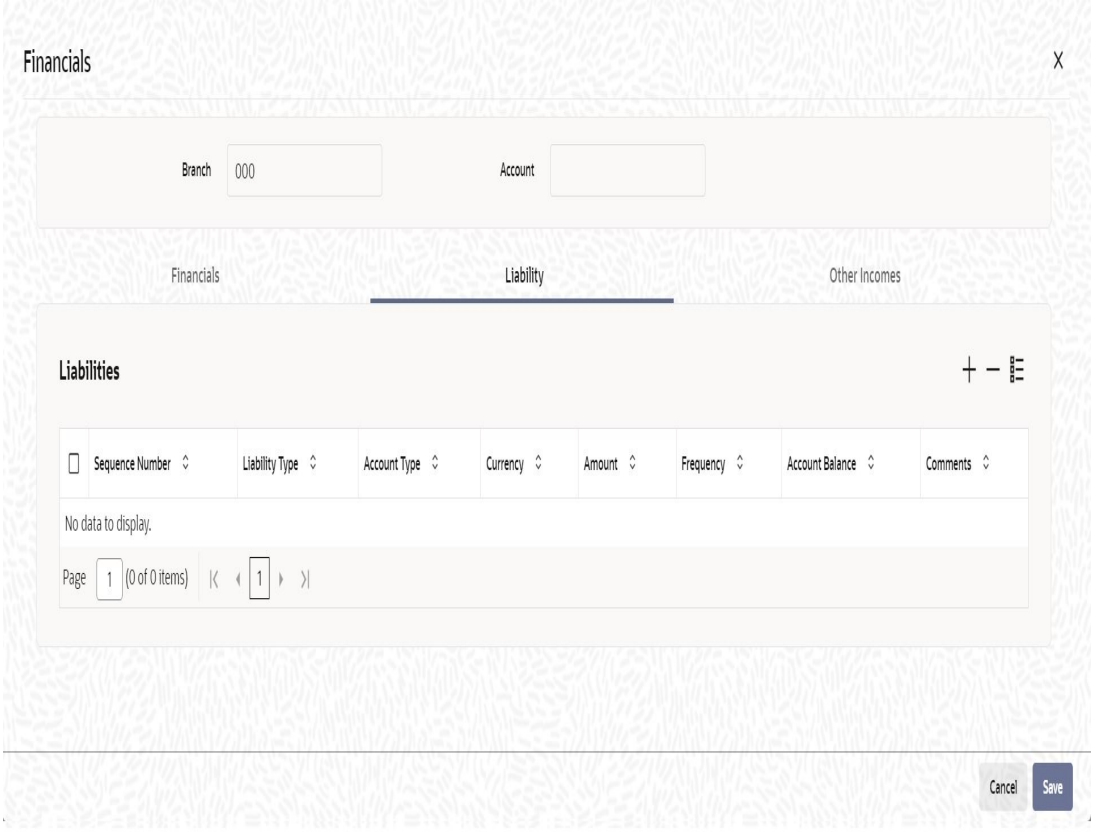
Specify the amount associated with the income

Comment

Specify any remarks or comments for the income

5.1.17.7 Liability Tab

Here you can specify the following details related to the customer's liability:



The following details are captured here:

Liability Type

Select the type of the liability from the option list provided

Account Type

Specify the account type associated with the liability

Currency

Select the currency associated with the liability, from the option list provided

Amount

Specify the amount associated with the liability

Frequency

Select the frequency at which payments are made towards the liability. The following options are possible:

- Daily
- Weekly
- Monthly
- Quarterly
- Half Yearly
- Yearly

Account Balance

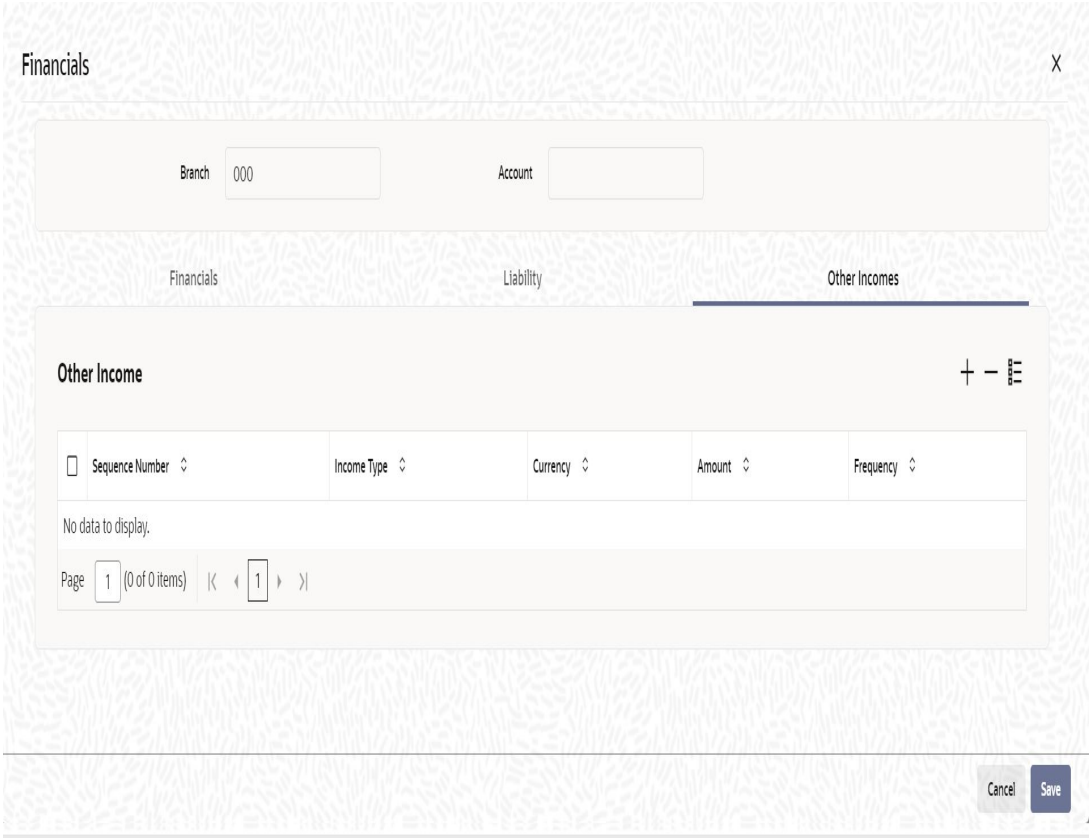
Specify the current amount outstanding

Comment

Specify any remarks or comments to be associated with the liability

5.1.17.8 Other Income Tab

You can also capture the details related to other sources of income, if exists



The following details are captured here:

Seq No

Specify the sequence number here

Income Type

Specify the type of income here. You can also select the income type from the adjoining option list.

Currency

Specify the currency of the income here. You can also select the currency from the adjoining option list.

Amount

Specify the amount of income here

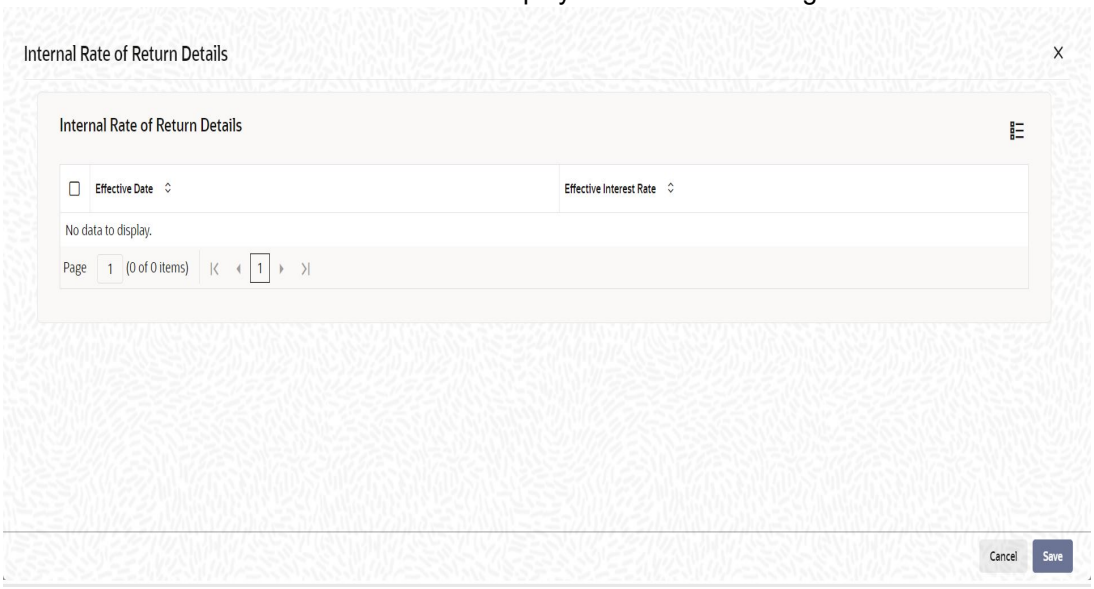
Frequency

Select the frequency of the income here from the drop-down list.

Click Ok to save the details.

5.1.18 Internal Rate of Return Details Button

You can view the internal rate of return details in the ‘Internal Rate of Return Details’ screen. You can invoke this screen by clicking the ‘Internal Rate of Return Details’ button in the ‘Account Details’ screen. The values are displayed in the descending order of the dates..

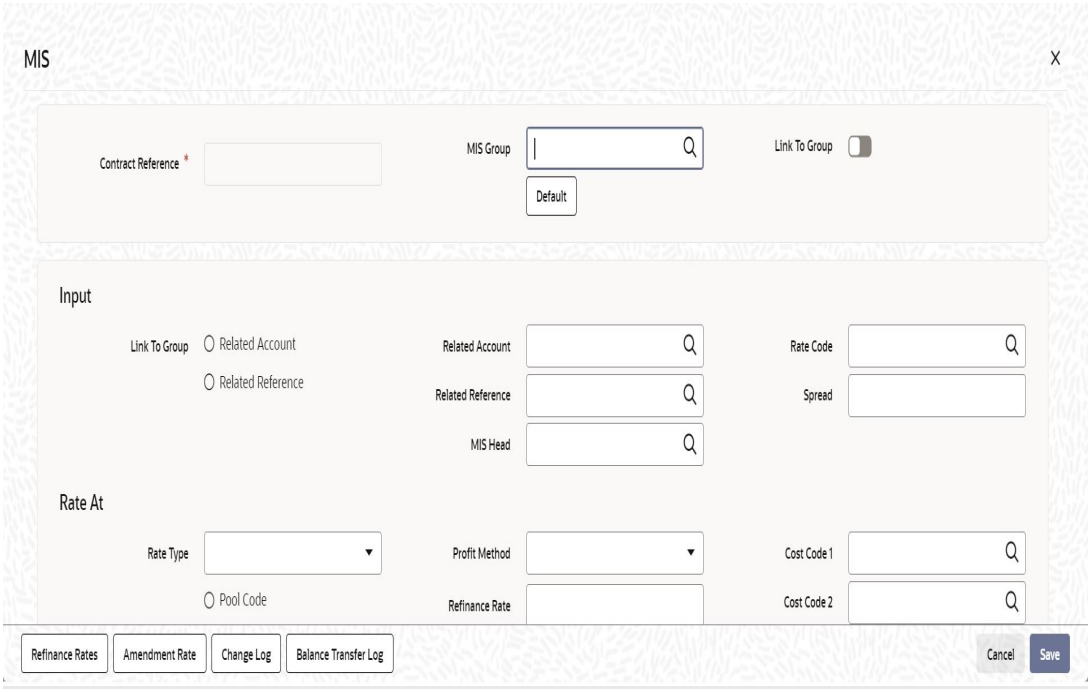


The following details are displayed here:

- Effective Date of the interest rate
- The interest rate

5.1.19 MIS Button

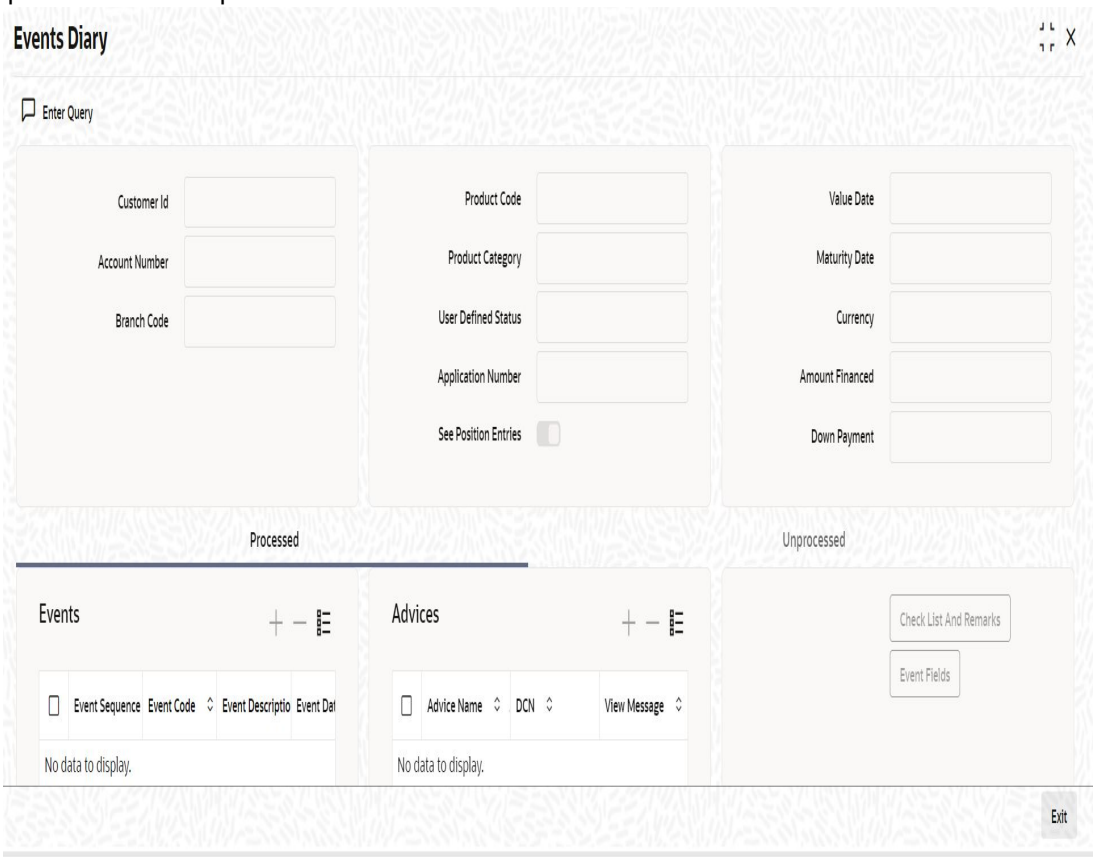
You can maintain MIS details in the ‘MIS’ screen. You can invoke this screen by clicking the ‘MIS’ button in the ‘Account Details’ screen.



For more details on this screen refer section 'Defining MIS details for an account or contract' in the chapter 'Defining MIS Details for a Customer, Account Class, Account, Product, and Contract' in the 'Management Information System' User Manual.

5.1.20 Events Button

An 'event' may be defined as any action starting from application entry to collections. This module captures the details of events applicable to the account. The screen displays both processed and unprocessed events.



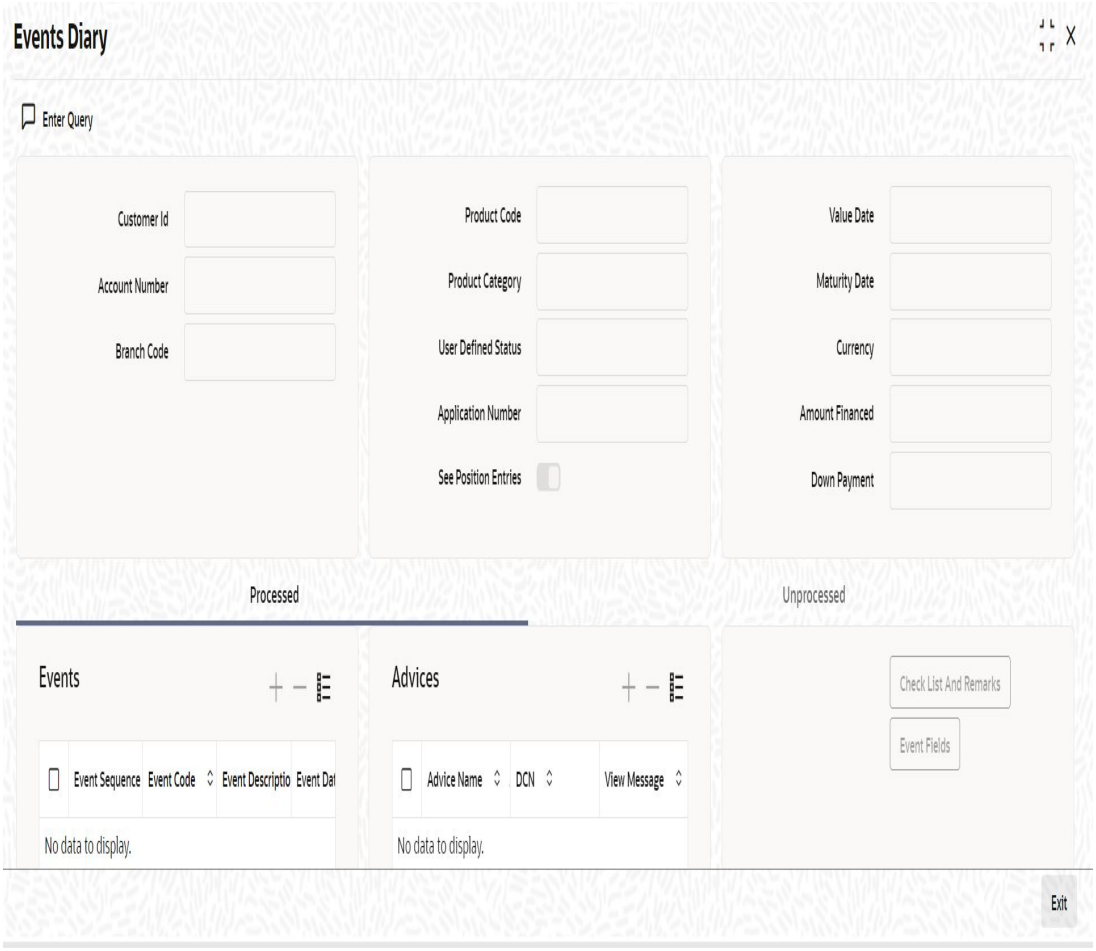
The following details are displayed here:

- Branch Code: The branch code of the account maintained in the valid tables of consumer lending.
- Account No: Applicant's account number, which is auto generated if it is so maintained under the branch parameter.
- Alt Account No: Alternate account number of the applicant.
- Application Number: The application number captured at the time of loan initiation.
- Customer Id: Applicant's customer Id.
- Product Code: Product code of the product associated with the account, defaulted from Product definition.
- Product Category: The product category availed by the customer.
- Amount Financed: The total loan amount.
- Currency: Currency in which the transaction will be conducted for the account.
- Down Payment Amount: The amount paid by the customer upfront. This is used for information only.
- Maturity Date: Maturity date for the loan account.
- Value Date: value date for the account.

- User defined status: The user defined status for the account.

5.1.20.1 Processed Tab

The processed events are all the events which have already taken place. This displays the details like the sequence number of the event. The date on which the event was processed, the value date, the event code, the cutoff status, and a brief description of the event. The screen also displays the details of the events according to the events selected.



The following details are displayed here:

Events

- Sequence No: The sequence number for the account.
- Processed Date: The date on which the event takes place. It is the same as system date.
- Value Date: The value date of the events as maintained in the valid table that is captured during application entry.
- Code: Event code.
- Description: Description for the event occurred.

Advices

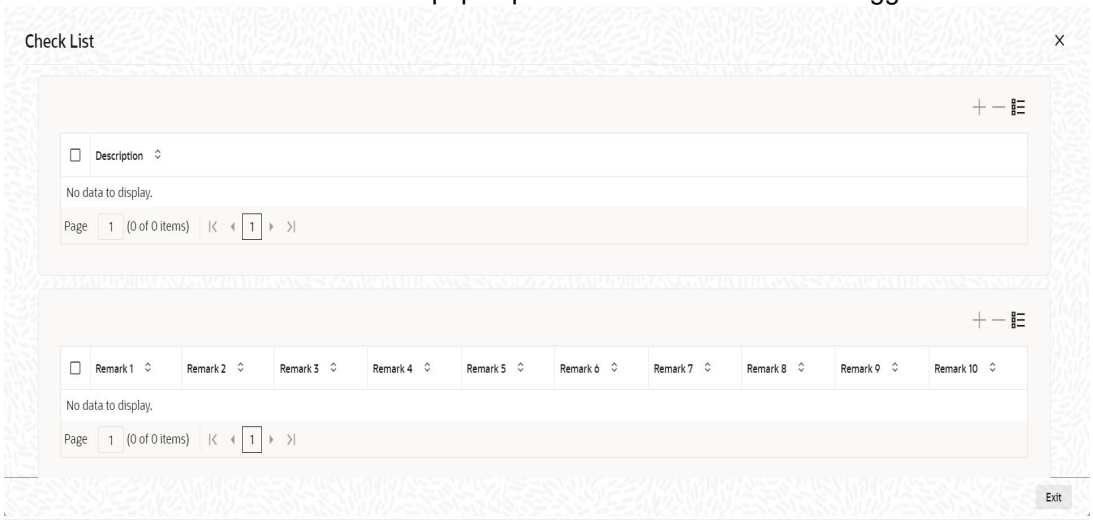
- DCN: System generated number for reference.
- Message Type: Type of advice generated for the event. This is applicable only if maintained at the product level for the particular event.

Entries

- Dr/Cr: This field indicates if the event occurring is a Debit or Credit event.
- Branch: The branch in which the event occurred. This is defaulted from the Consumer Lending module.
- Account: The number of the account affected by the event as maintained in the valid table.
- Ccy: The currency involved in the event
- Event Fcy Amt: Foreign currency amount involved with the event, if any
- Exch Rate: Exchange rate associated with the account
- Event Lcy Amt: Local currency amount involved with the event, if any. These events are maintained in the Event entries table.
- Value Date: Value date for the event as maintained in the valid date captured during the application entry.
- Trn Date: Event transaction date. It is same as the system date.
- Entry Fcy Amt: Netted entry log for the foreign currency amount. These values are stored in the daily logs.
- Entry Lcy Amt: Netted entry log for the local currency amount. These values are stored in the daily logs.
- Trn Code: Transaction code
- Amount Tag: Amount tag for the transacted amount
- Event Seq Number: Event sequence number
- Event: Event name and identifier
- GAAP indicator: Generally Accepted Accounting Principles (GAAP) applicable for the accounting entry

5.1.20.2 Viewing Event Checklist

Event checklist is a list of items that pops up when an online function is triggered.



5.1.20.3 Archiving Processed Events

You can archive processed records from the events diary using the 'Retail Lending - Bank Parameters' screen.



In this screen, you can specify the following parameters to archive processed events:

Reference Date

This is the first date on which the archival will be initiated. If this date is NULL, no archival will be done.

Frequency

This is the frequency for archival. The options in the drop down list are:

- Daily
- Monthly
- Yearly

Unit

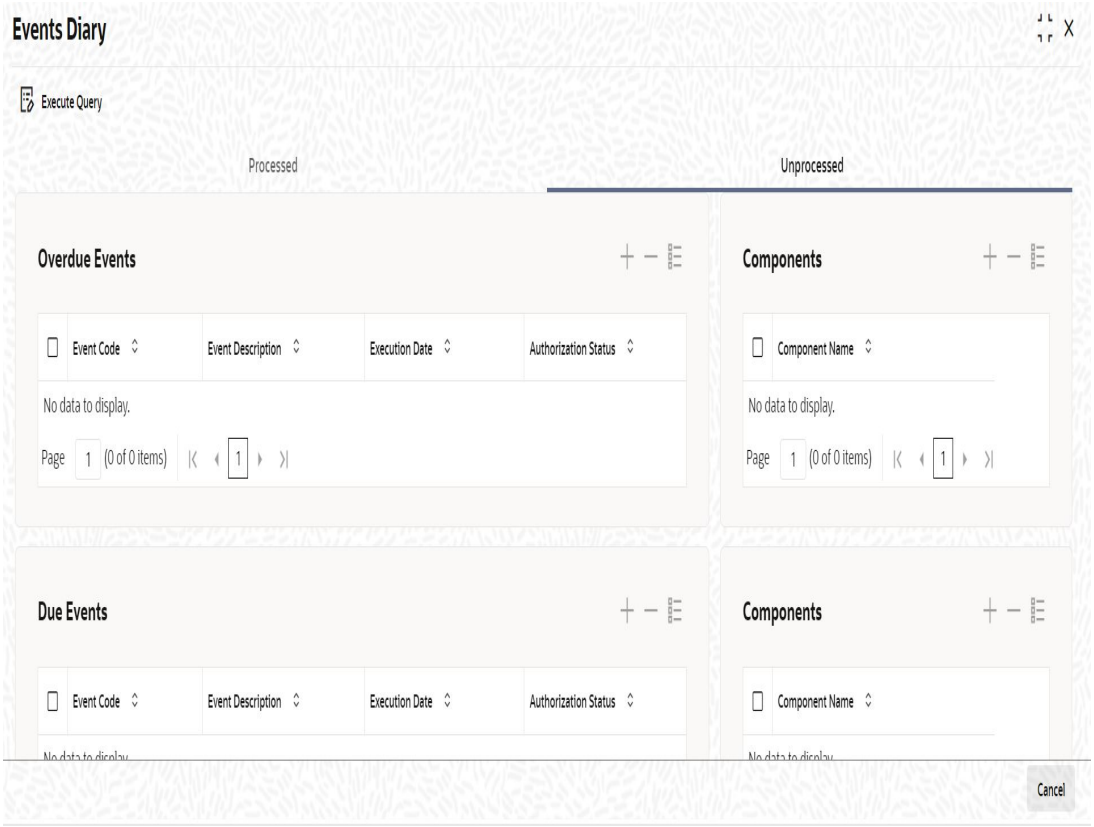
This is a numeric value. Let us suppose you select the frequency as Daily and Unit as 5. In this case archival will be done every 5th day.

A batch process will execute the archival by end of day. However, if you do not specify the parameters, archival will not be executed.

A batch process will execute the archival by end of day. However, if you do not specify the above parameters, archival will not be executed.

5.1.20.4 Unprocessed Tab

The Unprocessed event screen has all the details of the overdue and the Due events for the account.



The following details are displayed:

Overdue Events

An event which has crossed the due date becomes an overdue event. The number of days after the due date is used by the bank to calculate penalty for the event.

The following Overdue event details are displayed:

Overdue Events

- Code: Unique event code
- Date: Date on which event occurred
- Description: Brief event description

Components

Component name: Name of the component affected by the event.

Due Events

The date on which the event is supposed to take place is the due date of the event. In case of repayments, the customer is informed by the bank regarding the due date.

The following details are displayed:

Due Events

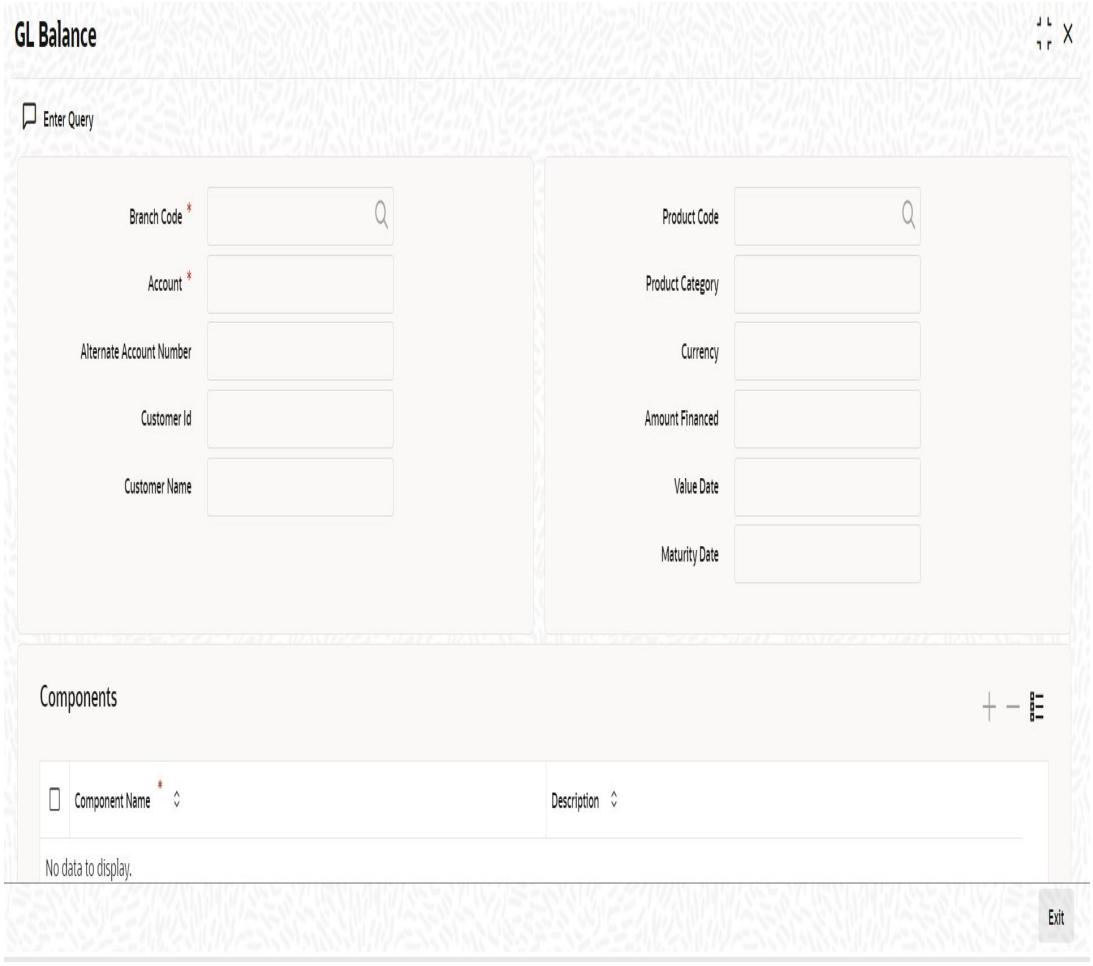
- Code: Unique event code.
- Date: Date on which event occurred.
- Description: Brief event description.

Components

Component name: Name of the component affected by the event.

5.1.21 General Ledger Query Button

You can view the general ledger details in the 'GL Balance' screen. You can invoke this screen by clicking the 'General Ledger Query' button in the 'Account Details' screen.



The information displayed includes:

Account Details

- Branch Code: The branch code of the account maintained in the valid tables of consumer lending.
- Account No: Applicant's account number, which is auto generated if it is so maintained under the branch parameter.
- Alt Account No: Alternate account number of the applicant.
- Customer Id: Applicant's customer Id

- Product Code: Product code of the product associated with the account, defaulted from Product definition.
- Product Category: The product category availed by the customer.
- Amount Financed: The total loan amount
- Currency: Currency in which the transaction will be conducted for the account.
- Value Date: value date for the account.
- Maturity Date: Maturity date for the loan account.

Components

- Component Name: Name of the component defined for the product to which the account is linked.
- Description: Component description as defined at the Product level.

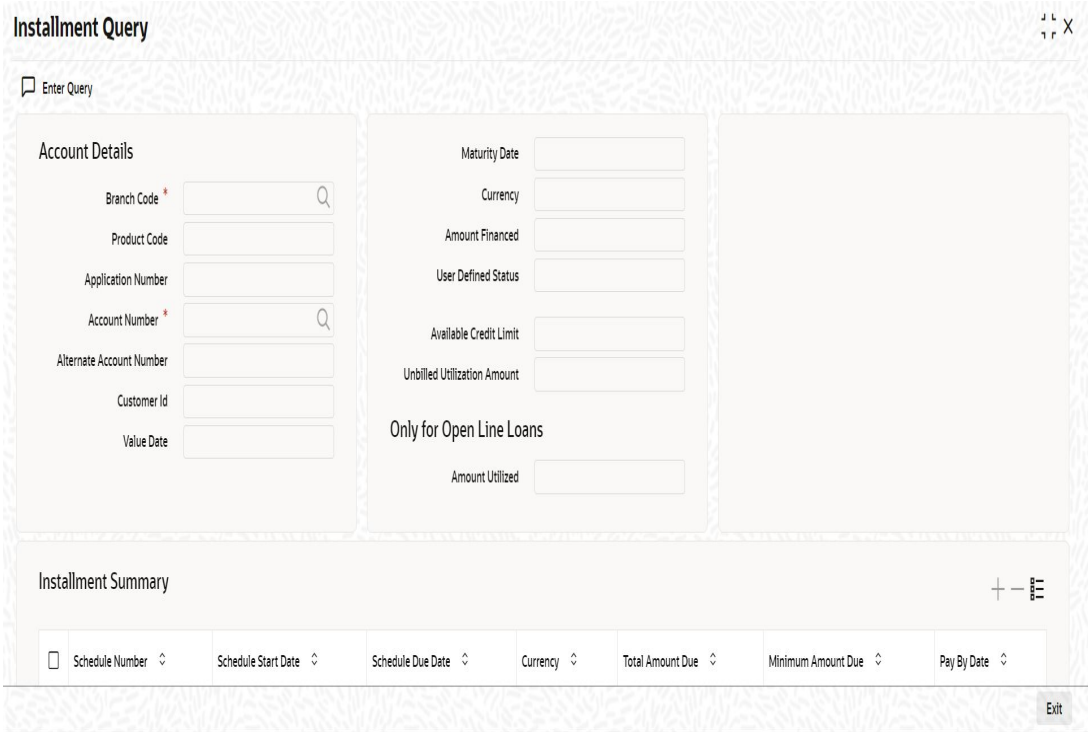
GL Details

- GL Code: This is the account head to which the component will be dr / cr. This is defined at the product level.
- Type: GL category as defined in the GL chart of accounts
- Status: GL type as defined in the GL chart of accounts
- Balance: GL balance in terms of the account currency
- Lcy Balance: GL balance in terms of the local currency

5.1.22 Installment Button

Click 'Installment' button to access the Installment query screen. The installment query screen displays the details of the installments for the account. The information displayed includes the account details, installment details and the installment summary.

You can invoke the 'Installment Query' screen by clicking the 'Installment' button in the 'Account Details' screen.



The following installment details are displayed:

Account Details

The following account details are displayed:

- Branch Code: The branch code of the account maintained in the valid tables of consumer lending.
- Customer Id: Applicant's customer Id as maintained in the valid table.
- Account No: Applicant's account number, which is auto generated if it is so maintained under the branch parameter.
- Alt Account No: Alternate account number of the applicant.
- Application No: The application number of the customer.
- Amount Financed: The total loan amount as maintained in the valid table.
- Currency: Currency in which the transaction will be conducted for the account.
- Product Code: Product code of the product associated with the account, defaulted from Product definition.
- Maturity Date: Maturity date for the loan account.
- Value Date: value date for the account.
- User Defined Status: the user defined status for the account.
- Available Credit Limit: the latest available amount that is available for utilization.
- Amount Utilized: the latest utilized amount, i.e., the principal outstanding for the loan account.
- Unbilled Utilization: the sum of amount utilized after billed date. The system will display this value only for open line loans.

Installment Summary

The following installment summary details are displayed:

- Schedule Number: Installment number.
- Schedule Due Date: Installment due date.
- Currency: Currency for the installment.
- Total Amount Due: Total amount due for the installment.
- Minimum Amount Due: This is applicable only for those installments with schedule due that are past branch date (billed installments). The system will display this value only for open line loans.
- Pay By Date: The system will display this value only for open line loans.

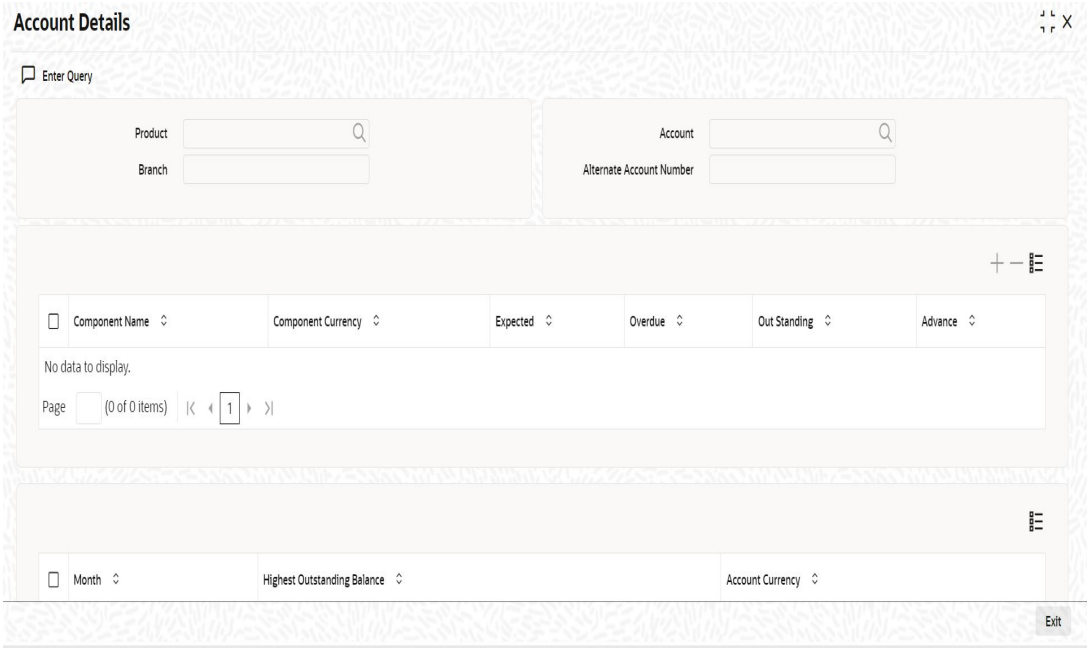
Installment Detail

The following installment details are displayed:

- Component Name: Names of all the components that make up a particular installment.
- Settlement Currency: Currency for settlement.
- Amount Due: Amounts due for each of the components of a particular installment.
- Schedule Status: Installment status based on the status maintained at the installment level in the product.
- Populate: Click the **Populate** button to populate the details.

5.1.23 Statistics Button

You can view the current status of an account in the ‘Account Details’ screen. You can invoke this screen by clicking the ‘Statistics’ button in the ‘Account Details’ screen.



Once you select an Account Number, the system displays the following details pertaining to the current status of the account:

- Component Name
- Expected
- Overdue Amount
- Outstanding Principle
- Advance Amount
- Currency
- Number of overdue installments

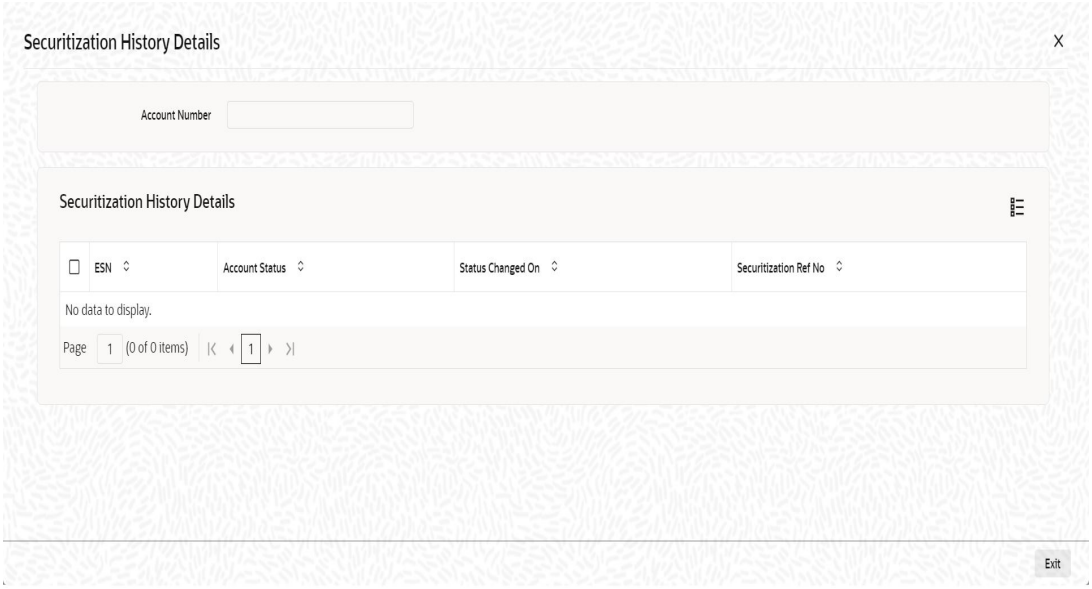
The Account creation and any other change to an account is updated the audit trail of the record. In the audit trail, the Account status details are also displayed. An Account can be active or uninitiated. Once it is active, it can be reversed, deleted or liquidated based on the operations on it. This is displayed on the screen.

You can view the data collected for the last 12 months including the current month Highest Outstanding balance.

- Month
- Highest Outstanding Balance
- Account Currency

5.1.24 Securitization Details Button

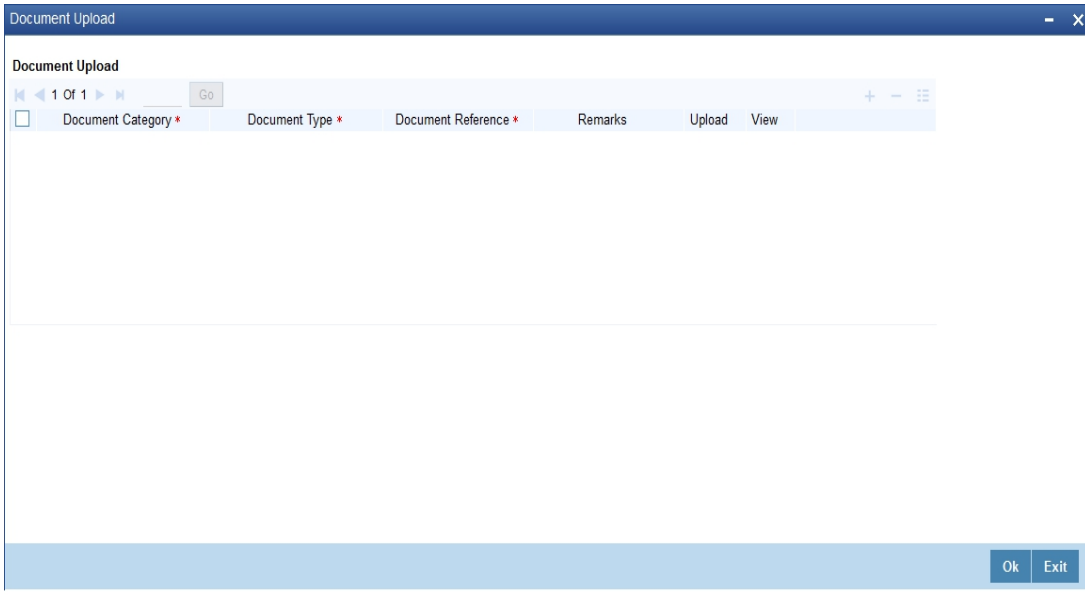
You can view the securitization details in the ‘Security History Details’ screen. You can invoke this screen by clicking ‘Securitization Details’ button in the ‘Account Details’ screen.



Here the system displays the securitization details such as Securitization Event, Status, Date and Security Reference Number on which the loan contract has been a part.

5.1.25 Documents Button

You can capture the customer related documents in central content management repository through the ‘Document Upload’ screen. Click ‘Documents’ button to invoke this screen.



Here, you need to specify the following details:

Document Category

Specify the category of the document to be uploaded.

Document Type

Specify the type of document that is to be uploaded.

Document Reference

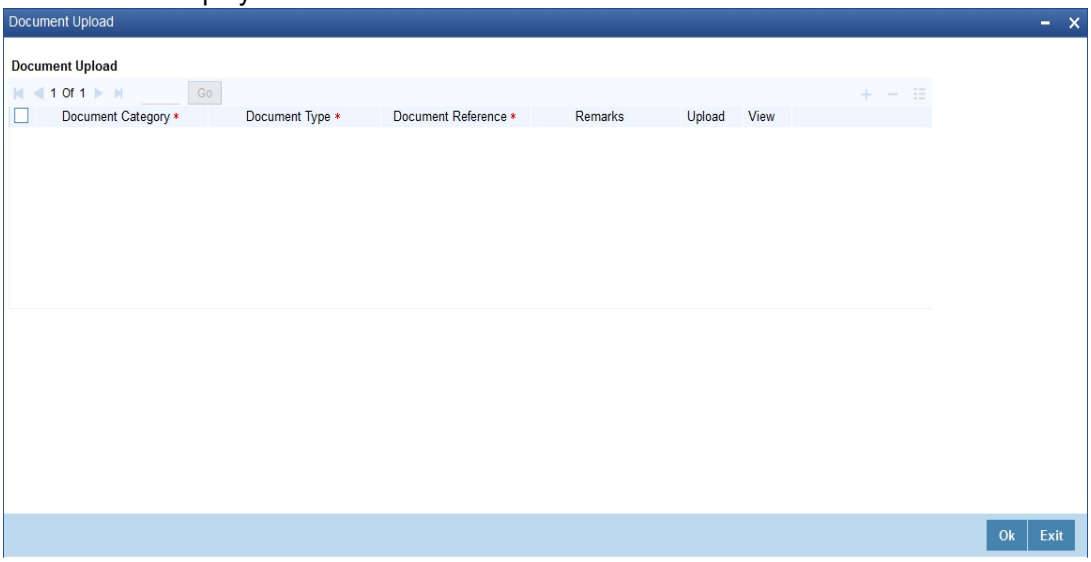
The system generates and displays a unique identifier for the document.

Remarks

Specify the additional information, if any.

Upload

Click ‘Upload’ button to open the ‘Document Upload’ sub-screen. The ‘Document Upload’ sub-screen is displayed below:



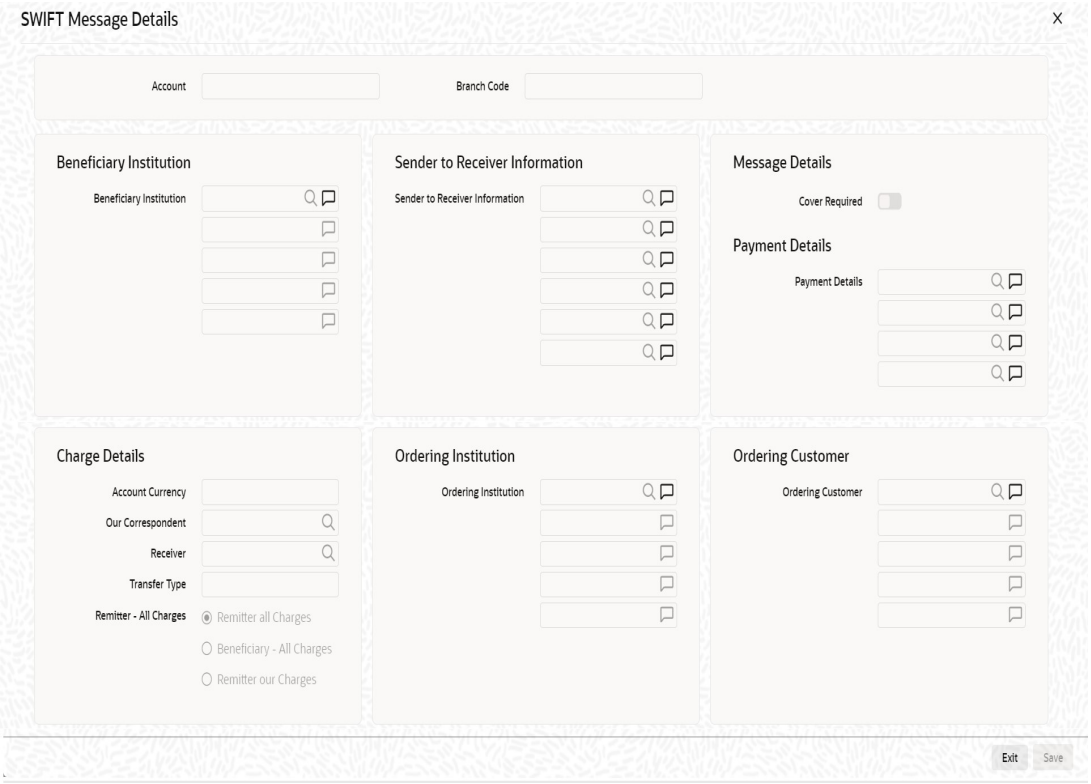
In the ‘Document Upload’ sub-screen, specify the corresponding document path and click the ‘Submit’ button. Once the document is uploaded through the upload button, the system displays the document reference number.

View

Click ‘View’ to view the document uploaded.

5.1.26 SWIFT Message Details Button

You can capture the SWIFT related details in this screen. You can invoke this screen by clicking the ‘SWIFT Message Details’ button in the ‘Account Details’ screen.



The following swift message related details can be viewed in the above screen:

- Branch Code
- Account Number
- Split Sequence Number
- Beneficiary Institution
- Sender to Receiver Info
- Message Details
- Payment Details
- Charge Details
- Ordering Institution
- Ordering customer
- Intermediary Reim Institution
- Ultimate Beneficiary
- Beneficiary Institution for Cover
- Receiver Correspondence
- Account with Institution
- Intermediary
- Regulatory Reporting Details

Swift messages are not generated in the following situations:

- Settlement Instructions are not maintained
- Settlement Instructions are maintained but ‘Payment By’ for ‘Pay leg’ is not ‘Message’.

- Settlement Instructions are maintained but the Receiver is not a Bank at the time of saving the account/manual disbursement.
- Settlement Details are changed during manual disbursement to have settlement mode other than CASA.
- The credit settlement account is a GL
- The message is manually suppressed.

5.1.27 Liquidation Order Button

Click on the Liquidation Order button to invoke the Liquidation order screen. In this screen you can maintain the liquidation order for the account as the status maintained at the product level.



Account Status

Status

Select the status code from the adjoining option list.

Description

The system displays the description of the status code.

Liquidation Order

Component

Select the component maintained for the product from the adjoining option list.

Liquidation Order

Specify the liquidation order of the component.

You can specify values in this screen only if you modify liquidation order for a particular status specified at product level.

Note

– This Liquidation order maintained at the product shall be the basis liquidation order for all the accounts under the product.• System will read the liquidation order from the product for all accounts, if the liquidation order is not maintained at the account level.

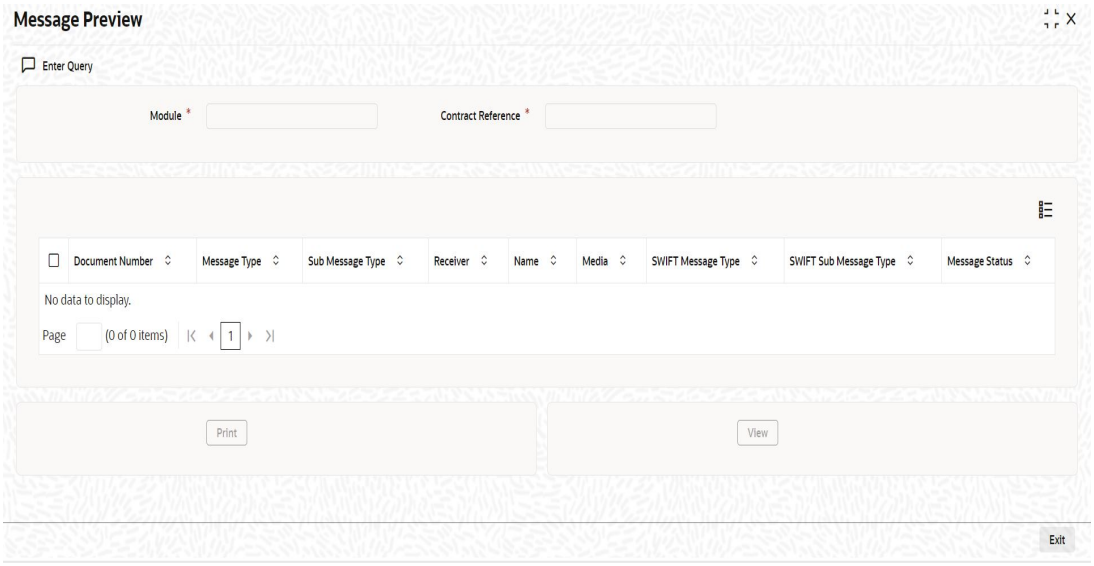
- The changes made for the liquidation order in account's operation shall be effective after authorization of the operation
- For addition of new status, modification or deletion of existing status, modification or deletion of status rules at the product level, system shall read the product level liquidation order, unless the liquidation order for the same status is maintained at the account.
- The system shall void all the account level liquidation preferences when there is a rollover of the account from one product to other and after that you need to maintain any change in the liquidation order manually.
- The operations of account which this shall be applicable are account creation, account simulation, inactive accounts, value dated amendment, rollover, inactive rollover, renegotiation, and reassignment.

While saving the transaction, if you have modified the Rate Code or the UDE value, the system displays configurable override messages. These overrides are displayed during subsequent modifications of the interest rate. You can also configure overrides for Dual Authorization to be displayed at Contract and Maintenance level in the 'Override Maintenance' screen.

For more information about configuring overrides, refer to the section 'Override Maintenance' in the chapter 'Configuring Overrides' in the Core Services User Manual.

5.1.28 Message Preview Button

Click on the Message Preview button to invoke the Message Preview screen. The button is enabled only for unauthorised contracts. This will display the details of the advices for the unauthorized events of the account.

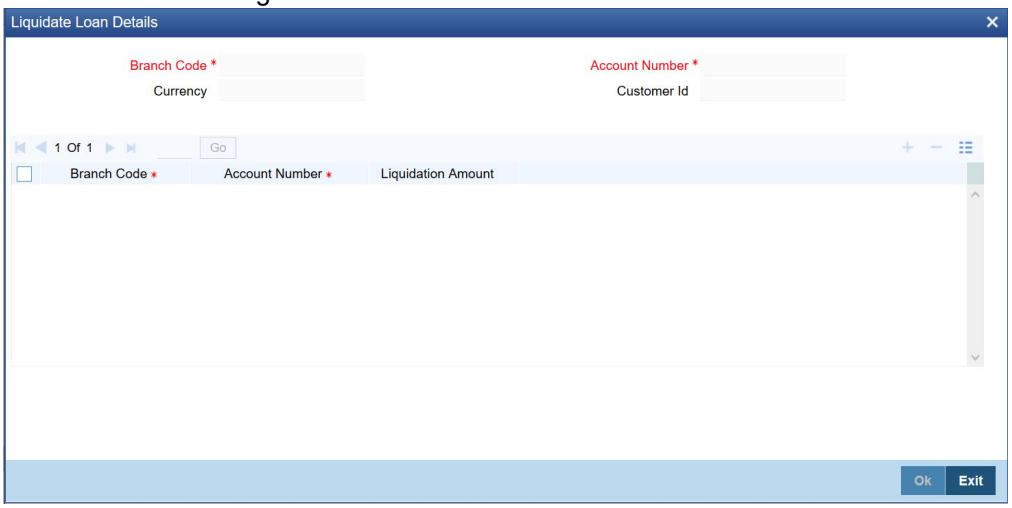


When the user exits the screen, the message generated will be rolled back. The table entries will be cleared.

If the same account is queried again, the message preview screen again displays the advices with different DCNs. This advice is generated only when you click the Message Preview button and is deleted when you close or exit the screen.

5.1.29 Liquidate Loan Button

Click 'Liquidate Loan' in the 'Account Details' screen to perform liquidation of existing loans. It includes outstanding amount for each loan associated with the customer.



The system will display the following details:

- Branch Code
- Account Number
- Currency
- Customer ID
- Branch Code
- Liquidation Amount

Specify the following:

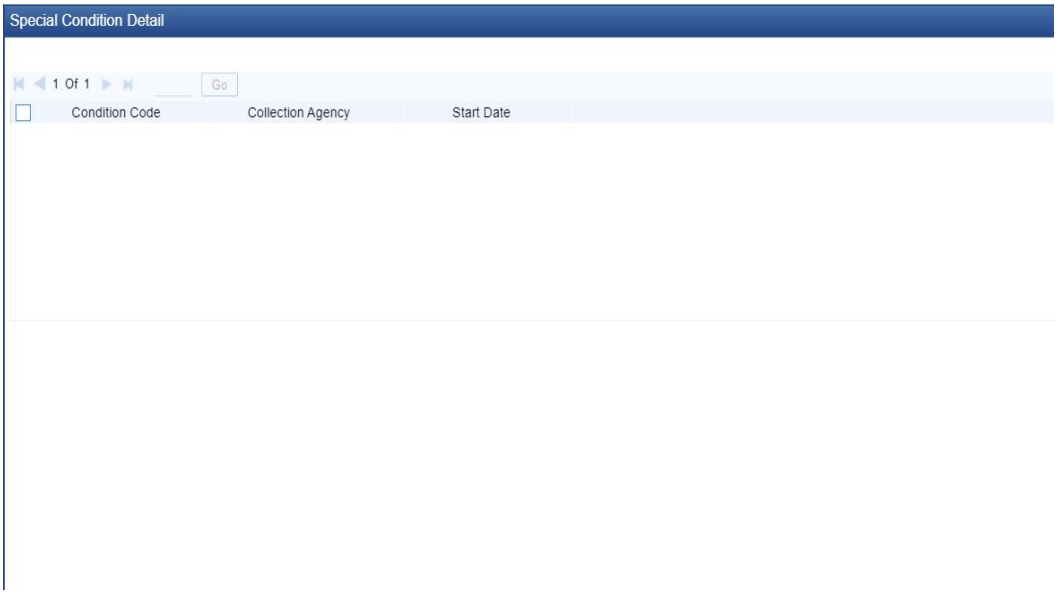
Account Number

Specify the account number from the adjoining option list. The list will display all valid account numbers maintained in the system. You can choose the appropriate one.

The system will validate whether on attaching loan, the new loan can liquidate the pending loan.

5.1.30 Viewing Special Condition Details

Click ‘Special Condition’ in the ‘Account Details' screen to view the special condition associated with a loan account.



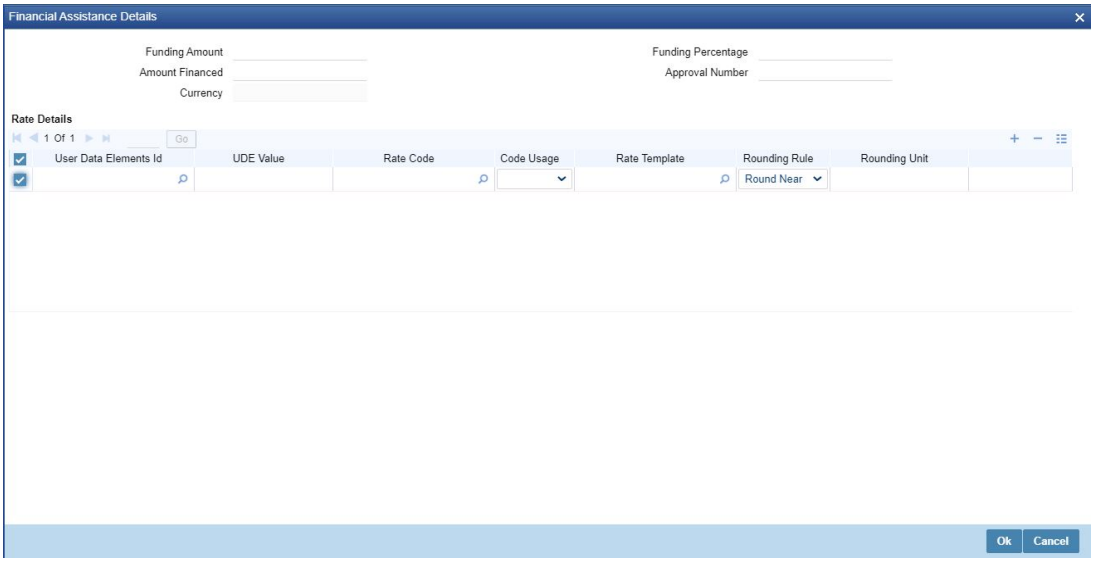
The system displays the following details:

- Condition Code - Indicates the condition code for the loan that has become overdue or have a special situation during their lifespan
- Collection Agency - Indicates the collection agency for the loan.
- Start Date - Indicates the date from which the special condition must be maintained.

5.1.31 Financial Assistance Details Button

Click 'Financial Assistance Details' in the 'Account Details' screen to capture the financial assistance details for the asset loan refinancing.

At the time of saving the asset loan, this screen is mandatory only if the ‘Liability Product is configured.



Specify the following details:

Funding Amount

Specify the portion of the asset loan which is to be used to create a liability loan and this amount should not be more than the 'Amount Financed' of asset loan.

Funding Percentage

Specify the percentage of the loan amount that is to be funded by the funding entity. This percentage will be used to calculate the loan amount for the liability loan and the value of this field should not exceed more than 100.

Amount Financed

Specify the amount that has been financed.

Currency

The system displays the currency of the transactions.

Approval Number

Specify the approval number as given by funding entity in the Asset Loan and alternate account number in the Liability Loan account.

Rate Details

User Data Elements Id

Specify the UDE Ids associated with the liability product. The adjoining option list displays all valid UDEs maintained in the system. You can select the appropriate one.

UDE Value

Specify the value for the corresponding UDE Id.

Rate Code

Specify the rate code. The adjoining option list displays all valid rate codes maintained in the system. You can select the appropriate one.

Code Usage

Select the code usage from the adjoining drop-down list. The list displays the following values:

- Periodic
- Automatic

Rate Template

Specify the rate template name. The adjoining option list displays all valid rate templates maintained in the system. You can select the appropriate one.

Rounding Rule

Select the rounding rule preference from the adjoining drop-down list. The list displays the following values:

- Round Near
- Round Up
- Round Down
- Rounding Unit

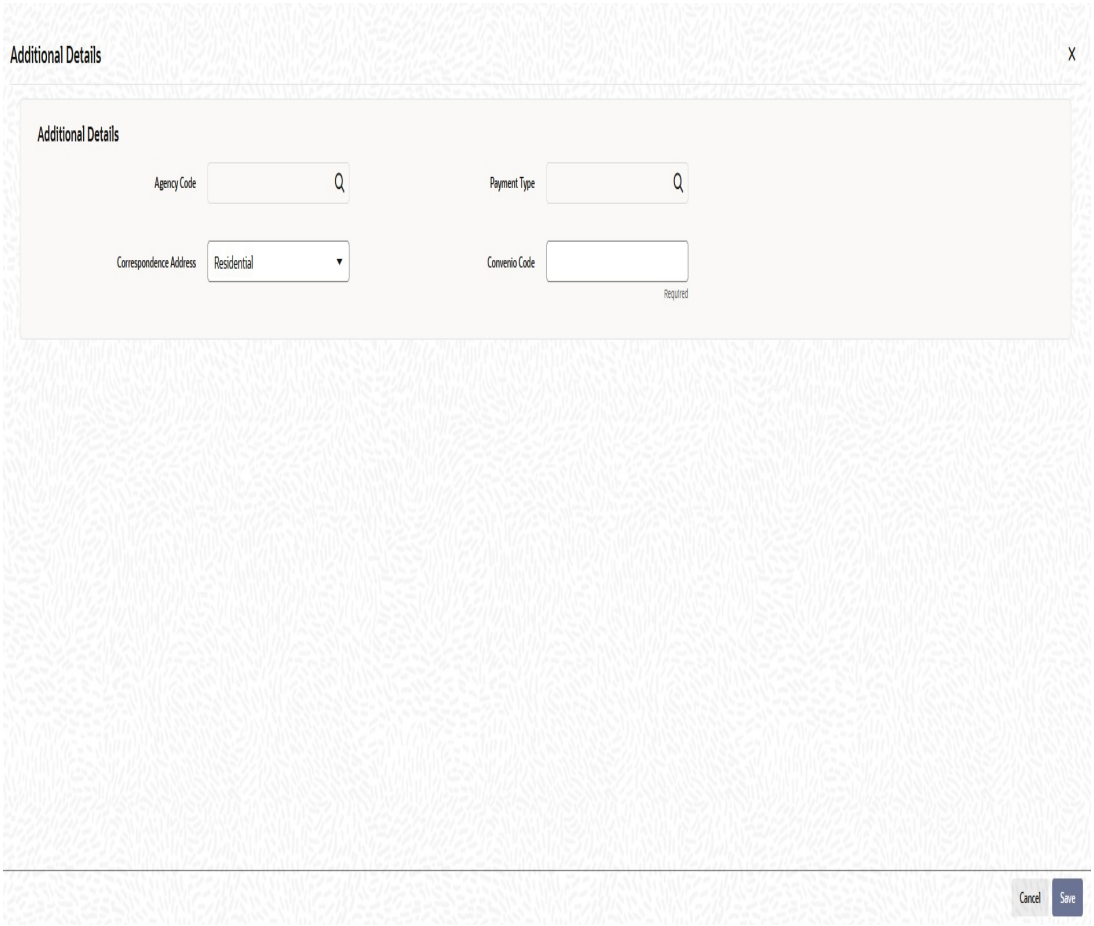
Processing Fomento (Refinanced) Loans

During the loan asset account creation, if the financial assistance details are provided, the liability product is maintained in the asset loan product, and the funding percentage is not zero, then the system will automatically trigger the liability loan creation and the loan amount financed will be displayed in the 'Amount Financed' field at the account creation level.

The loan amount and interest details will be picked from the ‘Financial Assistance Details’ of the asset loan. The payment schedules and liquidation mode for liability loan will be based on the liability product configuration.

5.1.32 Additional Details

Click 'Additional Details' in the 'Account Details' screen to capture the additional details of the loan account.



Specify the following details:

Agency Code

Specify the agency code from the adjoining option list. The list displays all valid agency codes maintained in the system. You can choose the appropriate one.

Correspondence Address

Select the correspondence address from the adjoining drop-down list. The list displays the following values:

- Residential
- Commercial
- Alternative

Payment Type

Specify the payment type from the adjoining option list. The list displays all valid payment types maintained in the system. You can choose the appropriate one.

Convenio Code

Specify the convenio code.

If the correspondence number provided as ‘Residential’ in Correspondence Address field in the Additional Details sub screen of Account Creation (CLDACCNT) screen, then Address for Correspondence details from the Customer Maintenance screen should be derived during CNAB400 or Graphica file generation (cltm_boleto table) and also in the Adhoc Boleto notification.

If the correspondence number provided as ‘Commercial’ in Correspondence Address field in the Additional Details sub screen of Account Creation (CLDACCNT) screen, then permanent address details from the Customer Maintenance screen should be derived during CNAB400 or Graphica file generation (cltm_boleto table) and also in the Adhoc Boleto notification.

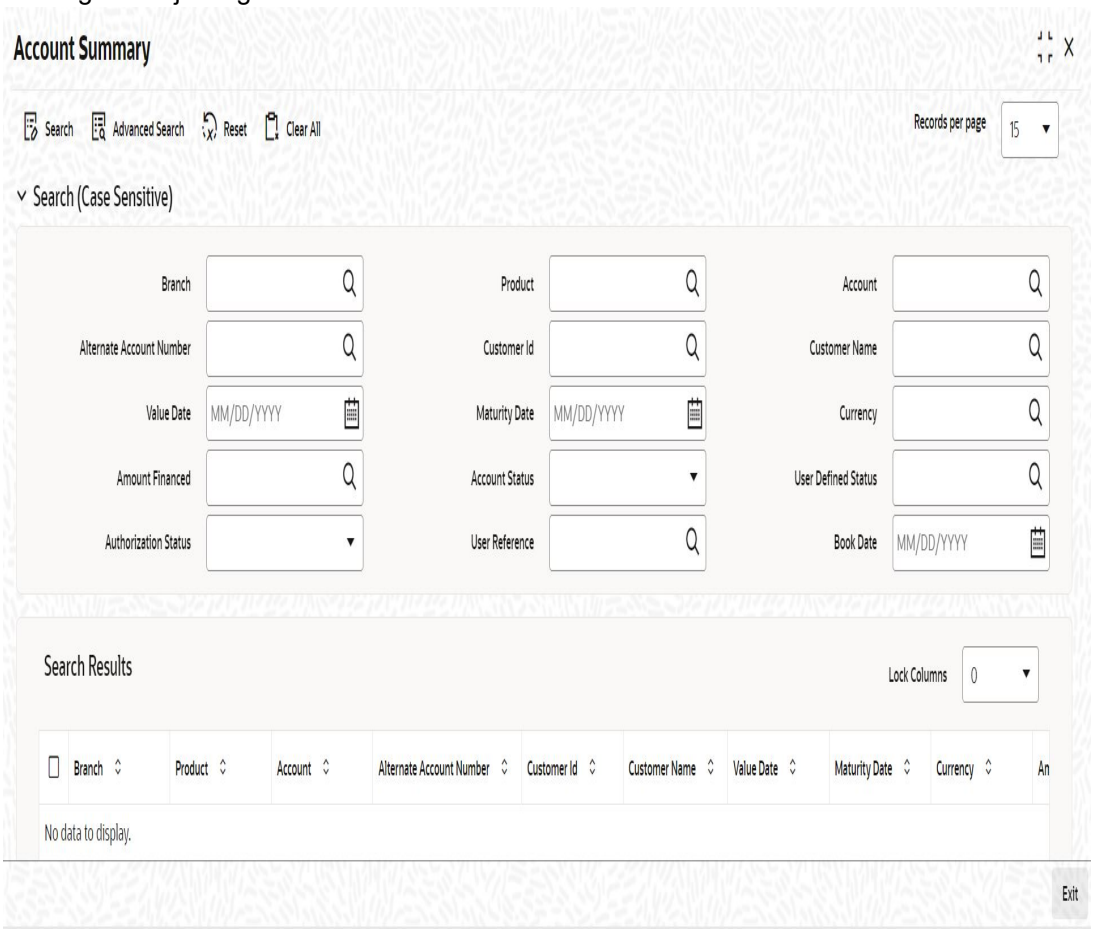
If the correspondence number provided as ‘Alternative’ in Correspondence Address field in the Additional Details sub screen in Account Creation (CLDACCNT) screen, then Domicile Address details from the Customer Maintenance screen should be derived during CNAB400 or Graphica file generation (cltm_boleto table) and also in the Adhoc Boleto notification

If the customer type is Corporate, there will be following three correspondence address in contract:

- Residencial – Address number 1 for residential
- Commercial – Address number 2 for Commercial
- Alternativo – Address number 3 for Alternativo

5.1.33 Viewing Loan Account Details

You can view the loan account details using ‘Account Summary’ screen. You can invoke this screen by typing ‘CLSACCNT’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button:



You can click ‘Search’ button to view all the pending functions. However, you can to filter your search based on any of the following criteria:

- Branch
- Account
- Customer ID
- Value Date
- Currency
- Account Status
- Authorization Status
- Product
- Alternate Account Number
- Customer Name
- Maturity Date
- Amount Financed
- User Defined Status
- User Reference

Click ‘Search’, the system displays the following details based on the specified search criteria:

- Branch
- Product
- Account
- Alternate Account Number
- Customer ID
- Customer Name
- Value Date
- Maturity Date
- Currency
- Amount Financed
- Account Status
- User Defined Status
- Authorization Status
- User Reference

5.1.34 Repayment Holiday for Amortized Loans

A loan has two formulae for the slots of simple and the amortized. Simple and amortized formulae can occupy any position in schedules definition.

During principal repayment holiday period, interest is calculated on the simple interest formula specified. The customer needs to repay only the interest component. Principal is amortized for the remaining period or tenor of the loan. Principal schedule will not be present during repayment holiday period.

The system treats instances of overdue and default as per the liquidation order maintained.

Simple interest formula cannot be used for the last payment row. The bullet schedule for interest cannot be based on the simple interest formula.

Now, in case of principal moratorium for a simple loan, there may be no principal schedules present for a given period of Interest. The system calculates simple interest during principal moratorium based on the principal outstanding amount at that time.

For example,

Consider the following details:

Particulars	**Value**
Loan Amount	24000
Tenor of Loan	24 months
Rate of Interest	20%
Loan Start Date	01-Sep-2008
Loan End Date	01-Sep-2010
Principal Moratorium Period	From 01-Sep-2009 to 01-Apr-2010

Sl	Instalment	Loan	Instalment	Repayment	
No.	Schedule Date	Outstanding Amount	Amount	Princi-pal	Inter-est
1	10/1/2008	22666.67	1733.33	1333.33	400
2	11/1/2008	21333.34	1723.7	1333.33	390.37
3	12/1/2008	20000.01	1688.89	1333.33	355.56
4	1/1/2009	18666.68	1677.77	1333.33	344.44
5	2/1/2009	17333.35	1654.81	1333.33	321.48
6	3/1/2009	16000.02	1602.96	1333.33	269.63
7	4/1/2009	14666.69	1608.89	1333.33	275.56
8	5/1/2009	13333.36	1577.77	1333.33	244.44
9	6/1/2009	12000.03	1562.96	1333.33	229.63
10	7/1/2009	10666.7	1533.33	1333.33	200
11	8/1/2009	9333.37	1517.03	1333.33	183.7
12	9/1/2009	8000.04	1494.07	1333.33	160.74
13	10/1/2009	8000.04	133.33	0	133.33
14	11/1/2009	8000.04	137.78	0	137.78
15	12/1/2009	8000.04	133.33	0	133.33
16	1/1/2010	8000.04	137.78	0	137.78
17	2/1/2010	8000.04	137.78	0	137.78
18	3/1/2010	8000.04	124.45	0	124.45
19	4/1/2010	6666.7	1471.12	1333.34	137.78
20	5/1/2010	5333.36	1444.45	1333.34	111.11
21	6/1/2010	4000.02	1425.19	1333.34	91.85
22	7/1/2010	2666.68	1400.01	1333.34	66.67
23	8/1/2010	1333.34	1379.27	1333.34	45.93
24	9/1/2010	0	1356.3	1333.34	22.96

For further details on holiday period maintenance, please refer to the section 'Maintaining Holiday Periods' in chapter 'Maintenances and Operations' of this user manual.

5.1.35 Adjustment of Increased Amount Due

If you have opted for 'Adjust increased amount due' at product level, then the system performs certain validations at different stages of the loan life cycle and processes the loan as given below:

For details on setting "Adjust increased amount due" preference at product level refer section "Account Preferences Tab" in "Defining Product Categories and Products" chapter of this User Manual.

Recalculation Process

If the recalculated amount due or EMI of the schedule(s) that has been advised is increased due to the auto rate revision event then system checks the adjustment parameter specified.

If billing notice is already generated and the parameter, 'Adjust increased amount due' is set to yes at the product level then system process the loan as given below based on whether it is bearing loan or amortized loan.

- Bearing:
  - The additional amount of the advised schedule(s) which are due would be tracked as unbilled amount.
- Amortized:
  - The interest and principal of the advised schedule(s) are recalculated keeping the EMI same.
  - The EMI of the subsequent schedules is recalculated. This would be based on the preference set for EMI, which is either 'Change EMI' or 'Change Tenor'.
  - In case the recalculation is on last/maturity schedule only, the EMI amount is recalculated to the new value.

Unbilled Amount Transfer Process

The UNBLprocess which is part of the CL batch process is sequenced before the auto liquidation process and configured to execute at BOD. During this batch, system would do the following:

- Pickup all the schedules which are due for the processing date
- Check if there is unbilled amount for each schedule.

  If Unbilled Amount is present for the schedule then:
  - Insert or update a schedule for the unbilled component, which has the basis element as the component of the processing schedule.
  - The start and due dates of this unbilled component schedule would be same as the schedule of the processing component, for which billing notice advice has not yet been sent.
  - Post accounting entries for event UNBL, as per the setup for the product.

  If Unbilled Amount is not present for the schedule:
  - Skip and proceed to next schedule in the loop.
- Log event, UNBL, as processed in the accounts event log.

Disbursement Process

- Auto

- The recalculation, is processed without considering the ‘Adjust increased amount due’ parameter and nullifies the unbilled amount tracked as part of previous auto rate revision process.

- Manual
  - An override message is displayed to confirm that the action has been initiated post billing notice.
- Future Dated
  - This is same as “Auto” process explained above.

Accrual Process

The accrual of the unbilled amount is done in the respective accrual period of the advised schedule(s) against the interest component only.

Rate Revision Process

The recalculation, triggered as a result of value date amendment, is done as explained in the recalculation process section.

Value Date Amendment Process

- Future Dated

  The recalculation during batch process, triggered as a result of auto rate revision would nullify the adjustments, if previously updated.
- Manual

  An override message is displayed to confirm that the action has been initiated post billing notice.

Payment Process

- Auto
  - The schedule for the unbilled component is processed as per the auto liquidation logic.
- Manual
  - An override message is displayed to confirm that the action has been initiated post billing notice.
  - The unbilled component of the previous schedule(s) is shown in the component block, if it is due as per the payment till date.
- Prepayment
  - System nullifies the adjustments, if calculated, when a prepayment is done on the loan account.

For more details on Loan Disbursement, Value Dated Amendment, and Loan Payment processes refer Chapters “Making Manual Disbursements”, and “Operations” in this User Manual.

5.1.36 Handling Insurance for CL Customer

The system facilitates to repay the premium in installments for the loan purchased. The processes involved are as follows:

- Define insurance component as 'INSURANCE' component type with reporting component type as 'INSURANCE', and , and 'Formula Type' as 'Insurance' (new formula type) in Class Code Maintenance screen

- Define Loan Product, and map the component with the Product in Product screen
- Select 'Rate To Use', and 'Basis Element' in the Product screen
- Define UDEs, and map with the product in User Defined Values Maintenance
- On product default, the system will check the formula based rules, and build insurance schedule by calculating the amount, and spreading it across the loan tenor i.e, number of installments of insurance component.
- The system will verify the Customer gender and age. If it is more than or equal to 60 for male and 65 for female, then there will be no insurance calculation
- If it is less than 60 for male and 65 for female, then the system will calculate the insurance
- The system will calculate the insurance on 'Gross Principal' (i.e, Amount Financed) of the loan account. The calculated insurance amount gets collected along with installment

On save, the system will check the schedule of insurance component, and the schedule should be same as of interest payment schedule. Once authorized, the system will collect the insurance on due date from either the CASA account or other account.

Insurance Amount gets collected with an amount tag of COMPONENT_LIQD (i.e, in current case 'INSURANCE_LIQD').

You need to maintain the SDE's 'CUSTOMER_AGE', and 'CUSTOMER_GENDER' in the System Data Elements screen.

The SDE 'CUSTOMER_AGE' will return the age of the customer in years, after fetching the value of the DOB, and calculating the age as on the date of the loan booking for component type of insurance using Schedule Date

The SDE 'CUSTOMER_GENDER' will return the gender of the customer (M or F) maintained at the customer level to determine the sex of the customer for insurance calculation for component type of insurance

Defining Formulas for Insurance component:

- If the 'CUSTOMER_AGE' >= 60 and CUSTOMER_GENDER' = M, then the result will be @INSURANCE(AMOUNT_FINANCED,NSURANCE_RATE_MONTH)=0
- If the 'CUSTOMER_AGE' < 60 and 'CUSTOMER_GENDER' = M, then the result will be @INSURANCE(AMOUNT_FINANCED,INSURANCE_RATE_MONTH')
- If the 'CUSTOMER_AGE' >= 65 and 'CUSTOMER_GENDER' = F, then the result will be @INSURANCE(AMOUNT_FINANCED,INSURANCE_RATE_MONTH)=0

If the CUSTOMER_AGE' < 65 and 'CUSTOMER_GENDER' = F, then the result will be @INSURANCE(AMOUNT_FINANCED,INSURANCE_RATE_MONTH

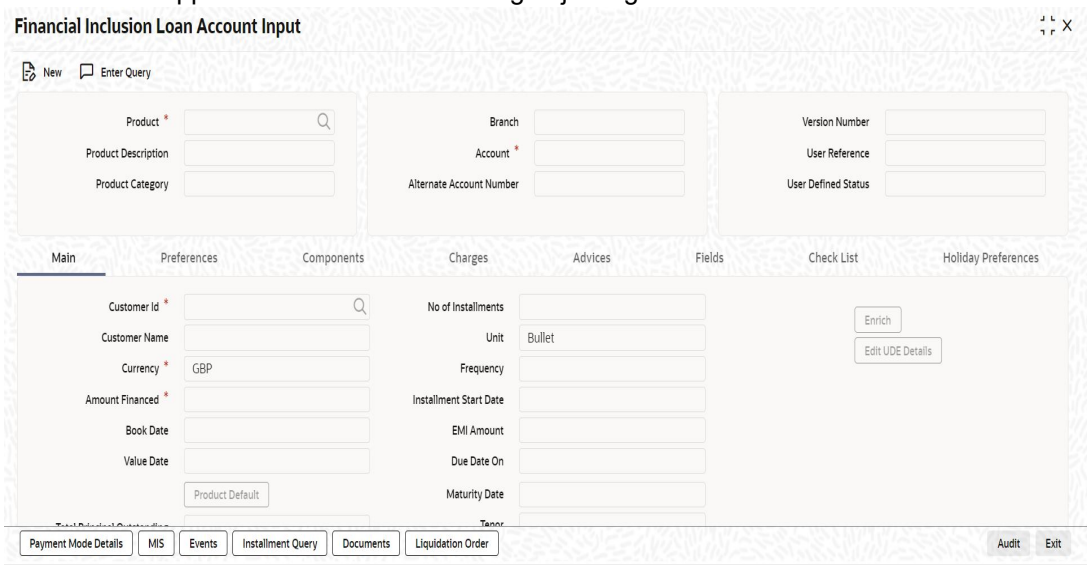
5.2 Financial Inclusion Loan Account Input

This section contains the following topics:

- Section 5.2.1, "Maintaining Financial Inclusion Loan Account Details"
- Section 5.2.2, "Viewing Financial Inclusion Loan Account Details"

5.2.1 Maintaining Financial Inclusion Loan Account Details

Financial Inclusion customers can create loan accounts using ‘Financial Inclusion Loan Account Input’ screen. You can invoke this screen by typing ‘CLDFIACC’ in the top right corner of the Application toolbar and clicking adjoining arrow button.



Refer Loan Account Creation section in this user manual for details on the fields in this screen.

In CL Manual Disbursement screen, the following options are restricted for FI customers:

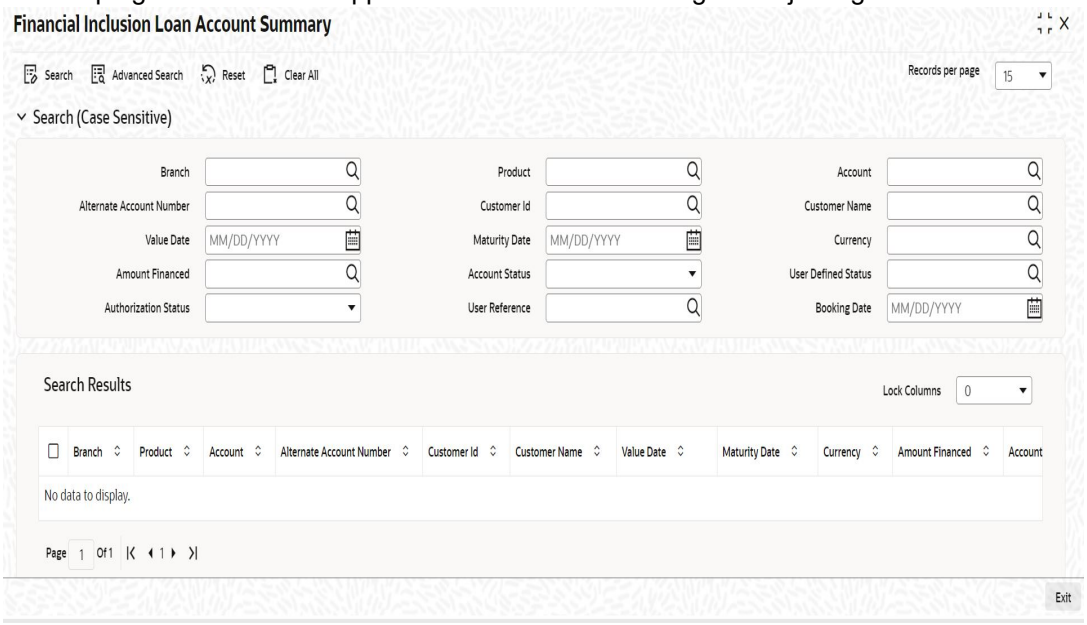
- Settlement mode with any value other than ‘Account’ or ‘Cash/Teller’
- Settlement currency with any value other than loan account currency

In CL Payments screen, the following options are restricted for FI customers:

- Payment Mode with value anything other than 'Account' or 'Cash/Teller'
- Settlement Currency with value anything other than loan account currency
- Advance Installment Payment
- Pre-payment of loans
- Pre-closure of loans
- Interest Payback
- Collection Agent ID

5.2.2 Viewing Financial Inclusion Loan Account Details

You can view the financial inclusion customer's loan account details using 'Financial Inclusion Loan Account Summary' screen. You can invoke this screen by typing 'CLSFIACC' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



Refer 'Viewing Loan Account Details' screen in this chapter for more details on this screen.

5.3 Commitment Account Creation

This section contains the following topics:

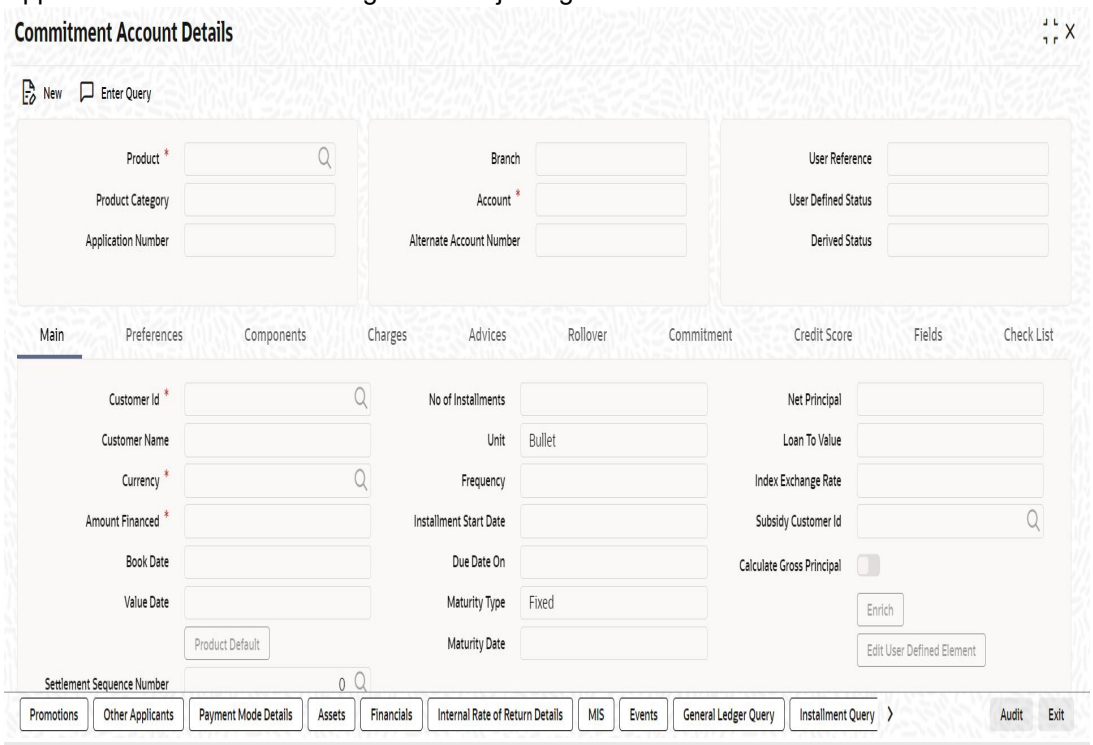
- Section 5.3.1, "Maintaining Commitment Account Details"
- Section 5.3.2, "Preferences Tab"
- Section 5.3.3, "Commitment Tab"
- Section 5.3.4, "Applying Different Repayment Styles for a Commitment"
- Section 5.3.5, "Charging Fee on Commitments"
- Section 5.3.6, "Processing Events for a Commitment"
- Section 5.3.7, "Viewing Commitment Account Details"

5.3.1 Maintaining Commitment Account Details

A 'commitment' is an agreement by a bank to make available a specified amount of fund to the borrower for a certain period of time. It is a 'line of credit' that is made available by the bank to a borrower. The entire commitment amount may be disbursed in full at the time of authorization or disbursed partially on predefined scheduled dates.

You can link a commitment to more than one loan, provided funds are available, and the loan(s) given against the commitment amount may or may not be in the same currency. When a loan is disbursed against a commitment, there is no movement of funds involved but only a setting aside of funds. Hence there is no disbursement or credit to the borrower's account.

You can create a commitment contract using the ‘Commitment Account Details’ screen. You can invoke this screen by typing ‘CLDCMTMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Click new icon in the toolbar of the screen.

For explanation on fields specific to ‘Commitment Account Details’ screen refer section given below. For remaining field explanations on other tabs refer section ‘Loan Account Creation’ in this chapter.

5.3.2 Preferences Tab

Allow Bulk Payment

Check this box to indicate whether the accounts under a commitment should be considered for bulk processing. Various disbursements are allowed for a corporate customer and these are treated as loans with separate products and EMI schedules. Assigning individual payments as Bulk payments provides the facility of viewing multiple loans under a single commitment.

5.3.3 Commitment Tab

To view the utilization details of the commitment contract click ‘Commitment’ tab.

You can capture the following details on this screen:

Disallow further Disbursement

If you check this option, the system will not allow further disbursements on this commitment account. If you do not check it, the system allows further disbursements on this commitment account. By default, the system displays the status of this box as checked. However, you can modify this.

Mortgage Group

A mortgage in Oracle FLEXCUBE may have different repayment styles, rate conditions and maturity conditions. By checking this option, you can use this commitment for such mortgages with multiple repayment formula.

Last Available Date

Enter the last available date. This is the final date as of which all disbursements under this commitment should be completed. Beyond this date, the system will not allow disbursements on this commitment.

Loan Maturity Date

Enter the loan maturity date. All disbursements under this commitment should be matured as of this date. For this commitment, the system will not allow disbursements with a maturity date beyond the loan maturity date.

The following utilization details of all commitments linked against a loan account are displayed in the above screen:

- Commit Sequence Number
- Commitment Event
- Linkage Branch Code
- Linkage Reference Number
- Linkage Date
- Linkage Event
- Linkage Event Sequence Number
- Linkage Currency
- Linkage Currency Amount
- Linked Project ID
- Linked PPC ID
- Commit Amount
- Increase Decrease Flag
- Commit Balance

5.3.4 Applying Different Repayment Styles for a Commitment

You can have different repayment styles, rate conditions and maturity conditions for the same mortgage account maintained in Oracle FLEXCUBE. For this, repayment of principal amount needs to be divided into multiple disbursement slabs. You can use the following fields on the 'Commitments' tab to enable this feature:

- Disallow further Disbursement
- Mortgage Group
- Last Available Date
- Loan Maturity Date

Please lookup the above section 'Commitments Tab' for details on inputs for these fields.

For example,

Consider a mortgage of 500,000 against a specific property. Based on the terms agreed upon by the bank and the customer, you can split the mortgage principal into multiple disbursements as shown below:

Disbursement	Conditions
Disbursement of first 200,000	Interest only, variable rate, 20 years with balloon principal repayment

Disbursement of second 200,000	Annuity (EMI type), 10 year fixed rate
Disbursement of final 100,000	Interest only, fixed rate, 5 year, balloon repayment via insurance policy

In this case, interest repayment may be started at any point of time. However, repayment of the principal amount can begin only after the disbursement of entire 500,000.

You can initiate closure of such mortgages only after closing all disbursements with various conditions, i.e. after liquidation of all loan contracts. Further to closure of such mortgages, you need to complete two housekeeping activities viz. notification to notary and release of collateral.

5.3.5 Charging Fee on Commitments

A fee is charged by the bank at the time of entering into a commitment agreement. This fee is repayable at predefined schedules. Also there can be another fee component charged on the amount of commitment that is utilized and un-utilized. The following SDEs are used to define fees on utilized/un-utilized commitment amount:

- COMMITMENT_UTILIZED
- COMMITMENT_UNUTILIZED

For more details on maintaining SDEs refer section 'Maintaining System Data Elements' in the Chapter 'Maintenances and Operations' of this User Manual.

5.3.6 Processing Events for a Commitment

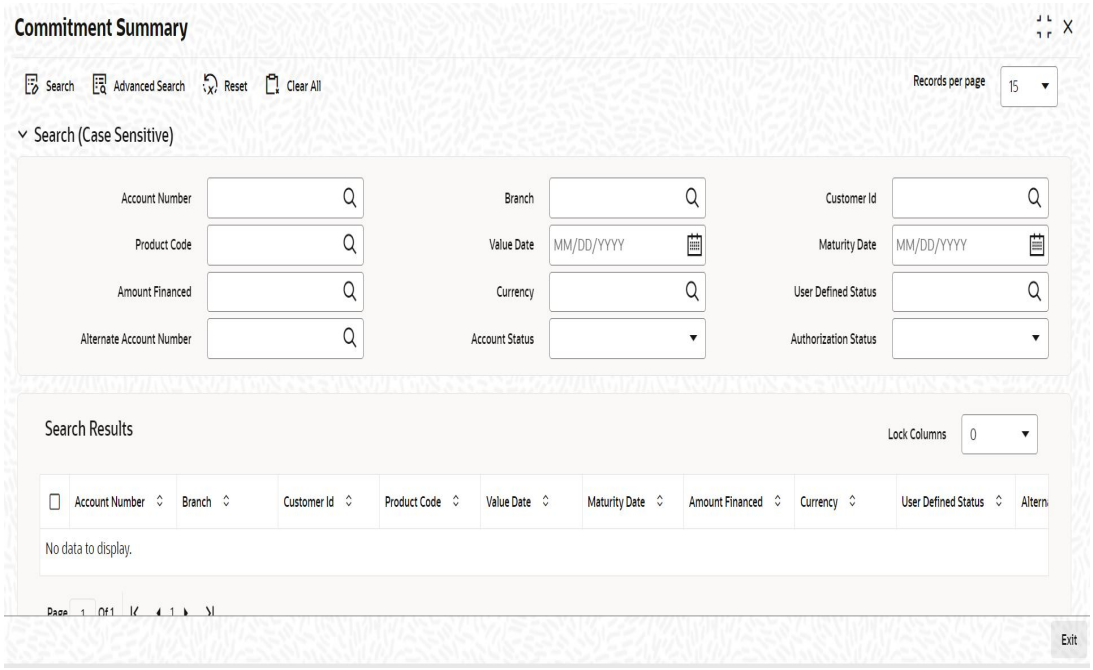
The following events are triggered by the system during the different stages of a commitment contract:

- **DSBR Event** – DSBR event is triggered for a commitment when the commitment amount is disbursed. It can be auto or manual. There is no movement of funds involved but only a setting aside of funds. Only such disbursed amount is available for linking to a CL Loan account. Entire commitment amount may be disbursed in full at the time of authorization or disbursed partially on scheduled dates as defined. You can choose to have an automatic disbursement or manual disbursement for the commitment contract. System validates any physical transfer of funds when DSBR event is triggered. Reversal of DSBR Event in Commitment Contract is not permitted if the commitment available amount falls below the utilized amount.
- **ACCR Event -** ACCR event is triggered when you define an INTEREST component for collecting fees on the un-utilized commitment on a periodic basis. The fees may be collected automatically or manually as defined in the product.
- **LINK Event –** LINK event is triggered when a Loan Account is linked and disbursed against a Commitment. This results in increasing the utilization of the commitment amount and availability of the same comes down. Contingent entries which are passed when the commitment contract is initiated are reversed when this event is triggered up to the extent of the linked amount.
- **DLNK Event –** DLINK event is triggered when payment is made for a loan account which is linked to a Commitment contract of revolving type. This happens only if the payment is done before the validity period of the commitment contract. Once the commitment contract is liquidated, payment does not result in triggering of DLNK event. This results in decreasing of utilization of the commitment amount and availability of the same is increased. Contingent entries are passed when a DLNK event is fired, upto the extent of the delinked amount.

- **CLOC Event -** CLOC event is triggered when the contingent entries are reversed upto the extent of unutilized commitment amount and the contract is marked as liquidated, on the maturity date of a commitment contract. The Commitment contract will not be liquidated if there is any outstanding fee. This happens during end of day batch processing. All the commitment contracts with maturity date as of today are marked as liquidated during End of Day processing. Contingent entries for the un-utilized commitment funds are reversed.
- **VAMI –** VAMI event is triggered when an amendment is done in the commitment.
- **ROLL -** ROLL event is triggered if a rollover is done in the commitment account. You can choose to liquidate the principal component of the loan account and then the system triggers the DLNK event fire in the commitment contract. You can also choose to increase the principal, in such case the LINK event is triggered in the commitment contract. You can also choose to increase the linkage amount or add a new commitment. LINK event is triggered for the newly linked commitment. DLNK event is triggered for the Old De- linked commitment.
- **NOVA –** NOVA event is triggered when you change the customer during reassignment in commitment. However, in case of loan account, if NOVA is triggered, DLNK is fired in commitment. In this case DLNK event is triggered for the previous commitment contract and LINK event is triggered for the new commitment contract.
- **RNOG -** RNOG event is triggered when principal liquidation and principal increase is done in commitment. The LINK event is triggered when principal is increased in loan account during RNOG and DLNK event is triggered when Principal liquidation is done.

5.3.7 Viewing Commitment Account Details

You can view the commitment account details using ‘Commitment Summary’ screen. To invoke this screen, type ‘CLSCMTMT’ in the field at the top right corner of the Application tool bar and click the adjoining arrow button.



You can click ‘Search’ button to view all the pending functions. However, you can to filter your search based on any of the following criteria:

Account Number

Select the account number from the option list.

Customer Id

Select the customer id from the option list.

Value Date

Specify the value date.

Amount

Select the amount financed.

User Defined Status

Select the user defined status from the option list.

Account Status

Select the status of the account from the drop-down list.

Branch Code

Select the branch code from the option list.

Product Code

Select the product code from the option list.

Maturity Date

Specify the value date.

Currency

Select the currency of the transaction from the option list.

Alternate Account Number

Select the alternate account number from the option list.

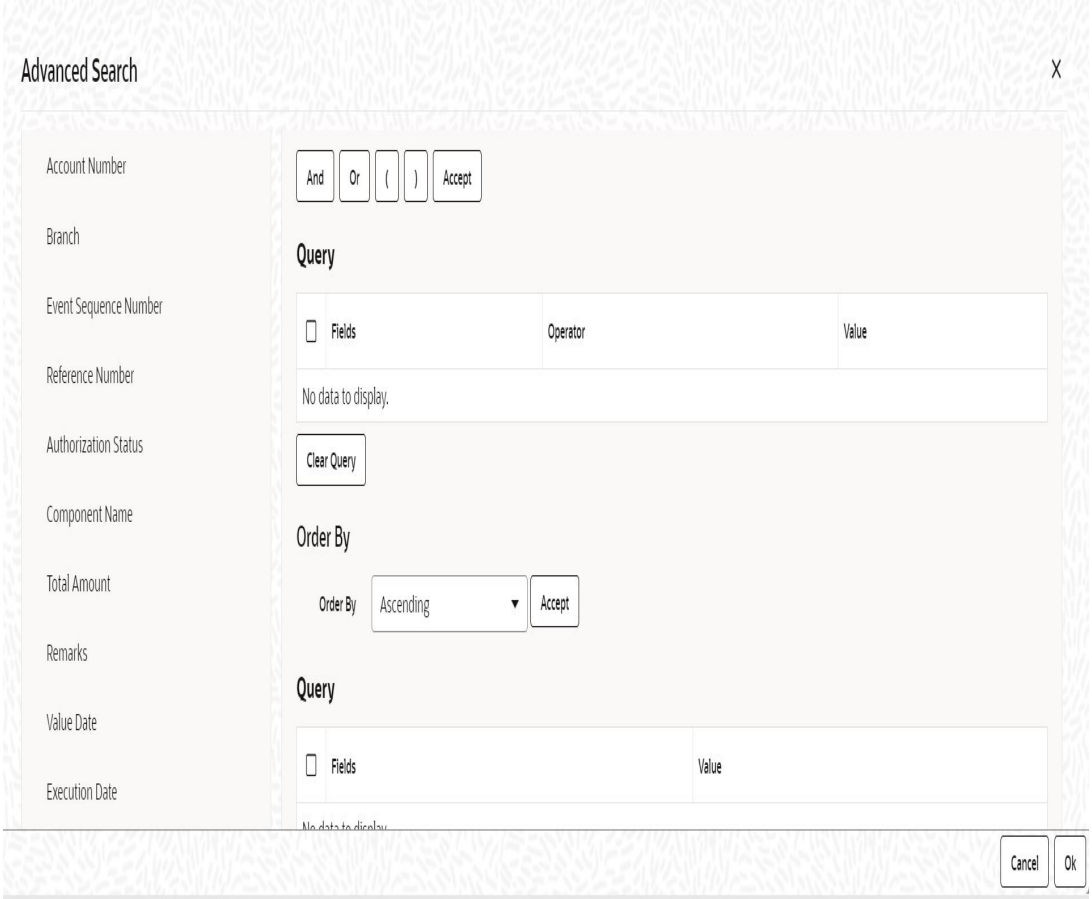
Authorization Status

Select the authorization status of the contract from the drop-down list.

When you click ‘Search’ button the records matching the specified search criteria are displayed. For each record fetched by the system based on your query criteria, the following details are displayed:

- Account Number
- Branch Code
- Customer Id
- Product Code
- Value Date
- Maturity Date
- Amount Financed
- Currency
- User Defined Status
- Alternate Account Number
- Account Status
- Authorization Status

Click ‘Advanced Search’ to display the screen below:



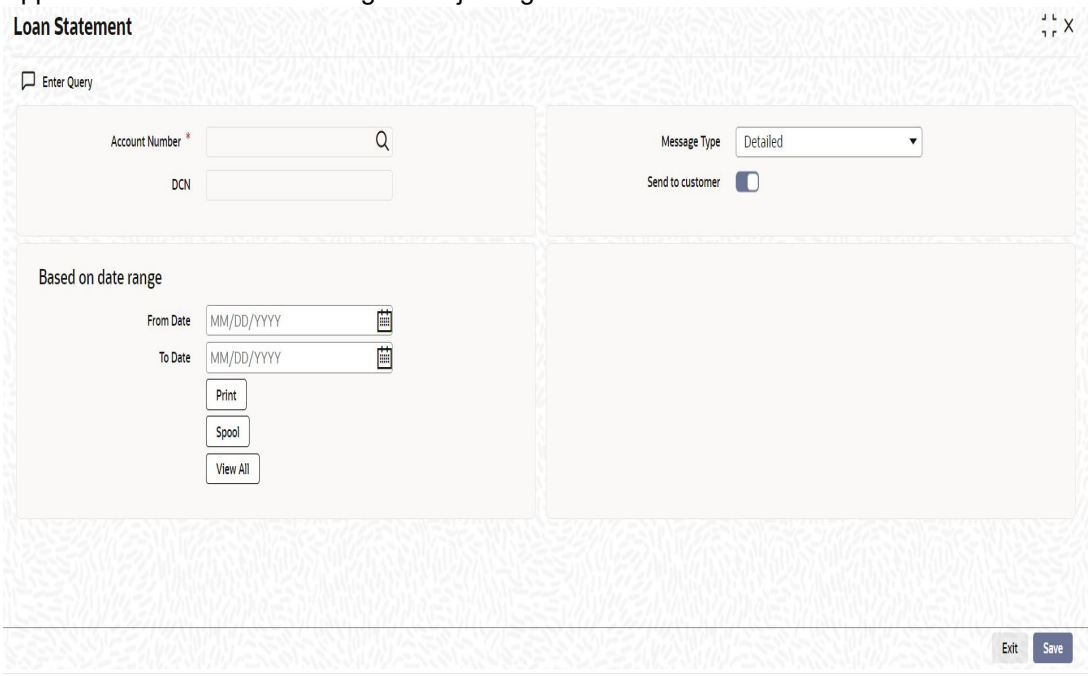
You can query a contract based on any of the following details:

- Account Number
- Branch Code
- Customer Id
- Product Code
- Value Date
- Maturity Date
- Amount Financed
- Currency
- User Defined Status
- Alternate Account Number
- Account Status
- Authorization Status
- Checker ID
- Maker ID

5.4 Loan Account Statement Generation

Oracle FLEXCUBE allows you to generate the loan statements along with the time period on an ad-hoc basis. You can generate the loan statement using ‘Loan Statement’ screen. You

can invoke this screen by typing ‘CLDLSTMT’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



Account Number

The system will display all the authorized, active and liquidated CL accounts in the current branch. However, you can amend this field.

Message Type

Select the specific message type for loan statement from the drop-down list. Following are the options available in the drop-down list:

- Detailed
- Summary

Send to Customer

Check this box to send a message to a customer.

Specifying Date Range

From Date

Specify the ‘From Date’.

If you have not specified the ‘From’ date, then the system will default the ‘From’ date as CL account book date.

Note

‘From Date’ cannot be greater than the current system date.

To Date

Specify the ‘To Date’.

If you have not specified the ‘To’ date, then the system will default the current date.

To process the request, click ‘OK’ button. Then click ‘Report’ button’ to generate the report. System generates the report based on the options selected.

You can generate the message by checking ‘Send to Customer’ checkbox, before generating the report. This message is stored in the outgoing browser. If the message generation fails, then the system will display an error message.

The following information is available in the Loan Account Statement.

Opening Balance:

The Opening Balance for the loan account is the opening balance of the loan based on the given ‘From Date’. The opening balance will be the Principal Outstanding for the loan plus Overdue Interest (if any) plus Penalty (if any) as on the ‘From Date’.

Closing Balance:

The Closing Balance for the loan statement is computed by adding the debit entries and subtracting the credit entries to the opening balance for the given period.

Note

The period between From Date and To Date/Current Date, whichever is earlier, is considered for calculation.

Running Balance:

The running balance is computed based on the previous entry’s balance and the current entry’s credit or debit. The running balnce is generated for every Credit and Debit entry in the loan account,

Interest Application:

Debit entry is displayed based on the interest schedule due dates.

If there are multiple interest components, separate debit entries for each of the components as on their corresponding due dates are displayed.

Note

For ‘Discounted’ loans, the interest is displayed as received in advance as part of disbursement event for both debit and credit entries.

If the account is in any status other than Normal and if accrual has been stopped or if contingent accrual is set, still interest application would be shown in the statement as on the schedule due dates.

Penalty Interest:

System displays the debit entry for the penalty amount as on the payment date along with the respective credit entry on the same payment date if,

- A penalty component is defined for Principal and/or Interest component,
- Any schedule(s) that are overdue,
- A payment has been made (for the penalty)
- Accrual is set for the penalty component

If the Penalty is unpaid, a debit entry (as on the ‘To Date’/Current System date whichever is earlier) for penalty is shown in the loan statement.

If the penalty component is of non accrual type, only credit entry is shown in the loan statement.

Charge:

Debit and credit entry for the charges associated with the events for the given period are displayed.

- If there is a waiver for the charge or in case of partial waiver, the waived amount is also shown as debit and credit entry in the loan statement.

5.5 Calculating Exponential Interest for Loans

Calculation of interest in exponential method is achieved by replacing interest rate by a derived rate and by enabling daily compounding as explained below. Exponential method is applicable for the Simple, Amortized and Discounted schedules types of loans.

The system will derive the effective annual rate (R) from the Per Annum rate (r) .Derived rate, which will be calculated based on the formula specified below, will be used internally by system in interest calculations:

R = (POWER ((1+r), (1/YEAR)) -1)*YEAR

where:

- r = Per Annum rate (resolved rate for the UDE)
- R= Derived rate
- YEAR=Denominator basis of Main Interest component

The derived rate is used internally for calculations for exponential type UDEs. For each component that needs to be calculated using the exponential method, the formula should contain the SDE 'COMPOUND_VALUE' and the compound days should be maintained as '1'.

Calculation for Simple and Amortized Accounts

In case of Simple and Amortized loans, the interest UDE has to be maintained with UDE type as Exponential rate and the Main interest component to be checked for 'Exponential Interest' Method. The following formulae need to be maintained and the compounding frequency needs to be set as '1'

Formula Type	Interest Booking Formula
User Defined	SIMPLE(PRINCIPAL_EXPECTED,(INTER-EST_RATE),DAYS,YEAR,COMPOUND_VALUE, INT_NOT-DUE_PAID)
User Defined	AMORT_RED(PRINCIPAL_EXPECTED,(INTER-EST_RATE),DAYS,YEAR,COMPOUND_VALUE, INT_NOT-DUE_PAID)

The system will use Derived rate for calculation for Exponential type UDE.

Calculation for Discounted Accounts

In case of exponential accounts, the total interest will be derived based on the true discounted formula and the accruals will be done on the discounted principal with daily compounding.

You need to maintain Interest rate UDE with type as Exponential Rate and maintain the following discounted schedule formula with Compound Days as '1':

Formula Type	Interest Booking Formula
Discounted schedules	DISC_SCH(PRINCIPAL_EXPECTED,(INTEREST_RATE),DAYS,YEAR,COMPOUND_VALUE)

The derived rate will be assigned for interest rate UDE in calculations. When the Discounted schedule formula is maintained with COMPOUND_VALUE, the interest will be calculated based on PV formula specified below:

PV = P/(1+r)^(DAYS/YEAR)

where:

- r –Main Interest rate
- P- Principal
- DAYS- Number of days
- YEAR –denominator basis of Main Interest component

The PV is recalculated when you do a rate amendment with value date as loan value date or there is a prepayment with value date as loan value date. If the value date is not the loan value date in both cases, the system will not recalculate the PV. The system will also not recalculate PV if you extend the maturity date for the loan.

If the 'Installments' box is not checked and a partial prepayment is done, the system will allow this only if the value date is the same as the loan value date; any difference in interest is refunded to the customer through the BADJ event. If you extend the maturity date or change the rate after extending the maturity date, the system will collect the excess interest amount from the customer through the BADJ event.

Note

- Only bullet principal payment schedule will be allowed for discounted exponential loan
- Float rate codes will not be allowed to be linked to INTEREST_RATE UDE for discounted exponential loans
- If the 'Exponential Interest Method' box is checked for the main interest component, the system will not allow you to increase the principal.

Calculation for Funding Interest

For accrual based on Funding Interest rate, a component with component type as Funding interest and simple formula with liquidation mode for funding component as 'Auto' needs to be defined. The new component needs to be added in Product Component class screen. The same will be defaulted to Lending Product definition – Component sub screen

Book formula for the funding interest component can be defined as specified below:

@SIMPLE(PRINCIPAL_EXPECTED,(MPINTEREST_RATE)
,DAYS,YEAR,COMPOUND_VALUE)

To facilitate the exponential calculation, the Compound days needs to be set as 1.

Calculation for Overdue Interest

The component for overdue interest needs to be set up with a simple formula with Compound Days as '1'. The UDE used should be of Exponential Type.

5.6 Maintaining Financial Operations Tax (IOF)

If IOF payment method is 'Capitalisation', you will need to set up the following formulae on linear and exponential loans of type Simple/Amortized reducing:

Formula Name	Condition	Formula	Intermediate Formula
IOF_CALC_-FRM_1	DAYS<=364	((PRINCIPAL_S-CHAMT*(IOF_DLY_RATE/100)*DAYS)+(PRINCI-PAL_S-CHAMT*(ADDL_RATE/100)))	Yes
IOF_CALC_-FRM_1	DAYS>364	((PRINCIPAL_S-CHAMT*(MAX_IOF_RATE/100))+(PRINCIPAL_S-CHAMT*(ADDL_RATE/100)))	Yes
IOF_CALC_-FRM_2	PRINCI-PAL_OUT-STAND > 0	(PRINCIPAL_OUTSTAND * IOF_CALC_FRM_1) / (PRINCIPAL_OUTSTAND - IOF_CALC_FRM_1)	No

The SDE 'PRINCIPAL_OUTSTD' will fetch the total principal amount along with the grace period interest calculated based on moratorium interest capitalization if the box 'Consider Projected Moratorium Interest for Schedule' is checked for the product. If the 'IOF Payment Type' is chosen as 'Capitalization' then the system will validate that the below flags are checked.

- Calculate Gross Principal
- Funded During Initiation

This will ensure that schedule and interest will be recalculated after capitalizing the IOF to the principal. If the schedules for a loan are user-defined, the capitalized IOF amount will be added to bullet (last) schedule. IOF will be collected into the IOF GL during disbursement.

If IOF capitalization is applicable to a loan product, only auto disbursement with single disbursement schedule will be allowed for the loan product/ account

IOF Advance Payment

You need to maintain the following formulae if IOF payment type is specified as 'Advance Payment'. This will be applicable to simple/amortized reducing loans:

Formula Name	Condition	Formula

IOF_CALC_FRM_1	DAYS<=364	((PRINCIPAL_SCHAMT*(IOF_DLY_RATE/100) *DAYS)+ (PRINCIPAL_SCHAMT * (ADDL_RATE/100)))
IOF_CALC_FRM_1	DAYS>364	((PRINCIPAL_SCHAMT*(MAX_IOF_RATE/ 100))+(PRINCIPAL_SCHAMT*(ADDL_RATE/ 100)))

The system will consider the number of days between the loan value date and principal schedule due date.

Multiple schedules for auto disbursement will not be allowed for loans with IOF Payment Method as 'Advance Payment'. In case of multiple disbursements, from the total IOF amount calculated as per new schedules, IOF amount collected during previous disbursements will be deducted.

Irrespective of the disbursement date, the schedule days will always be calculated based on loan value date from the customer and credited into the IOF GL.

You can view the IOF amount computed by the system on the 'Charges' screen after saving. IOF will not be recalculated during any payment/prepayment of the loan.

IOF for Linear/Exponential Discounted Loans

For linear/exponential discounted loans, IOF is calculated based on present value i.e. principal schedule amount – Interest Amount (exponential discounted loans with bullet principal schedule only). You need to define the formulae for linear/exponential discounted loans as below:

Formula Name	Condition	Formula
IOF_CALC_FRM_1	DAYS<=364	(((PRINCIPAL_SCHAMT – MAIN_INT_CURVAL) *(IOF_DLY_RATE/100)*DAYS)+ ((PRINCIPAL_SCHAMT-MAIN_INT_CURVAL) * (ADDL_RATE/100)))
IOF_CALC_FRM_1	DAYS>364	(((PRINCIPAL_SCHAMT-MAIN_INT_CURVAL)*(MAX_IOF_RATE/100))+((PRINCIPAL_SCHAMT-MAIN_INT_CURVAL)*(ADDL_RATE/100)))

If days computed are less than or equal to 364, IOF daily and additional rates will be applied .For schedule days more than 364 days, the IOF maximum and additional rates will be considered. The total IOF amount calculated for the schedules will be arrived at and applied to the account.

For a discounted loan, on doing multiple Manual Disbursement or principal increase VAMI, IOF will be re-calculated considering principal amount effective from the value date of the loan and not from the disbursement /amendment date.

IOF for Penalty Components

For simple, amortised and discounted loan products, you can levy a penalty on late payment of IOF. You need to set up the following formulae for the penalty component:

Formula Name	Condition	Formula
LATEIOF_AMT_FRM	SCH_DAYS>= 365	0
LATEIOF_AMT_FRM	SCH_DAYS< 365	(PRINCIPAL_SCHODUE*(IOF_DLY_RATE/ 100)*DAYS)

This formula applied daily IOF rate on the principal due for the late IOF term. The conditions for Late IOF payment are as follows:

- If the Principal schedule days (schedule due date – Loan value date) is greater than or equal to 365, then the late IOF term will be Zero days
- If the difference between late payment date and value date is less than 365 days, then late IOF term will be computed as the difference between the payment date and schedule due date.
- If the Principal schedule due date – Loan value date is less than 365 and the difference between late payment date & value date is greater than or equal to 365 then the late IOF term will be computed as {(Value date+365 days) - Schedule due date)

5.7 Loan/Commitment Account Authorization

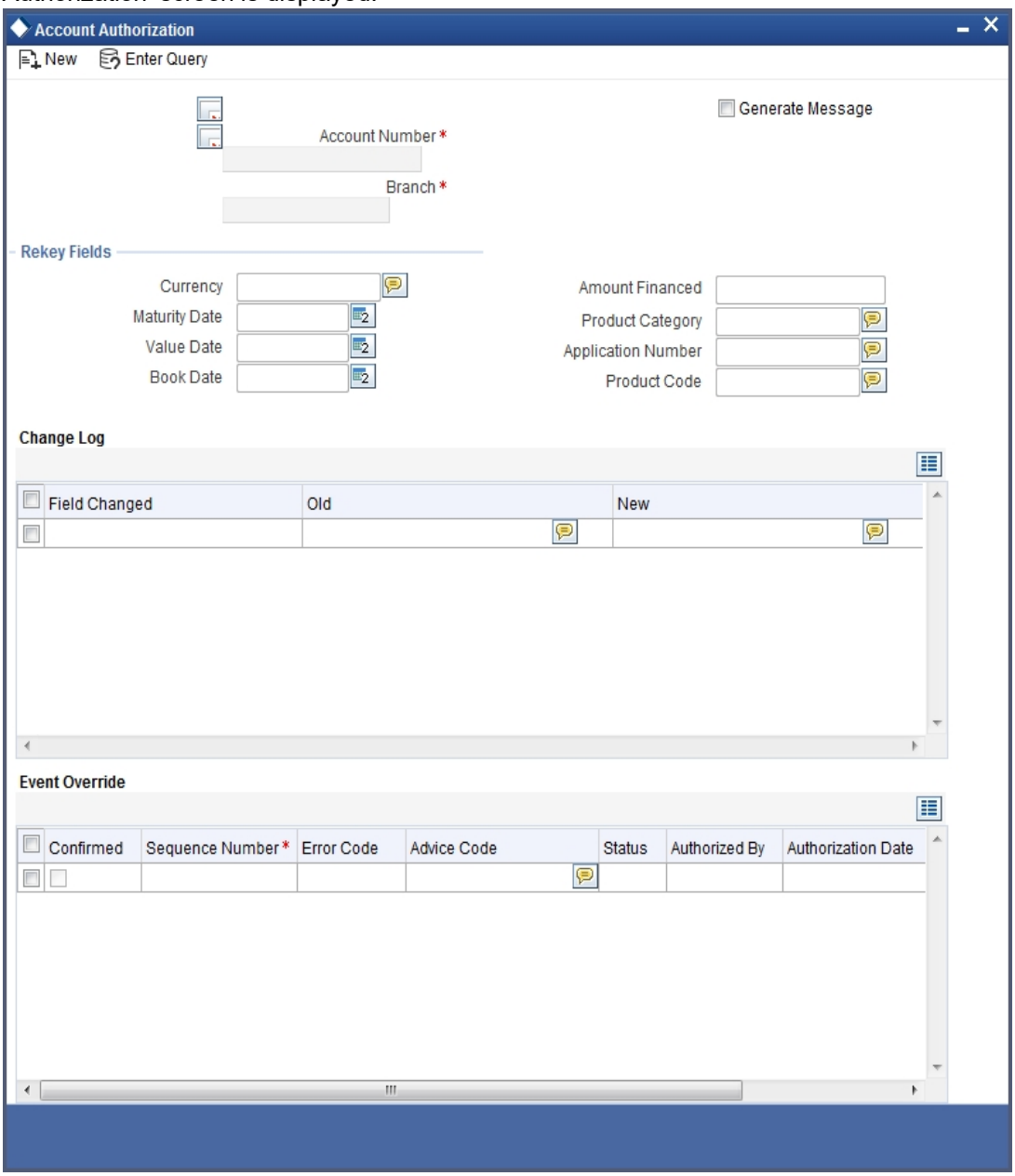
This section contains the following topics:

- Section 5.7.1, "Authorizing Loan/Commitment Account"
- Section 5.7.2, "Multilevel Authorization of a Contract"

5.7.1 Authorizing Loan/Commitment Account

After entering the loan/commitment account details click ‘Save’ icon to save the account details.

To authorize an account, click ‘Authorize’ icon on the Application toolbar. The ‘Account Authorization’ screen is displayed.



The loan account number and the branch details are defaulted here.

The following detail needs to be selected, as required:

Generate Message

Check this box if you want swift messages to be generated either for a customer transfer or a bank transfer along with a cover. The generated message can be viewed in the messages browser. Even if the box is left unchecked you can go to messages browser at a later point of time and generate the message.

If the message generation fails for some reason, the account is authorized and you have to go to the browser to manually generate the swift message.

All other advices related to BOOK/INIT/DSBR events are not generated at this point and you need to go to the message browser to do the same.

Note

You cannot authorise a contract from the contract screen in the following cases:

- the contract has multilevel of authorization pending, the same will be done using the 'Multilevel Authorization Detailed' screen
- the level of authorization is greater than or equal to 'N'
- the 'Nth' or the final level of the users authorisation limit is less than the difference between amount financed and sum of the limits of all the users involved in authorizing a transaction, this case holds good when the 'Cumulative' field is checked in the 'Product Transaction Limits Maintenance' screen
- the transaction amount is greater than the authoriser's authorisation limit if the 'Cumulative' field is unchecked in the 'Product Transaction Limits Maintenance' screen

5.7.2 Multilevel Authorization of a Contract

High value transactions may require multilevel of authorization. The levels of authorizations are defined in the 'Product Transaction Limits' screen. You can use the 'Multilevel Authorization Detailed' screen for authoring a contract n-1 times. However, final authorization can take place only in the contract screen.

For more details, refer the 'Multilevel Authorization of Contract/Loan Account' section in the 'Procedures' User Manual.

5.8 Querying Account Details

Oracle FLEXCUBE allows you to query the following account related details:

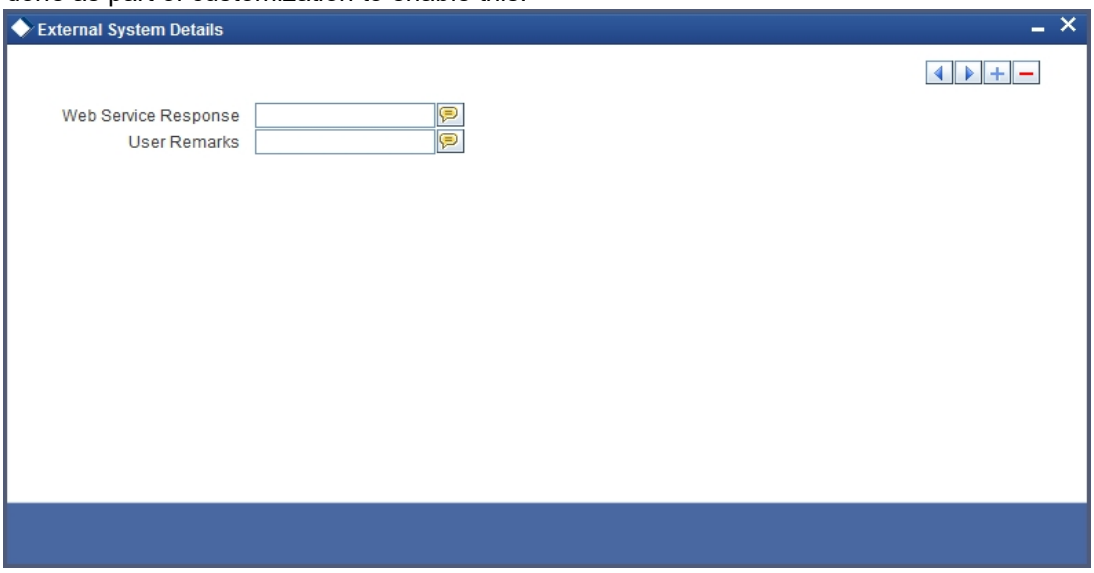
- A particular or all accounts of a customer – This is done using the 'Customer Summary Query' screen. The records are displayed product wise, module wise, accounting class wise and also based on external account types. You can narrow down the query by double clicking on a record and navigating to its account details.
- Accounting entries for a loan account – This is done using the 'Customer Account Transaction Query' screen.
- The liability details of a customer or an account or the details of a transaction involving a particular limit line – This is done using the 'Liability Query' screen.

5.9 Viewing OFAC Check Response

OFAC check enables the application to call an external web service to perform black list check for customer and customer accounts and give warnings appropriately while transacting with black listed customers. You can also capture your remarks before overriding the black list warning.

Click 'OFAC Check' button to view the OFAC check response in the 'External System Detail' screen On clicking 'OFAC Check' button, system will build the request XML and call the web service. The 'External System details' screen displays the response is received from the external system and you will be also allowed to enter your remarks in this screen. The response received will also be sent to Oracle FLEXCUBE Database layer for any further interpretations of the same. This button can be made visible while carrying out the actual

customization. Request building response interpretation in the database layer needs to be done as part of customization to enable this.



Here, you can view /capture the following details:

External System Response

The response from the external system regarding the black listed customer is displayed here.

User Remarks

Specify your remarks regarding the black listed customer here.

5.10 Inactive Loan Accounts

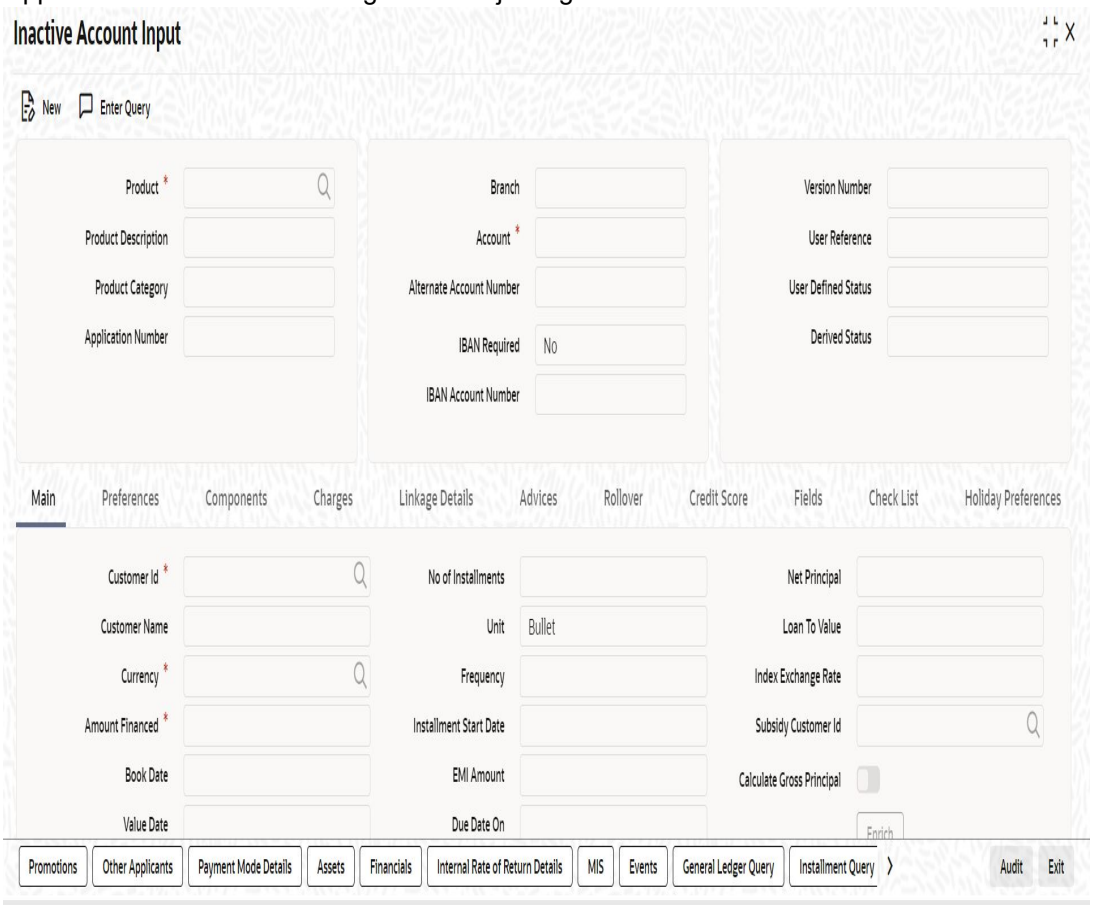
This section contains the following topics:

- Section 5.10.1, "Capturing Inactive Loan Details"
- Section 5.10.2, "Operations on Inactive Loans"
- Section 5.10.3, "Activating Loans and Limit Earmarking"
- Section 5.10.4, "Deleting Inactive Loan"

5.10.1 Capturing Inactive Loan Details

During Loan processing, it is required to capture loan details and not initiate till verification of documents, etc. This module creates a loan account in an inactive state. Inactive loans are input by a separate screen similar to the Accounts screen or by Uploads. After manual verification the account is entered as an inactive account. The account is activated once the requisite documents are received.

You can invoke this screen by typing ‘CLDINANT in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The system captures the following details and generates an inactive account:

- Loan Reference Number
- Schedule Dates
- Charges
- Instalment Amounts

Modifications are allowed on inactive loans even after authorisation and there are no restrictions on inactive loans modifications. Loan details are handed off to other systems. Messages such as Loan advice or Promissory Notes can also be generated.

5.10.2 Operations on Inactive Loans

It is possible to modify an inactive loan and save it even after authorisation. When the account is activated it will be an unauthorized account and behaves like an account directly created / uploaded into the system. It is possible to delete the same too. The user can change all loan account properties.

Click ‘Active Account’ button to activate the loan. This changes the funded status of the loan. Once activated, the account cannot be deleted after authorisation and cannot be unlocked after one save.

Accounting entries and limit updates are not called when the loan is inactive. Accounts queries do not display inactive accounts and Inactive accounts views do not show active accounts.

If an account is created after its value date, it behaves as a Back valued loan entry. If it is created after its maturity date, it behaves like an overdue account.

Inactive loans are created with a sequence that is different from the account mask maintained. Upon activation, the account mask is used to create a new account. Hence the account number of an activated account differs from its inactive version.

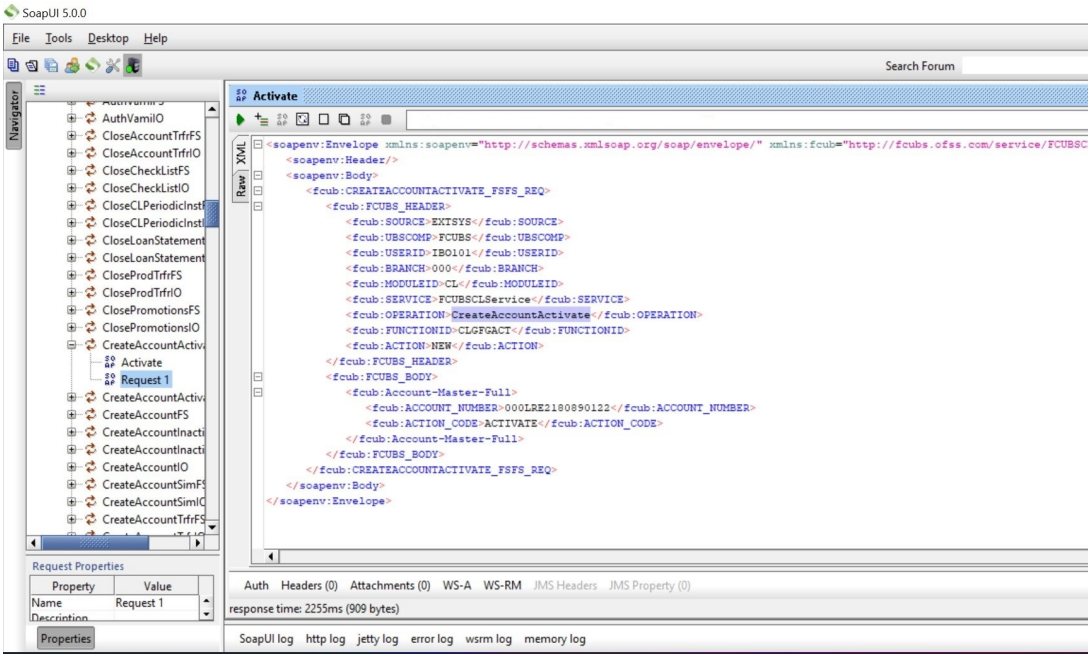
Existing inactive loan accounts in Oracle FLEXCUBE Universal Banking can be activated in rest services using Function ID 'CLDFGACT' and gateway using Function ID 'CLGFGACT'.

In the rest service existing inactive loan accounts can be activated using the 'ConsumerLendingAccountActivate' operation and for Gateway it can be activated using the 'CreateAccountActivate' operation.

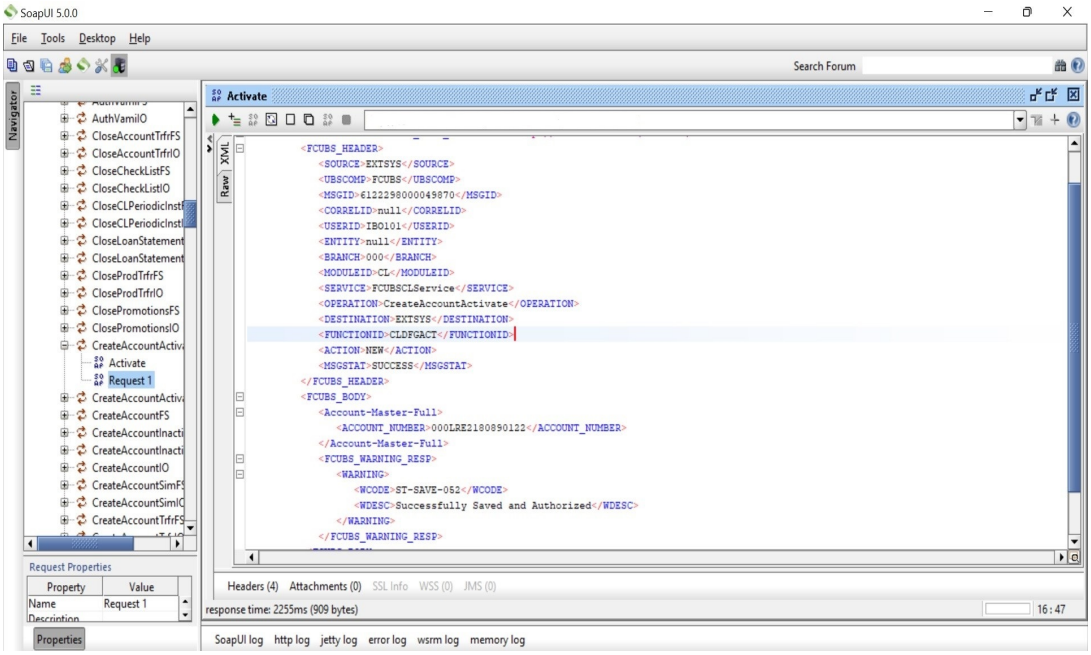
Before processing loan activation in SoapUI, the External System Functions maintenance screen need to be mapped. To map the External System with function ID

login into the External System Functions maintenance screen by using the function ID 'GWDETFUN' and on the screen. For example, select the External System as 'EXTSYS' and the Function ID as 'CLGFGACT' for Rest services and Gateway Services.

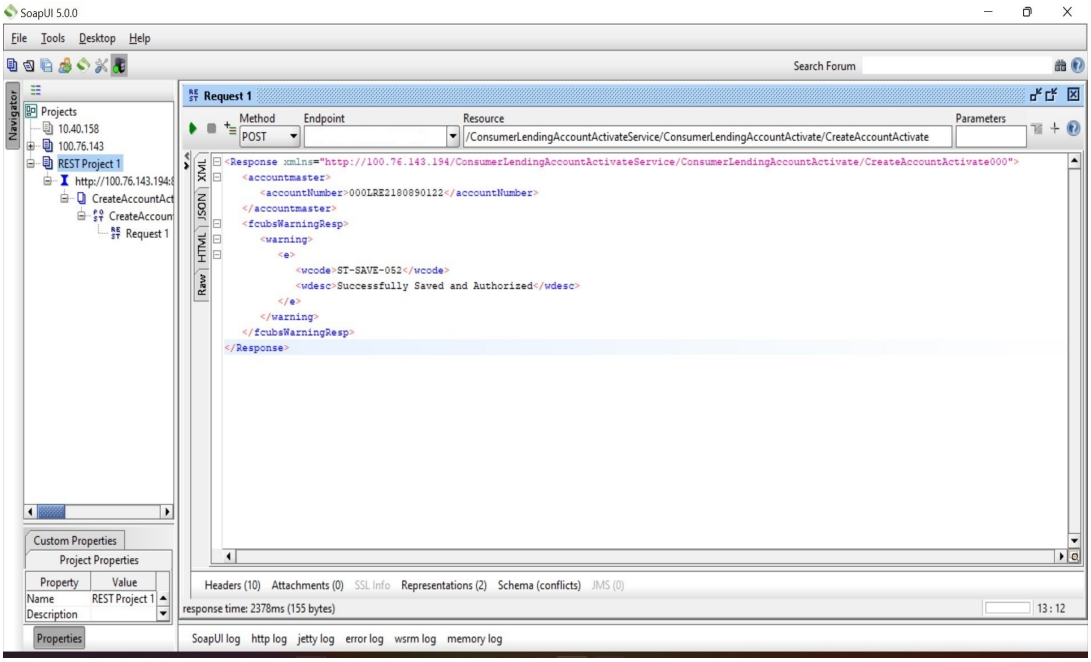
In SoapUI create a new request under 'CreateAccountActivation' and then in the XMLfield enter the required Account Number and given activation code as 'ACTIVATE'.



After enter the Account number and the Action Code then the "Successfully Saved and Authorized" message will be displayed in the XML screen.



Similarly for Rest Service, In SoupUI navigate to 'CreateAccountActivation' and select the 'Request 1' then in XML field enter the Account number then the following message will be displayed "Successfully Saved and Authorized".



5.10.3 Activating Loans and Limit Earmarking

Inactive loans are activated by clicking on Activate Account button or through an upload. Upon loan activation, Limits Utilizations are updated. Accounting entries are passed for disbursement and for any upfront changes as defined in the product.

The earmarked amount field shows the total earmarking and an earmarking reference number is captured. Upon the actual loan initiation, utilization is made on the line and real entries passed.

5.10.4 Deleting Inactive Loan

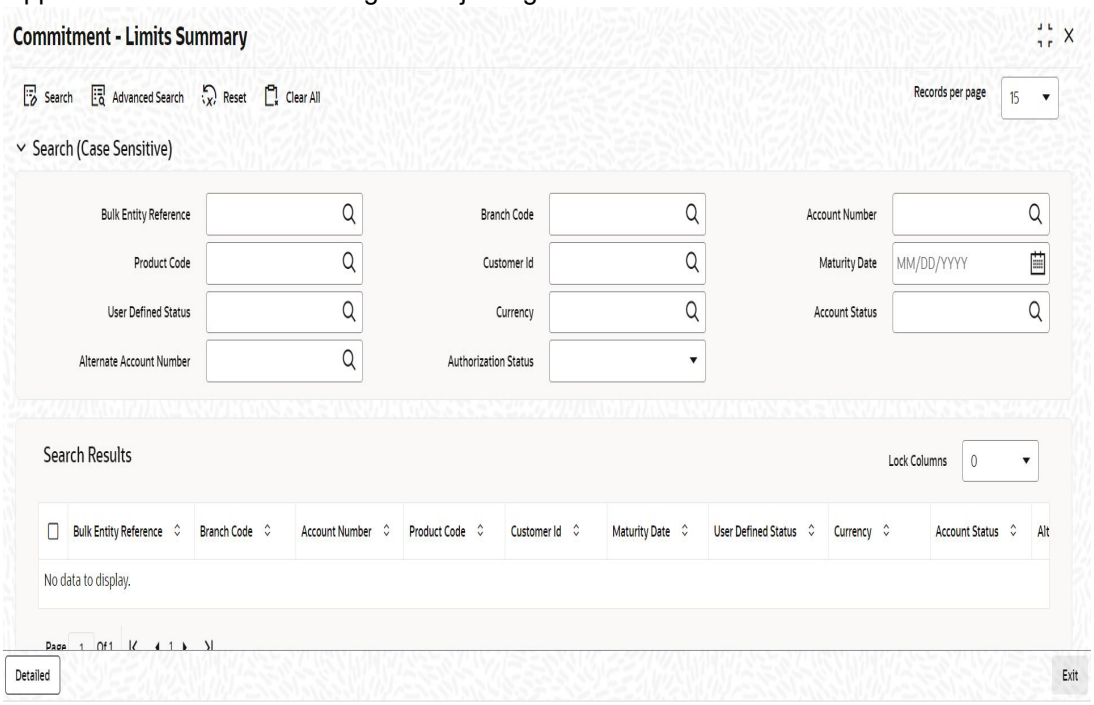
Inactive loans can be deleted even after the authorisation of Inactive loan account. In Bank Parameters, Site specific parameters are provided to control the automatic deletion of Inactive loans. An Inactive Loan processing supports this deletion.

While saving the transaction, if you have modified the Rate Code or the UDE value, the system displays configurable override messages. These overrides are displayed during subsequent modifications of the interest rate. You can also configure overrides for Dual Authorization to be displayed at Contract and Maintenance level in the 'Override Maintenance' screen.

For more information about configuring overrides, refer to the section 'Override Maintenance' in the chapter 'Configuring Overrides' in the Core Services User Manual.

5.11 Viewing Details of CL Accounts Linked to L/C

You can query CL accounts linked to the L/C in the 'Commitment/Limits Summary' screen. You can invoke this screen by typing 'CLSENTTY' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



You can query a record using the following options:

- Base Entity Type
- Commitment Limit Number
- Customer Identification
- User Defined Status
- Account Status
- Branch
- Product Code
- Maturity Date
- Currency
- Alternate Account Number

- Authorization Status

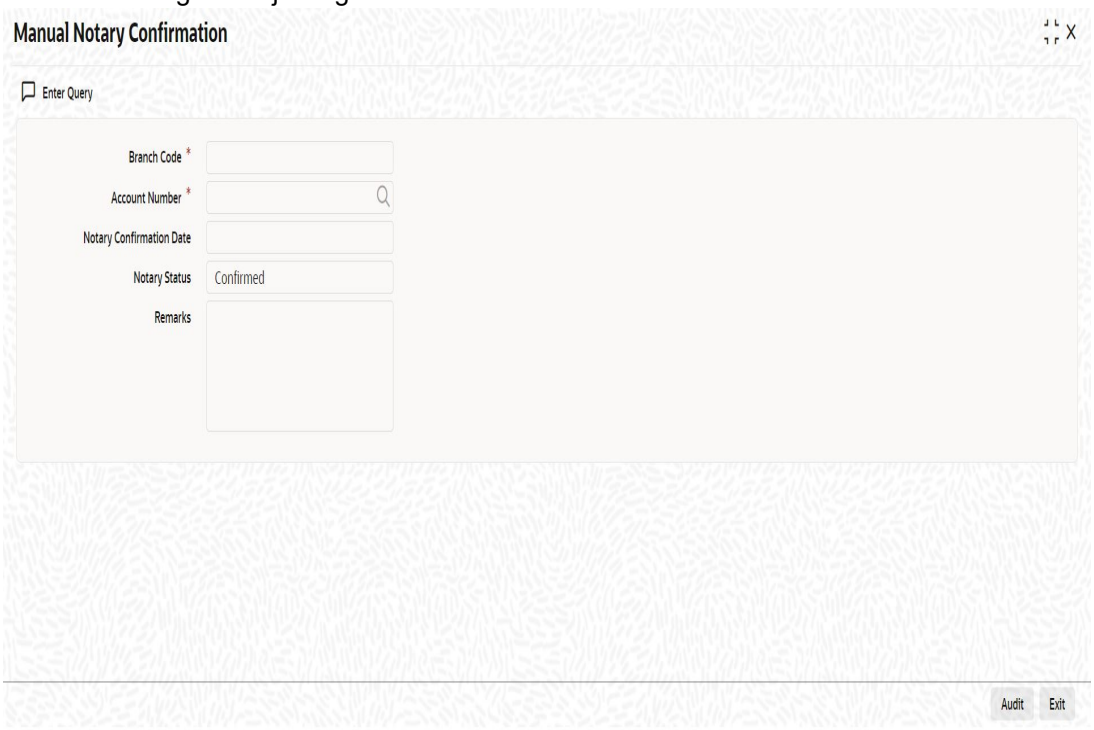
The following details get displayed:

- Account Number
- Branch
- Customer Identification
- Product Code
- Value Date
- Maturity Date
- Amount Financed
- Currency
- User Defined Status
- Account Status
- Alternate Account Number
- Authorization Status

In this screen, click a child record to invoke ‘Account Details’ screen.

5.12 Manual Confirmation by Notary

Usually a notary confirms the collaterals (linked to the loan) before loan account creation. In case, the confirmation from notary is not received before loan account creation, you can initiate confirmation manually using the ‘Manual Notary Confirmation’ screen. You can invoke this screen by typing ‘CLDNOCON’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



You need to specify the following details here:

Branch Code

Specify the unique identifier of the branch where the loan account (for which notary confirmation needs to be updated) is created. The adjoining option list displays all branches maintained in the system. You can select the appropriate one.

Account Number

Specify the loan account number / commitment account number for which notary confirmation needs to be updated. The adjoining option list displays all loan accounts/commitment accounts (for which the “Notary Confirmation Required” check box is checked at the product level,and “Notary Pre Confirmed” check box is unchecked at the account level) maintained in the system. You can select the appropriate one.

Notary Confirmation Date

The system displays the current system date as the date of confirmation.

Notary Status

Select the notary status from the adjoining drop-down list. This list displays the following values:

- Confirmed
- Reject

If the notary status is ‘Confirmed’, then the system will trigger NCON event during authorization. If the notary status is ‘Reject’, the system will trigger NREJ event which in turn triggers the reversal of the contract during authorization.

Remarks

Enter the remarks for confirming or rejecting the collateral details.

5.13 Calculating Tax for Loan Account

As per Chile banking rules and regulation, tax needs to be applied on to the loan account, and the collected tax needs to be paid to the Chilean Government. Tax gets calculated for a specific duration, and collected upfront for specific events.

The calculated Tax amount can either be bank funded or customer funded. In case of Bank Funded, the tax amount will be added in principal amount where as in case of customer funded, tax amount will be collected from customer CASA account.

At any point the borrowers or the customers can request for refinancing a loan in order to receive a lower interest rate or to reduce their repayment amount. Refinancing also attracts taxes which is levied on customer. The system captures the details of refinancing details in order to calculate the refinance amount and tax.

You need to perform the following:

- Define tax component as ‘TAX’ component type with reporting component type as ‘TAX’, Calculation Type as ‘Formula Without Schedule’, and with user defined formula as @TAX(TAX_RATE,PURPOSE_RATE) in Product Component Class screen.
- Define Product, and map the component with the Product in Product Maintenance screen.
- Define UDEs, and map the product in User defined values maintenance.
- Create a new loan account through Account Details screen.
- On Product default, the system calculates tax on ‘Net Principal’.

- Check ‘Funded during Initiation’ and ‘Gross Principal’ in Account Details screen and click on Enrich. In case of bank funded. then the system increases the ‘Amount Financed’ by tax amount.
- Enter CASA account details in debit settlement account for tax component in case of customer funded tax

On completion of the above process, system will collect tax and same is collected with an amount tag of COMPONENT_LIQD (i.e, ‘TAX_LIQD’). Tax calculation is performed be on INIT event

Debiting CASA account and crediting Settlement Bridge GL will be handled operationally.

6. Branch Transfer of Loans

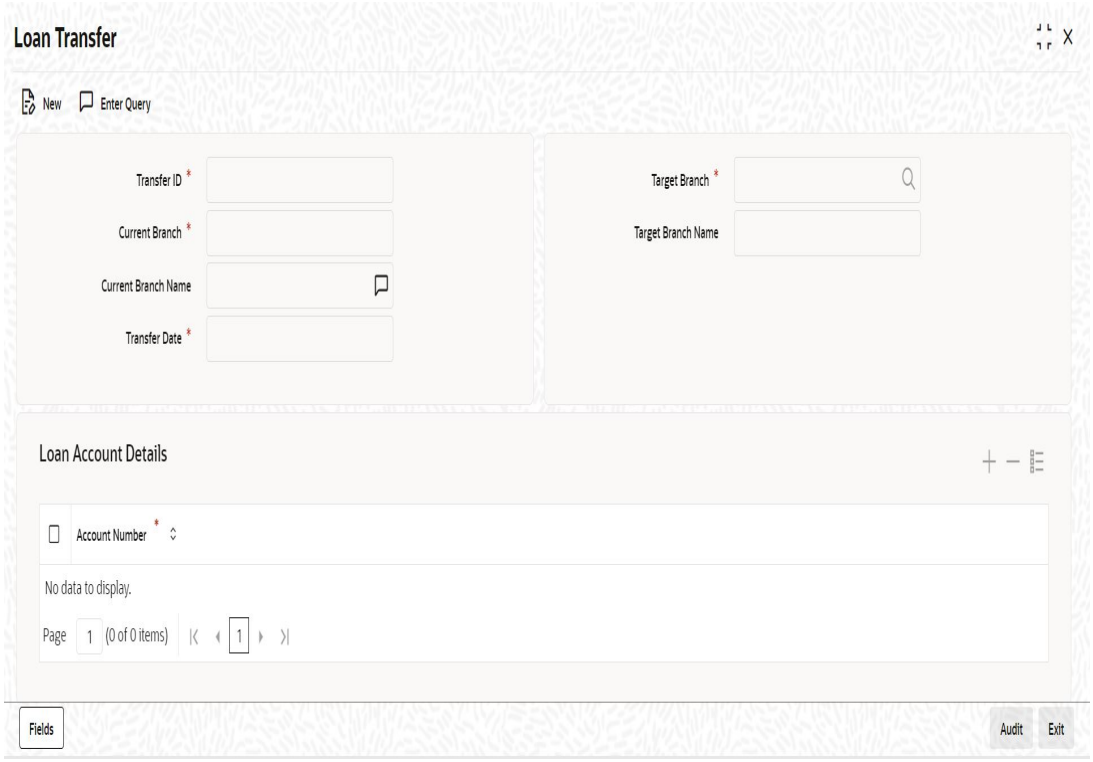
Oracle FLEXCUBE supports transfer of loans and commitment from one branch to another. This will be either customer initiated transfer or branch initiated transfer. Customer initiated transfer is single loans transfer and branch initiated transfers are multiple loans transfer.

This chapter contains the following sections:

- Section 6.1, "Loans Account Transfer"
- Section 6.2, "Customer Portfolio Transfer"
- Section 6.3, "Merging of Branches"
- Section 6.4, "Product Loans Transfer"
- Section 6.5, "Viewing Branch Transfer Details"
- Section 6.6, "Transfer Event"

6.1 Loans Account Transfer

You can capture the loans, the branch to which it is transferred and the date the loan has to be transferred from Loan Transfer screen. You can invoke this screen by typing 'CLDACCTR' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can specify the following details in the Loan Transfer screen:

Transfer ID

System displays the unique number to identify the transfer.

Current branch

System displays the Current Branch of the loan.

Current Branch Name

System displays the Name of the current branch of the loan.

Transfer Date

Select the Date on which loan account has to be transferred.

Target Branch

Select the target branch to which loan is to be transferred from the adjoining option list.

Target Branch Name

System displays the Name of the target branch of the loan.

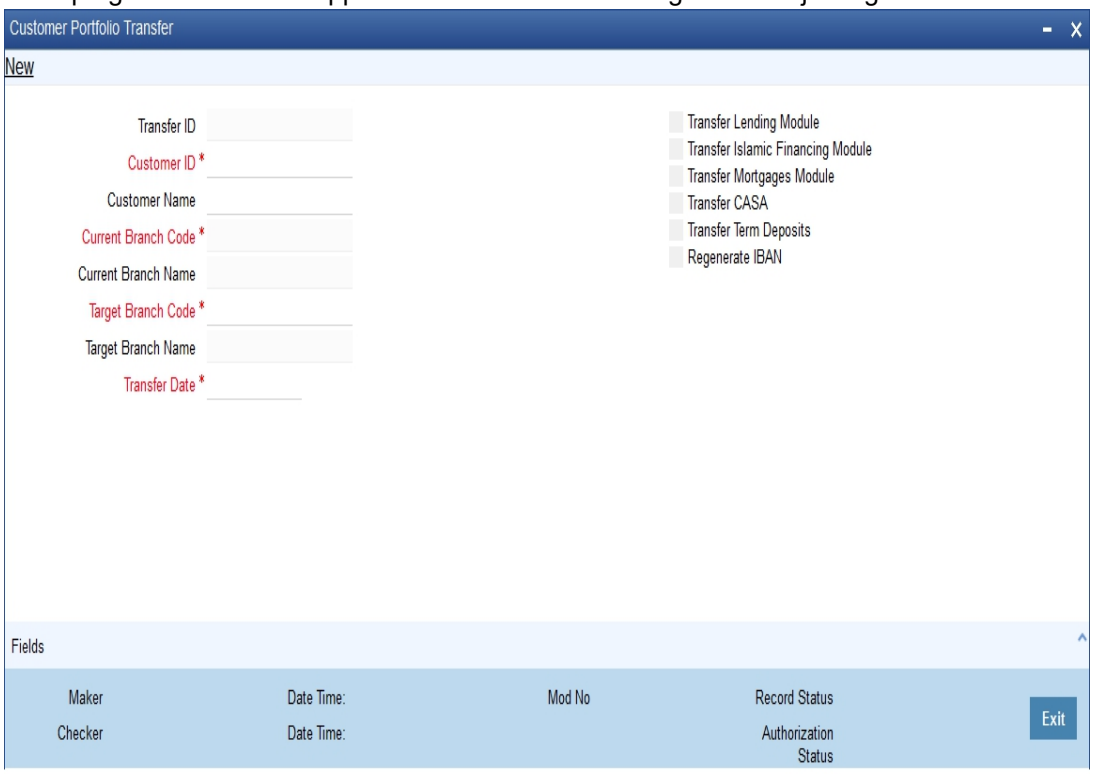
Loan Account Details

Account Number

Select the Account or Commitment number from the adjoining option list.

6.2 Customer Portfolio Transfer

You can transfer loans or commitments for all the records with transfer date greater than the current date from the source branch to a new branch. This is transferred in the beginning of the day after authorization. 'Customer Portfolio Transfer' transfers all the loan contracts under the maintained customer ID. You can invoke this screen by typing 'STDCUSTR' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Specify the following details in the Customer Portfolio Transfer screen:

Transfer ID

The system displays the transfer Id on clicking 'New'.

Customer No

Select the customer Id from the adjoining option list.

Customer Name

System displays the customer name.

Current Branch Code

System displays the current branch code.

Current Branch Name

System displays the name of the current branch.

Target Branch Code

Specify the Target Branch to which the Customer Portfolio is to be transferred.

Target Branch Name

System displays the name of the target branch of the Customer Portfolio.

Transfer Date

Specify the date on which the Customer Portfolio should be transferred.

Transfer Lending Module

Check Transfer lending Module to specify if Loans or commitments should be transferred as part of customer portfolio transfer.

Transfer Islamic Financing Module

Check Transfer Islamic Financing Module to specify if Islamic Finance should be transferred as part of customer portfolio transfer.

Transfer Mortgages Module

Check Transfer Mortgages Module to specify if Mortgage Loans/commitments (MO) should be transferred as part of customer portfolio transfer

Transfer CASA

Check Transfer CASA to specify if Customer Accounts (CASA) should be transferred as part of customer portfolio transfer.

Transfer Term Deposits

Check Transfer Term Deposits to specify if Term Deposits (TD) should be transferred as part of customer portfolio transfer.

Regenerate IBAN

Check this box to regenerate IBAN upon branch transfer. You can check this box only if 'Transfer CASA' is checked.

If you select the ‘Regenerate IBAN’ check box, the system performs the following actions:

- On saving branch transfer record, the system checks whether BBAN Format Mask and related values are available for IBAN regeneration.
- During branch transfer of accounts with IBAN, the system regenerates IBAN based on the IBAN/BBAN parameters of the new branch.

If you do not select the ‘Regenerate IBAN’ check box, the system performs the following actions:

- On saving branch transfer record, the system validates whether the BBAN Format Mask and data type are same for the current and destination branch.
- During branch transfer of CASA accounts, the system retains the original IBAN field value.

Note

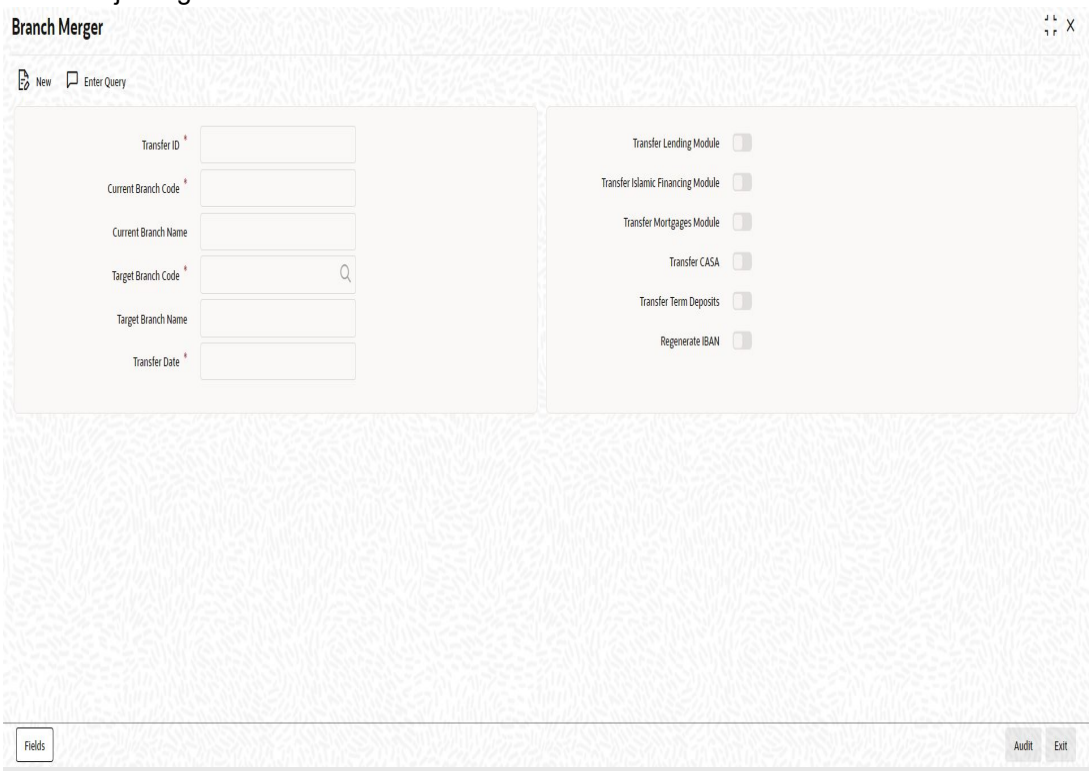
By default, system selects all the check boxes. The system displays an error message if at least one of the check boxes is not selected.

Note

User cannot transfer accounts when an account has an active RTL block present.

6.3 Merging of Branches

You can transfer Loans or commitments when the branches merge in the Branch Merger screen. You can transfer loans or commitments for all the records with transfer date greater than the current date from the source branch to a target branch. You can invoke this screen by typing 'STDBRNTR' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can specify the following in the branch merger screen:

Transfer Id

System displays Transfer ID on clicking 'New'.

Current Branch Code

System displays the current branch code.

Current Branch Name

System displays the name of the current branch.

Target Branch Code

Specify the Target Branch with which the current branch is to be merged.

Target Branch Name

System displays the name of the target branch.

Transfer Date

Specify the date on which the branch should be merged with target branch.

Transfer Lending Module

Check Transfer lending Module to specify if Loan or commitments should be transferred as part of Branch Merger.

Transfer Islamic Financing Module

Check Transfer Islamic Financing Module to specify if Islamic Finance should be transferred as part of Branch Merger.

Transfer Mortgages Module

Check Transfer Mortgages Module to specify if Mortgage Loans/commitments (MO) should be transferred as part of customer portfolio transfer

Transfer CASA

Check Transfer CASA to specify if Customer Accounts (CASA) should be transferred as part of customer portfolio transfer.

Transfer Term Deposits

Check Transfer Term Deposits to specify if Term Deposits (TD) should be transferred as part of customer portfolio transfer.

Regenerate IBAN

Check this box to regenerate IBAN upon branch transfer. You can check this box only if 'Transfer CASA' is checked.

If you select the ‘Regenerate IBAN’ check box, the system performs the following actions:

- On saving branch transfer record, the system checks whether BBAN Format Mask and related values are available for IBAN regeneration.
- During branch transfer of accounts with IBAN, the system regenerates IBAN based on the IBAN/BBAN parameters of the new branch.

If you do not select ‘Regenerate IBAN’ check box, the system performs the following actions:

- On saving branch transfer record, the system validates whether the BBAN Format Mask and data type are same for the current and destination branch.
- During branch transfer of CASA accounts, the system retains the original IBAN field value.

Note

– By default, system selects all the check boxes. The system displays an error message if at least one of the check boxes is not selected.

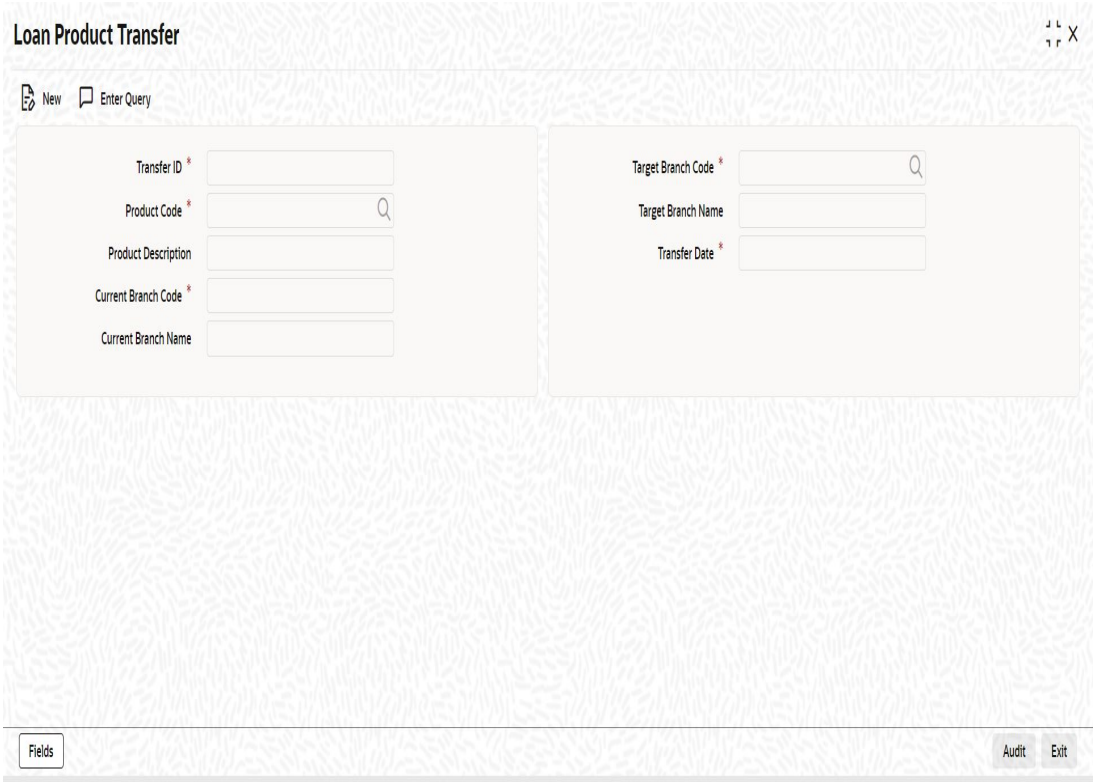
– During branch merger and product transfer Holiday Maintenance and UDE Float rates are same for both the branches. If both the branches have different Holiday Maintenance and UDE Float rates, then during subsequent events like VAMI in the loan account, for Product transfer accounts and branch merger records, schedule gets recomputed based on the target branch’s holiday or float rates.

Note

User cannot merge two branches when an account in the branch has an active RTL block present.

6.4 Product Loans Transfer

You can transfer loan belonging to a product in Lending Product transfer screen. You can transfer loan or commitments for all the records with transfer date greater than the current date from the source branch to a target branch. You can invoke this screen by typing 'CLDPRDTR' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can specify the following in this screen:

Transfer Id

System displays the unique number to identify the transfer.

Target Branch Code

Specify the Target Branch to which the Lending accounts belonging to the Product are to be transferred.

Target Branch Name

System displays the name of the target branch of the loan.

Product Code

System displays the product code for which the loan accounts are transferred.

Product Description

Specify the description of the product for which the loan accounts are transferred.

Transfer Date

Specify the date on which the loan should be transferred.

Current Branch Code

System displays the current branch code.

Current Branch Name

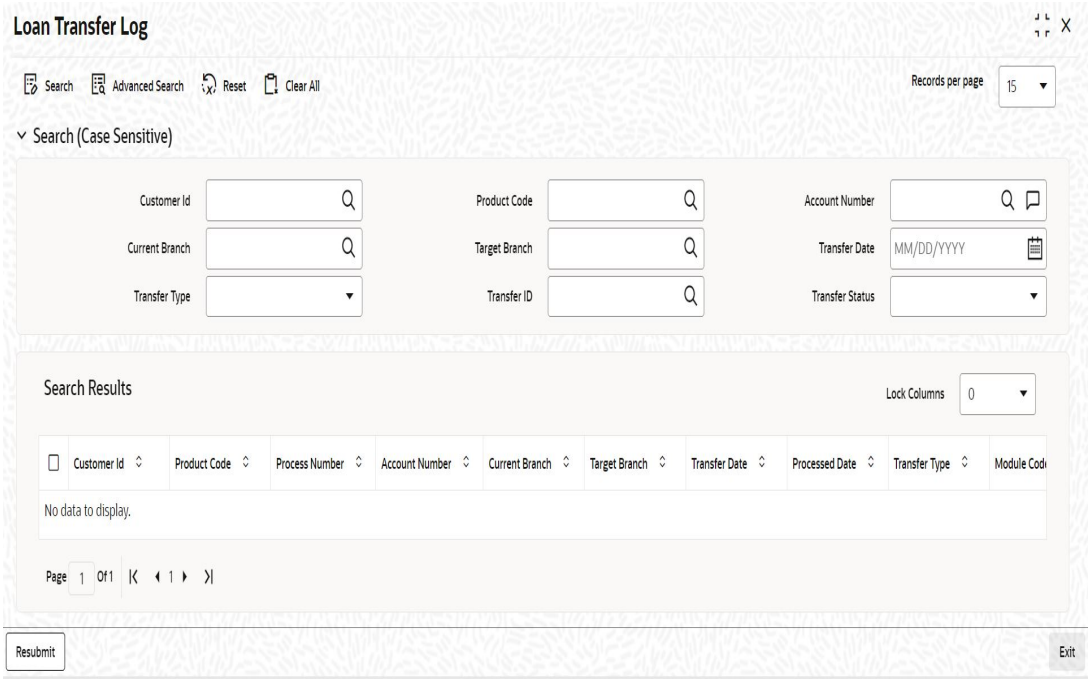
System displays the name of the current branch of the loan.

Note

During branch merger and product transfer Holiday Maintenance and UDE Float rates should be same for both the branches. If both the branches has different Holiday Maintenance and UDE Float rates, then during subsequent events like VAMI in the loan account, for Product transfer accounts and branch merger records, schedule gets recomputed based on the target branch's holiday or float rates.

6.5 Viewing Branch Transfer Details

If the single loan, customer portfolio, branch merger and product transfers fails, then the status of the transfer is updated as 'error' along with the failure reasons. The Loan Transfer Log screen allows viewing and re-submitting such failed transfers. You can also view successful transfer records in this screen. You can invoke this screen by typing 'CLSTRLOG' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can View or Re-submit failed transfer in this screen.

Account Number

Select the Loan Account Number from the adjoining option list.

Source Branch

Select the current branch from the adjoining option list.

Transfer Date

Select the date of transfer for the loan account.

Target Branch

Select the target branch of the loan account from the adjoining option list.

Customer No

Select the customer number of the loan account from the adjoining option list.

Status

Choose the status of the transfer record from the drop down list. The options available are:

- Success
- Error
- Unprocessed
- Rerun

Product Code

Select the product code of the loan account from the adjoining option list.

The following are displayed in this screen:

- Customer ID
- Product Code
- Process Number
- Account Number
- Current Branch
- Target branch
- Transfer Date
- Process Date
- Transfer Type
- Module Code
- Transfer ID
- Transfer Status

Resubmit

Clicking on the resubmit button marks all checked failed records for retry during the BOD batch.

View Error Details

Select a record to view the reason for failure of contracts which failed to transfer.

6.6 Transfer Event

If the transfer event is initiated for CL, CI or MO Product and transfer date is on the current date, then the BOD batch system processes transfer of all the loans or commitments marked for the day.

The transfer event TRFR for loan transfer triggers:

- All the loan tables for the loan account to be updated with new branch.
- Transfer of loan outstanding to a suspense or bridge GL from old branch to the new branch.

The following remains active even after the transfer of loan accounts:

- Penalty or Overdue Compounding
- Status Change
- Provisioning
- Partial Write-Off
- Group Status Change
- Auto Rollover
- Revolving Loans
- Promotions or Relationship Pricing
- Accounts Linked to Salary
- MIS
- Settlement Account
- Limits Utilization

7. Making Manual Disbursements

The Consumer Lending Module of Oracle FLEXCUBE supports the following modes for loan disbursements:

- Auto
- Manual

If you select the mode ‘Auto’, the system will automatically disburse the loans based on the disbursement schedule defined for the product.

In the manual mode, disbursement happens on demand. In this case, disbursement schedules need not be maintained for the ‘PRINCIPAL’ component. Also, you can collect any applicable charges related to the disbursement at the time of making the disbursement. These charges are defined at the product level.

When a loan is disbursed either in the ‘manual’ or in the ‘auto’ mode, the system will utilize the new collateral, local collateral, facility, or liability only for the amount that is disbursed.

You have to specify the disbursement mode as a preference at the time of setting up a Consumer Lending product in the system.

Note

If you have selected the ‘Group/CIF’ status processing option at the branch parameters level and a manual disbursal results in a status change for the account, then the status change processing will be done only during the end-of-day batch processing. The process will work as follows:

- The current status for the account is updated in the ‘Derived Status’ field
- The ‘User Defined Status’ for the account is updated with the worst status that is available for all accounts and loans for this CIF within the branch
- The required accounting entries for the status change are posted

Refer the section titled ‘Account Preferences Tab’ in the chapter titled “Defining Product Categories and Products’ of this User Manual for details.

This chapter contains the following sections:

- Section 7.1, "Manual Disbursement of Loan"
- Section 7.3, "Manual Disbursement Simulation"

7.1 Manual Disbursement of Loan

This section contains the following topics:

- Section 7.1.1, "Disbursing Loan through the ‘Manual’ Mode"
- Section 7.1.2, "Check List Button "
- Section 7.1.3, "Fields Button"
- Section 7.1.4, "Advices Button"
- Section 7.1.5, "Swift Message Details Button"
- Section 7.1.7, "Viewing Manual Disbursement"

7.1.1 Disbursing Loan through the ‘Manual’ Mode

You can initiate a manual disbursement through the ‘Manual disbursement’ screen You can invoke this screen by typing ‘CLDMNDSB’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



To begin the disbursement, click on the New icon in the toolbar of the screen. Enter the account number and click the ‘Default’ button. The system defaults the details based on product definition and the account maintained by the bank for the account. You can modify the relevant details.

Transaction Branch Code

The code of the login/sign-on branch is displayed here. However, you can select a different branch from the option list provided. It is the branch where the loan account of the customer resides.

Account Number

Select the Loan Account of the customer to which the disbursement is made. All valid accounts are available in the option list. Select the appropriate one from this list.

Event Sequence Number

The system displays the event sequence number of the current disbursement transaction..

Product Code

The system displays product code associated with the specified account number.

Product Description

The system displays description of the displayed product code.

Customer ID

The system displays ID of the customer holding the specified account number.

Customer Name

The system displays name of the displayed customer ID.

Disbursement Details

The following disbursement details have to be captured in the 'Disbursement Details' section of the screen:

Currency

The system displays the disbursement currency

Value Date

This is the date when the credit entry (for the disbursement amount) is posted to the Cr Settlement Bridge. The current system date is displayed here.

Execution Date

This is the date on which the disbursement is booked in the system. The current system date is displayed here. You may change the date to a date in the future before the maturity date of the loan.

Remarks

Capture any additional information about the disbursements, if required.

Total Amount

This displays the sum total of the amount disbursed across the various settlement modes. It gets incremented by the amount settled.

On saving the disbursement after entering all the required details in the system, the system validates the value of the amount to be disbursed against the following:

- Product transaction limit
- User Input limit

If the transaction currency and the limit currency are different, then the system converts the amount financed to limit currency and checks if the same is in excess of the product transaction limit and user input limit. If this holds true, the system indicates the same with below override/error messages:

- Number of levels required for authorizing the transaction
- Transaction amount is in excess of the input limit of the user

Reference Number

The system displays the reference number which is used as a reference to identify the transaction in the system.

Amount Financed

The system displays the financed amount.

Amount Disbursed

The system defaults the amount disbursed.

Reversed

When you reverse a manual disbursement, the system automatically checks this option to denote that the particular settlement mode has been reversed.

For reversing a disbursal, a different event, REVD (Reverse Disbursement) is triggered.

Settlement Mode

You can make disbursements either through a single mode or by using multiple modes of settlement, depending on the customer's requirement.

The settlement details that need to be captured depend on the mode you select. The list of modes and the applicable settlement details are given below:

- CASA
  - Settlement Branch
  - Settlement Account
- Clearing
  - Upload Source
  - Instrument Number
  - Clearing Product
  - End Point
  - Routing Number
  - Clearing Bank
  - Clearing Branch
  - Sector Code
- External Account
  - Upload Source
  - Product Category
  - Clearing Bank Code
  - Clearing Branch Code
  - External Account Name
  - External Account Number
- Instrument
  - Instrument Number
  - Settlement Branch
  - Settlement Account
- Cash/Teller
  - Upload Source
  - Settlement Product
- Banker's Cheque

Note

Atleast one mode is mandatory to make a disbursement.

Settlement Currency

After specifying the settlement mode for the disbursement, select the currency in which the disbursement is to be made. The currencies allowed for the branch are available in the option list provided.

Settlement Amount

Here, you have to capture the disbursement amount that is to be settled through the selected mode in the selected currency.

The 'Total Amount' gets incremented by the amount settled and displays the sum total of the amount disbursed across the various settlement modes.

Original Exchange Rate

The base or actual exchange rate between the account currency and settlement currency gets displayed here.

This information is applicable if the Mode Currency is different from the Loan Currency. The exchange rate that is defaulted from the Standard Exchange Rate Maintenance is used to convert the disbursement amount to the Loan Currency equivalent.

Refer the section titled 'Exchange Rate Preferences' in the 'Defining Product Categories and Products' chapter of this User Manual for details.

Exchange Rate

For a customer availing any Relationship Pricing scheme, the customer specific exchange rate derived by adding the original exchange rate and the customer spread maintained for the relationship pricing scheme gets displayed here.

If Relationship Pricing is not applicable, Exchange Rate will be the same as the Original Exchange Rate.

You can change the defaulted rate provided the change is within the variance level maintained for the underlying product.

For more details on customer specific exchange rates, refer the section titled 'Specifying Pricing Benefit Details' in Relationship Pricing user manual.

Settlement Currency Equivalent

As mentioned above, if the Mode Currency and Loan Currency are different, the system calculates the Settlement Currency equivalent using the exchange rate applicable for the currency pair.

Settlement Sequence

The system displays the sequence from the loan account based on the principal component settlement details. You can modify this value.

Note

The settlement sequence screen will be enabled for input only if the Payment Mode chosen is 'Account' else the settlement account will be defaulted from the Multi Mode Settlement Maintenance (ISDSRCMD).

Default Settlement

Click on this button to display the settlement message details. You can modify the default settlement details populated

Settlement Branch

The system displays the settlement branch.

Settlement Account

The system displays the settlement account number.

Account Description

The system defaults the account description when you click on the ‘Default’ button.

Issuing Branch

Specify the branch code of the bank issuing the instrument. Alternatively, you can also select the issuing branch from the option list. The list displays all valid branch codes maintained in the system.

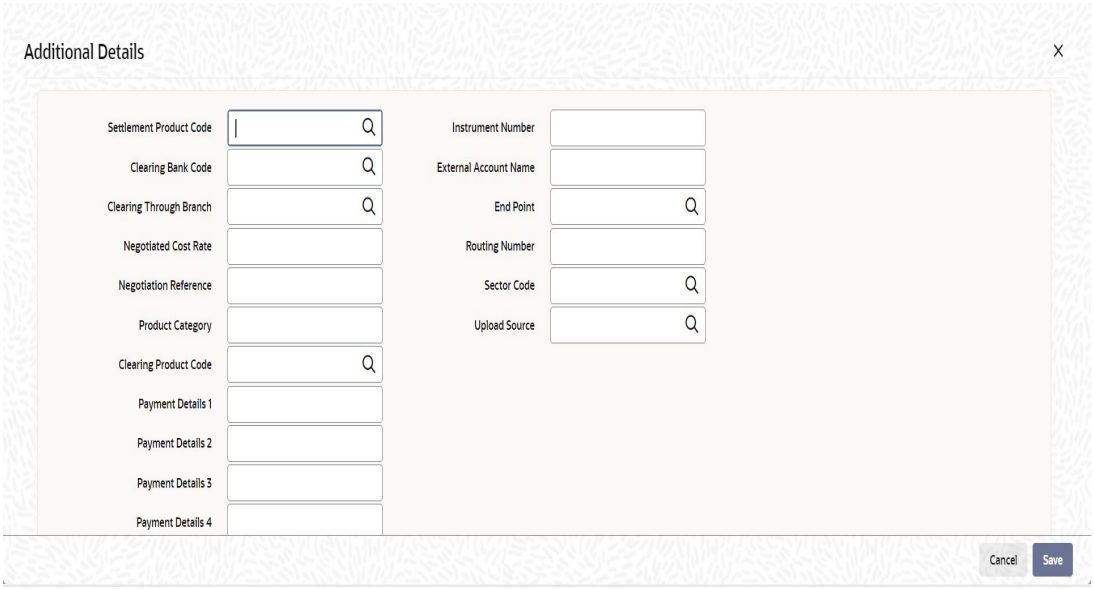
> **Note**
>
> This field is applicable only for Settlement Modes, ‘Bankers Cheque’ and ‘Instrument’. The instrument number will be generated automatically from the inventory of the issuing branch for ‘Banker’s Cheque’ transactions.

External Account Number

Specify the external account number.

7.1.1.1 Additional Settlements Details Button

You can capture the additional settlement details by clicking the ‘Additional Settlement Details’ button under disbursement details.



Charge Details

You can specify the charge details associated with the disbursements by clicking on the ‘Compute Charges’ button.

Component Name

Specify the component name.

Settlement Mode

Select the settlement mode from the adjoining drop-down list. The options available are:

- Account
- Clearing
- External Account
- Instrument
- Cash/Teller

Settlement Currency

Select the settlement currency from the adjoining option list.

Settlement Amount

Specify the settlement amount.

Exchange Rate

Specify the exchange rate.

Settlement Currency Equivalent

Specify the settlement currency equivalent.

Settlement Branch

Select the settlement branch from the adjoining option list.

Settlement Account

Select the settlement account from the adjoining option list.

External Account

Specify the external account.

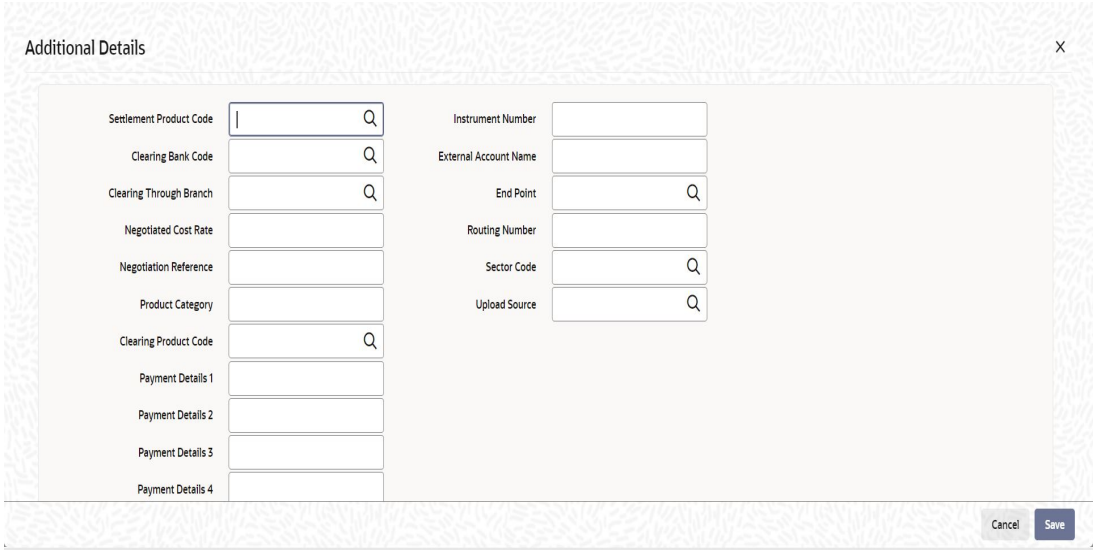
If the Settlement Mode is External Account, then you can specify the payment details in the following fields:

- Payment Details 1
- Payment Details 2
- Payment Details 3
- Payment Details 4

While creating outgoing payment during auto disbursement process, the payment details are passed to the External Payment System.

7.1.1.2 Additional Settlement Details Button

You can capture the additional settlement details by clicking the ‘Additional Settlement Details’ button under charge details..



External Account Number

Specify the external account number.

7.1.2 Check List Button

To every online event, you can associate check list items through the ‘Event Checklist’ screen. To view the check list items associated with the ‘Disbursement’ event (DSBR), click on the ‘Checklist’ button.



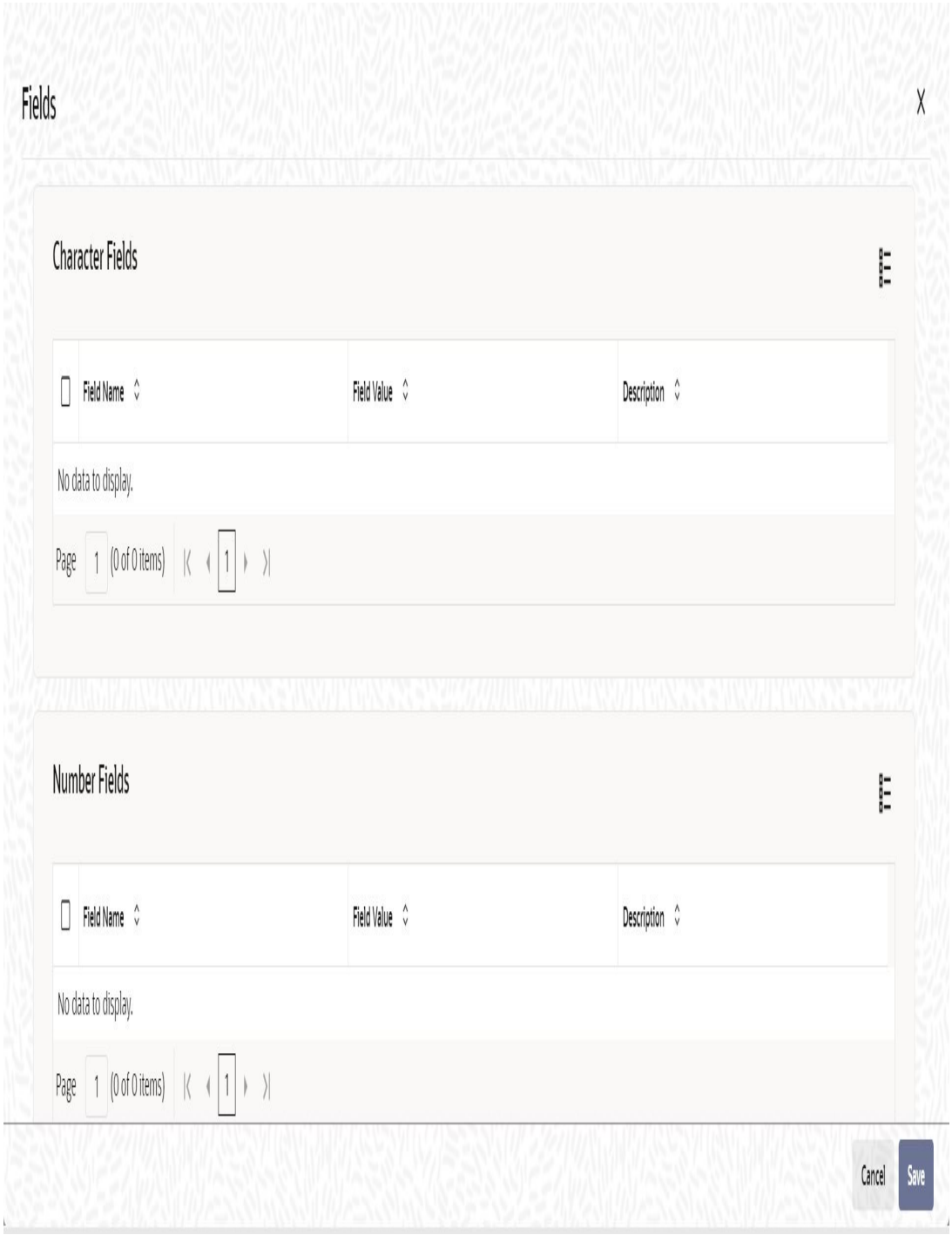
This screen displays the check list items for DSBR. All check list items have to be verified for successful disbursal of the loan. To do this, check the ‘Verified’ box against each check list item.

You may also capture any additional information/remarks, if required.

Click ‘OK’ button to Save and return to the ‘Manual disbursement’ screen.

7.1.3 Fields Button

You can enter values for the UDFs that you have associated with the DSBR event in the 'Account Event UDF' screen. To invoke this screen, click 'Fields' button in the 'Manual Disbursement' screen.

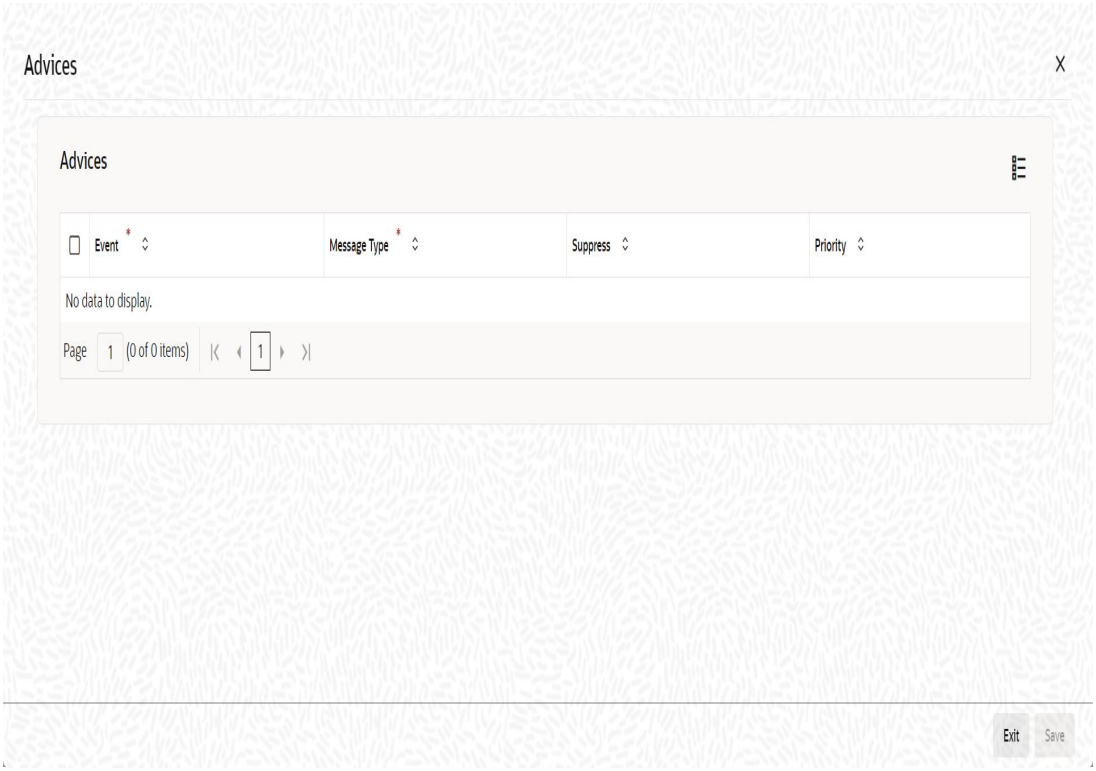


The system allows you to enter different values for the same UDF for events that gets repeated for the same loan account. For instance, if you have multiple disbursements for a Loan Account, you can capture different values for UDFs for different disbursements.

Click Exit button to exit and return to the 'Manual disbursement' screen.

7.1.4 Advices Button

You can view the advices defaulted which also includes the Payment Message in the 'Advices' screen. To invoke this screen, click 'Advices' button on the 'Manual Disbursement' screen.



You can opt to suppress the Payment Message defaulted in case you do not need a credit through swift message.

The defaulted details can be overridden at this stage and if the settlement mode is changed to anything other than CASA, the swift message is automatically suppressed.

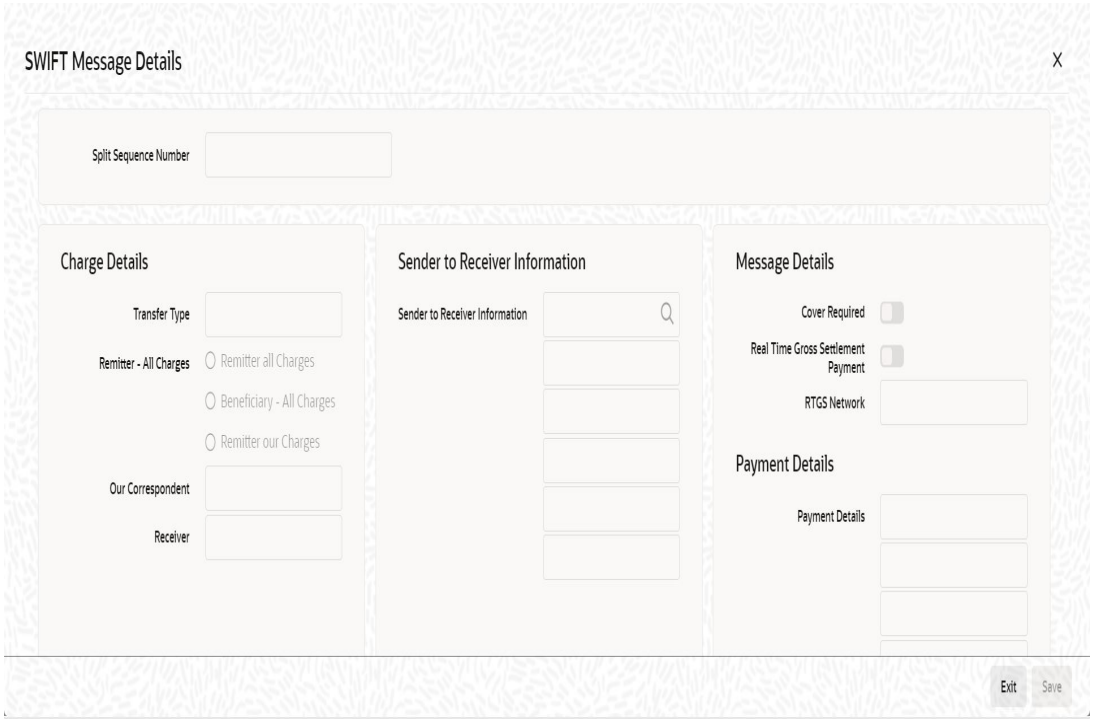
System automatically suppresses the payment message under the following conditions:

- If the Principal Credit Settlement account is changed to a GL or if the receiver in Swift Msg Details button is not valid to receive the message i.e, if the Customer Type of the Receiver party is not a Bank
- If the settlement mode for PRINCIPAL component is changed to anything other than CASA

If the Transfer Type is chosen as blank i.e, neither Customer Transfer nor Bank Transfer and if the Receiver is a bank and the credit settlement account is a current account then the PAYMENT_MESSAGE becomes CREDIT_ADVICE by Swift(MT910).

7.1.5 Swift Message Details Button

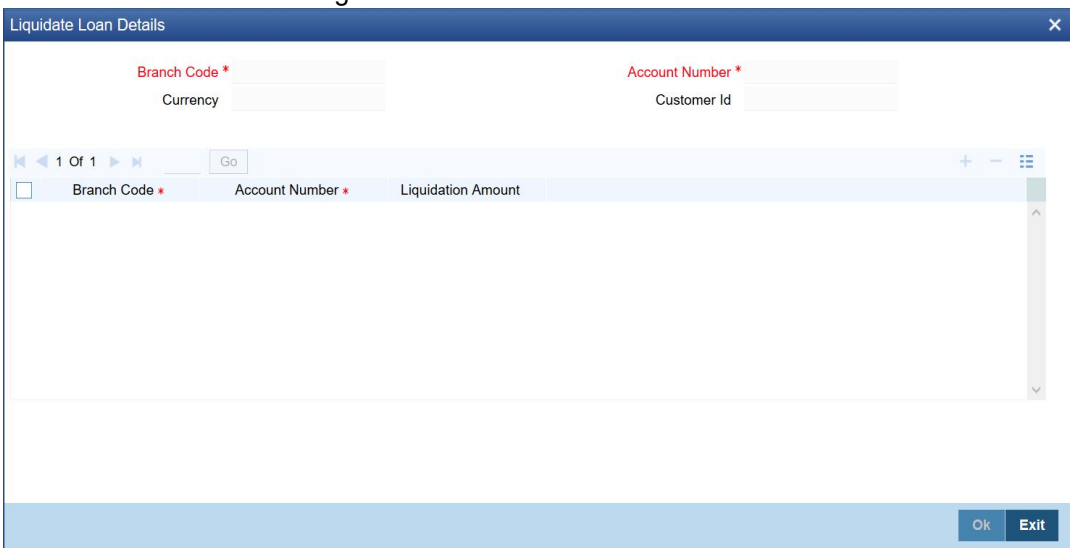
The swift message details are picked up from the Settlement Instructions maintenance and are displayed in the ‘Swift’ screen. To invoke this screen, click ‘Swift Message Details’ button on the ‘Manual Disbursement’ screen.



For more details on Swift message related details refer section ‘Capturing Swift Message Details’ in the chapter ‘Capturing Additional Details for a Loan’ in this User Manual.

7.1.6 Liquidate Loan Button

Click 'Liquidate Loan' in the 'Manual Disbursement’ screen to perform liquidation of existing loans. It includes outstanding amount for each loan associated with the customer.



If Disbursement is made manually, then you need to liquidate the pending loans by attaching the existing loans in 'Liquidate Loan Details' screen. The system will validate that the sum of Outstanding for an attached loan accounts (to be liquidated) should not be greater than first

disbursement amount. If sum of outstanding exceeds, then the system will display an appropriate error message at the time of saving the account.

The system will validate that the sum of Outstanding for account attached should not be greater than Disbursed Amount (Net Principal- Charges/Taxes).If Outstanding amount exceeds, then the system will display an appropriate error message at Manual Disbursement during Save .

If outstanding amount is less than the disbursed amount, then the excess amount (Disbursed amount - Outstanding amount) will be settled in settlement mode.

For Auto Disbursement, the system will allocate disbursement proceeds first to loan accounts outstanding amount and the remaining to be settled as per Settlement mode maintained at Account level.

Loan Account as a Settlement mode need to be maintained at Multi mode Settlement. GL can be attached as Pay/Receive Settlement Accounts which will be used as default accounts for accounting entries.

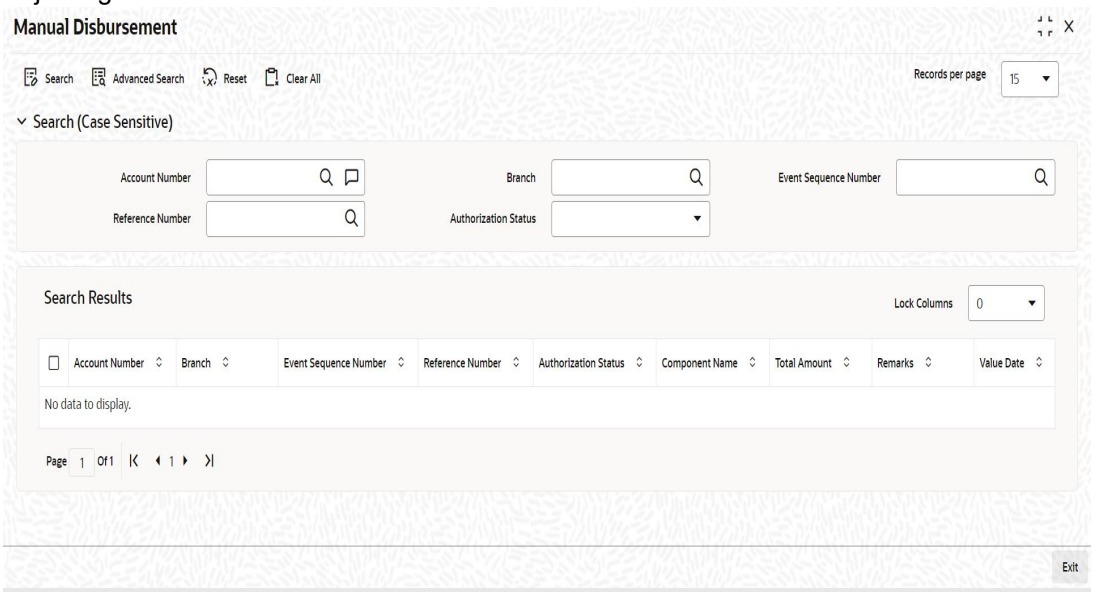
For Automatic Disbursement, if there is any linked loan in DSBR event, the system will first liquidate proceeds to the accounts associated and remaining will be credited to settlement account maintained at account level.

For Manual Disbursement, if amount disbursement equals to the outstanding amount of the linked loans then you need not provide settlement details on manual disbursement screen, if disbursement amount is more than the outstanding amount of linked loans then you need to select one of the settlement modes to settle the remaining amount.

For more information about this screen, refer to the section 'Liquidate Loan Button' in the chapter 'Account Creation of this User Manual.

7.1.7 Viewing Manual Disbursement

You can view the LC contract using 'Manual disbursement' screen. To invoke this screen, type 'CLSMNDSB' in the field at the top right corner of the Application tool bar and click the adjoining arrow button.



You can click 'Search' button to view all the pending functions. However, you can to filter your search based on any of the following criteria:

Account Number

Select the account number from the option list.

Event Sequence Number

Select the event sequence number from the option list.

Authorized

Select the authorization status of the contract from the drop-down list.

Branch

Select the branch code for which you want to check the contract from the option list.

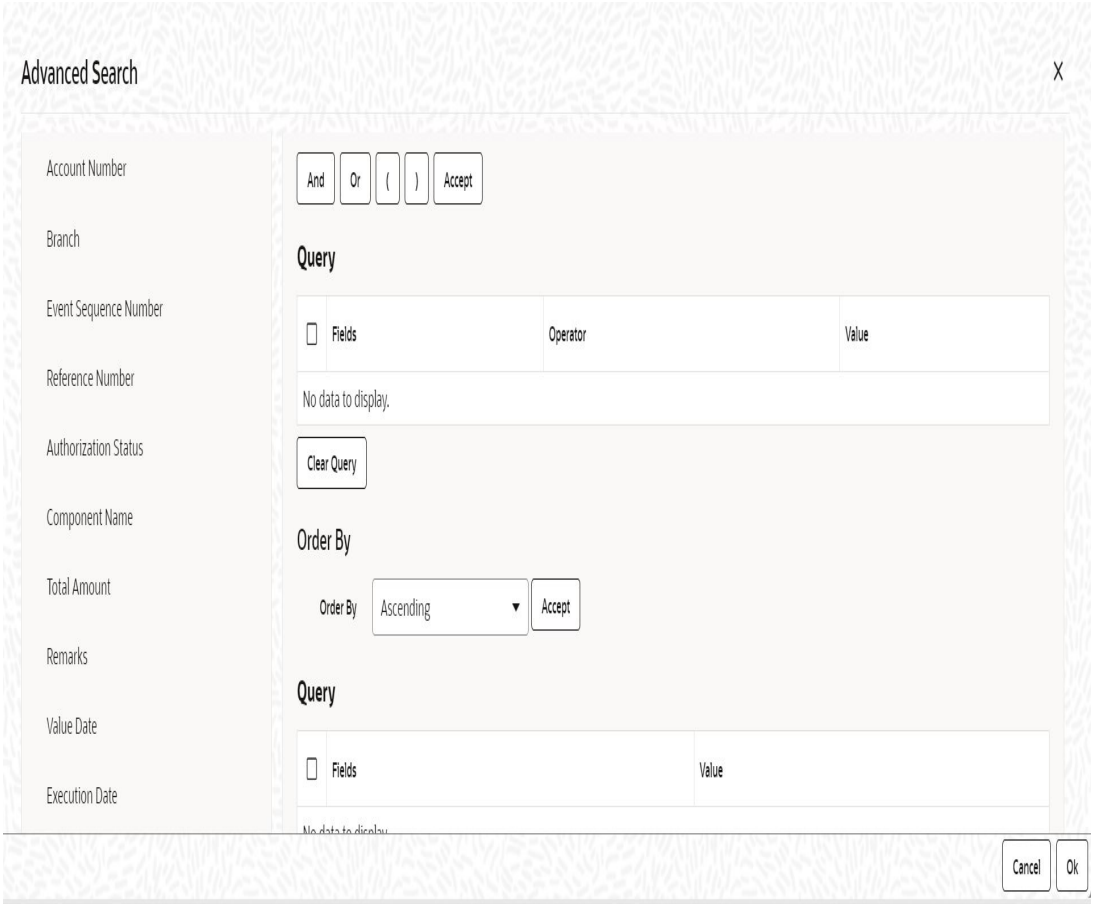
Reference Number

Select the reference number from the option list.

When you click ‘Search’ button the records matching the specified search criteria are displayed. For each record fetched by the system based on your query criteria, the following details are displayed:

- Account Number
- Branch
- Event Sequence Number
- Reference Number
- Authorized
- Component Name
- Total Amount
- Remarks
- Value Date
- Execution Date
- Input By
- Date Time
- Checker ID
- Date Time
- Status

Click ‘Advanced Search’ to display the screen below:



You can query a contract based on any of the following details:

- Account Number
- Branch
- Event Sequence Number
- Reference Number
- Authorized
- Component Name
- Total Amount
- Remarks
- Value Date
- Execution Date
- Input By
- Date Time
- Checker ID
- Date Time
- Status

7.2 Authorizing a Manual Disbursement

After entering the details for manual disbursement in the ‘Manual Disbursement Input’ screen click Save icon to save the details.

For revolving loans, the sum of amount utilized and the amount to be disbursed should not be greater than amount financed. In case of open line loans, back value dated disbursements will be supported only for the current billing period.

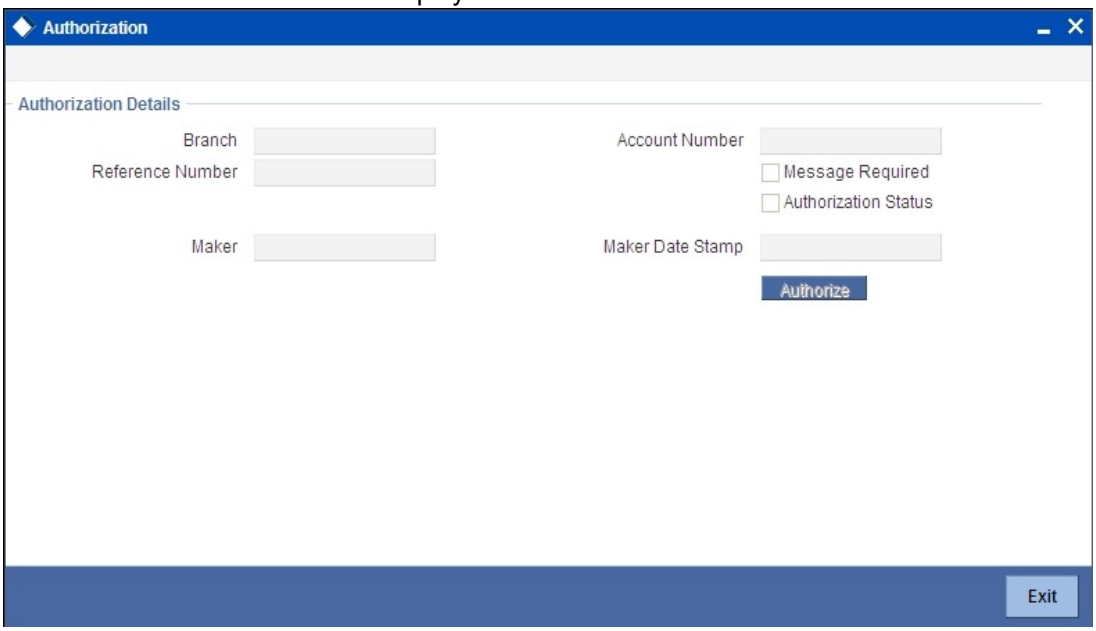
For instance, the details indicated in the following table will result in error only for non-revolving loans:

Amount financed	Amount disbursed	Amount utilized	Amount to be disbursed
1,00,000 INR	75,000 INR	50,000 INR	30,000 INR

The above validations will happen during the utilization through the other channels wherein the CL accounts are available for debit.

In case of open line loans, the system will support the back value dated disbursements only for the current billing period.

To authorize the manual disbursement, click Authorize icon on the Application toolbar. The account authorization screen is displayed.



The Branch and Account number is defaulted and the Xref number is generated by the system. The following detail needs to be selected as required:

Message Generation

Check this box if you want swift messages to be generatedt either for the customer transfer or the bank transfer along with a cover. The generated message can be biewed in the messages browser. Even if the box is left unchecked you can go to messages browser at a later point of time and generate the message.

If the message generation fails for some reason, the account is authorized and you have to go to the browser to manually generate the swift message.

All other advices related to DSBR event are not generated at this point and you need to go to the message browser to do the same.

After the swift message has been generated, if the loan account or the manual disbursement is reversed, no message is sent from CL.

Note

You cannot authorise a transaction in the following cases:

- the contract has multilevel of authorization pending, the same will be done using the 'Multilevel Authorization Detailed' screen
- the level of authorization is greater than or equal to 'N'
- the 'Nth' or the final level of the users authorisation limit is less than the difference between amount financed and sum of the limits of all the users involved in authorizing a transaction, this case holds good when the 'Cumulative' field is checked in the 'Product Transaction Limits Maintenance' screen
- the transaction amount is greater than the authoriser's authorisation limit if the 'Cumulative' field is unchecked in the 'Product Transaction Limits Maintenance' screen

During the disbursement event, the Loan Account is debited while the credit entry will depend on the settlement mode(s) selected for disbursal.

The entries will appear as follows:

Accounting Role	Amount Tag	Cr/ Dr
LOAN_ACCOUNT	PRINCIPAL	Dr
CR_SET-TL_BRIDGE	PRINCIPAL	Cr

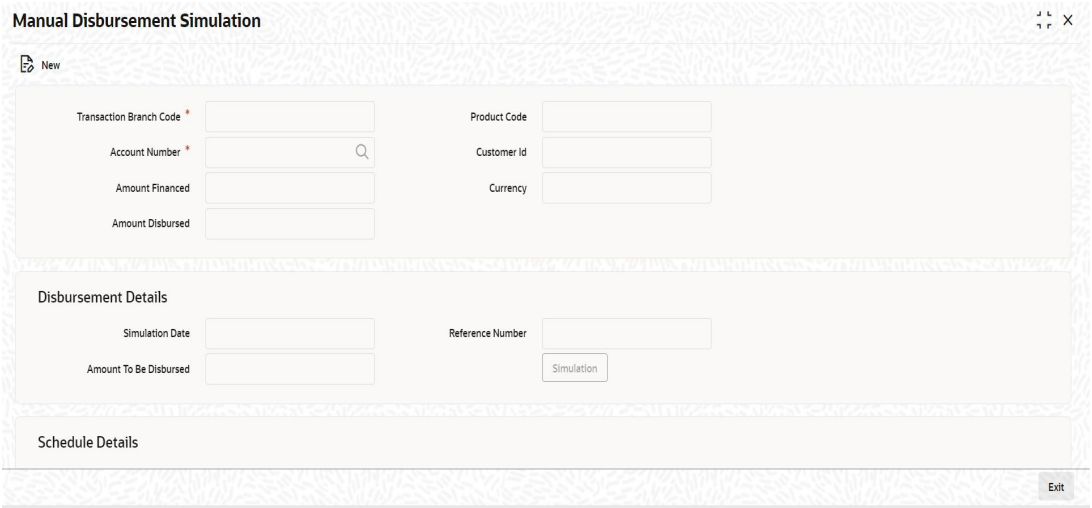
7.3 Manual Disbursement Simulation

This section contains the following topic:

- Section 7.3.1, "Invoking Manual Disbursement Simulation Screen"

7.3.1 Invoking Manual Disbursement Simulation Screen

You can simulate manual disbursement operation and view the affected schedule details in the 'Manual Disbursement Simulation' screen. You can invoke this screen by typing 'CLDSMDSB' in the field in the top right corner of the Application toolbar and clicking the adjoining arrow button.



Specify the following details:

Account Number

Specify the account number. The adjoining option list displays all valid loan account numbers maintained in the system. You can choose the appropriate one.

Amount To Be Disbursed

Specify the amount to be disbursed.

The system displays the following details in this screen:

- Transaction Branch Code
- Amount Financed
- Amount Disbursed
- Product Code
- Customer ID
- Currency

Disbursement Details

- Simulation Date
- Reference Number

Schedule Details

- Component Name
- Schedule No
- Schedule Start Date
- Schedule Due Date
- Amount Settled
- Amount Due
- EMI Amount
- Amount Waived
- Accrued Amount

In the 'Manual Disbursement Simulation' screen on clicking the 'New' button, system will default the 'Branch Code' field with the current branch code. You can specify the loan account on which the disbursement simulation operation is to be performed along with the amount to be disbursed. You can now click the 'Simulation' button after which system will check the disbursement validations. If the validations pass, system will display the modified schedules in the 'Schedule Details' section.

8. Operations

This chapter explains the various operations that can be performed on a loan account; the most prominent being payments and amendments, funding, status change, simulation of payments, rollover etc.

This chapter contains the following sections:

- Section 8.1, "Loan Simulation"
- Section 8.2, "Loan Payment"
- Section 8.3, "Loan Amendments"
- Section 8.4, "Viewing Account Version History and Reversal"
- Section 8.5, "Manual Status Change"
- Section 8.6, "Loan Write-Off"
- Section 8.7, "Loan Rollover"
- Section 8.8, "Collateral Take Over"
- Section 8.9, "Multilevel Authorization of Loan Account"
- Section 8.10, "Equated Monthly Installment Calculation"
- Section 8.11, "Loan Reassignment"
- Section 8.12, "Loan Renegotiation"
- Section 8.13, "Account UDE Values Query"
- Section 8.14, "Manual Provisioning of Loan Accounts"
- Section 8.15, "Viewing Manual Provisioning Details"
- Section 8.16, "Periodic Instruction Execution Batch"
- Section 8.17, "Periodic Instruction Maintenance"
- Section 8.18, "Indirect Payment Maintenance"
- Section 8.19, "Massive Payment Maintenance"
- Section 8.20, "Agency Bank Code Maintenance"
- Section 8.21, "Boleto Details"
- Section 8.22, "Query Boletos of Installment"
- Section 8.23, "Boleto Re-Printing"
- Section 8.24, "Bulk Re-Registration"
- Section 8.25, "Temporary Registration"
- Section 8.26, "Payment Simulation"
- Section 8.27, "Manual Payment"

8.1 Loan Simulation

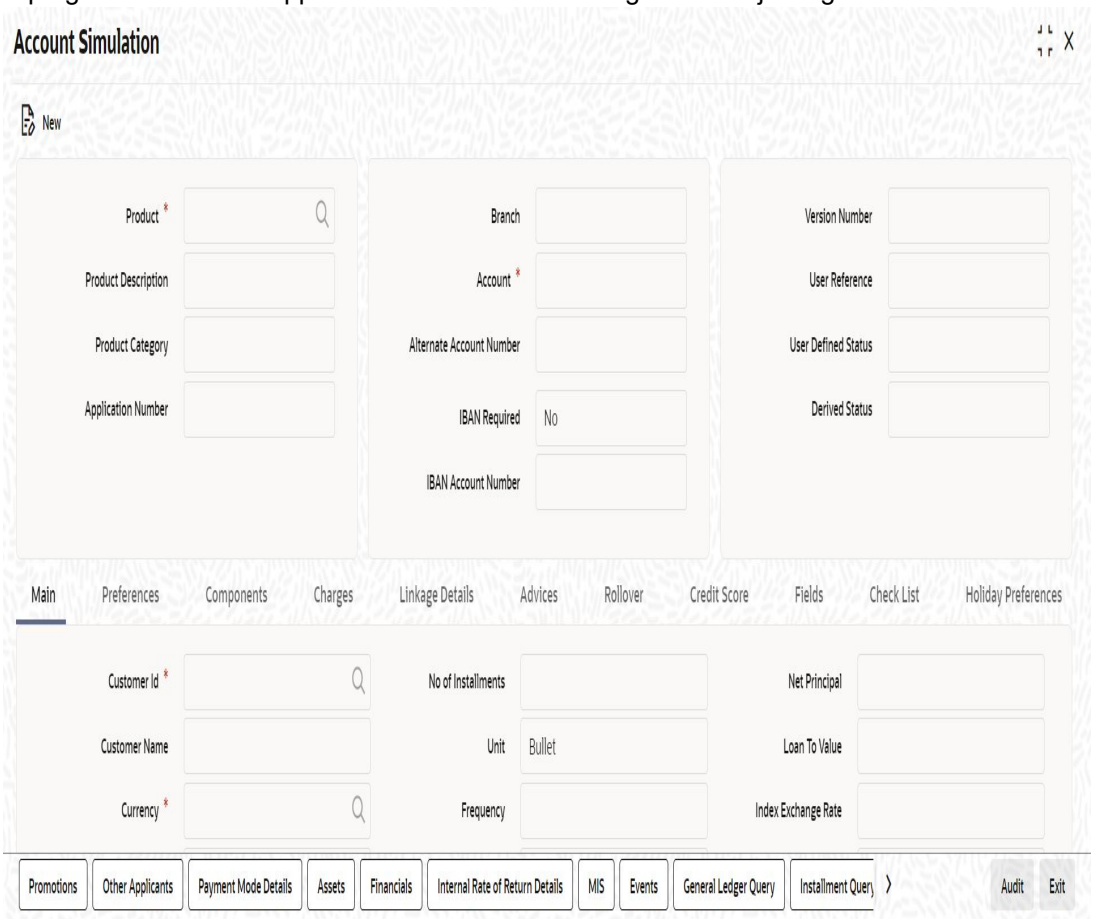
This section contains the following topics:

- Section 8.1.1, "Simulating a Loan"
- Section 8.1.2, "Simulating a Commitment"

8.1.1 Simulating a Loan

You can simulate loans to answer customer queries especially for new loans and pre-paid loans. The payment schedules of any type of Loan Products can be generated while negotiating with clients during the Presale stage.

You can use the ‘Account Simulation’ screen to simulate a loan. This screen is similar to the Account Details screen. You can invoke this screen by typing ‘CLDSIMNT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The system defaults the logged-in branch by default as the transaction branch.

Simulation will function in exactly the same way as a regular loan input. All warnings and overrides associated with an actual contract save will come in a simulation. For e.g., if the loan results in the overdrawing of the customers loan line, then an Override is thrown up. However, no data will be stored in Oracle FLEXCUBE.

Click ‘Create Active Account’ button to create a loan directly from the simulator. Only users with rights to invoke Oracle FLEXCUBE loan creation function will be allowed to create loans from the simulation function. The sequence of the Loan account thus created is based on the branch level account mask maintained.

Similarly, click ‘Create Inactive Account’ button to actually create an inactive account based on the simulated data.

A separate Sequence number is provided to create reference numbers for Simulations. These are one time reference numbers for simulation purposes only and are not used for final loan. The User Defined Reference Number facility of Oracle FLEXCUBE is used to create Loan Simulation Sequences.

If the simulator is launched from Oracle FLEXCUBE, simulations can be run several times to examine the impact of different parameters on the loan. If the simulator is invoked from a channel, all parameters should be specified afresh for each invocation.

Loan advices can be printed from the screen based on the loan account simulated. This is allowed for loan accounts created in the system prior to their being initiated. Subsequently, advices configured through the events screen will be triggered.

While saving the transaction, if you have modified the Rate Code or the UDE value, the system displays configurable override messages. These overrides are displayed during subsequent modifications of the interest rate. You can also configure overrides for Dual Authorization to be displayed at Contract and Maintenance level in the 'Override Maintenance' screen.

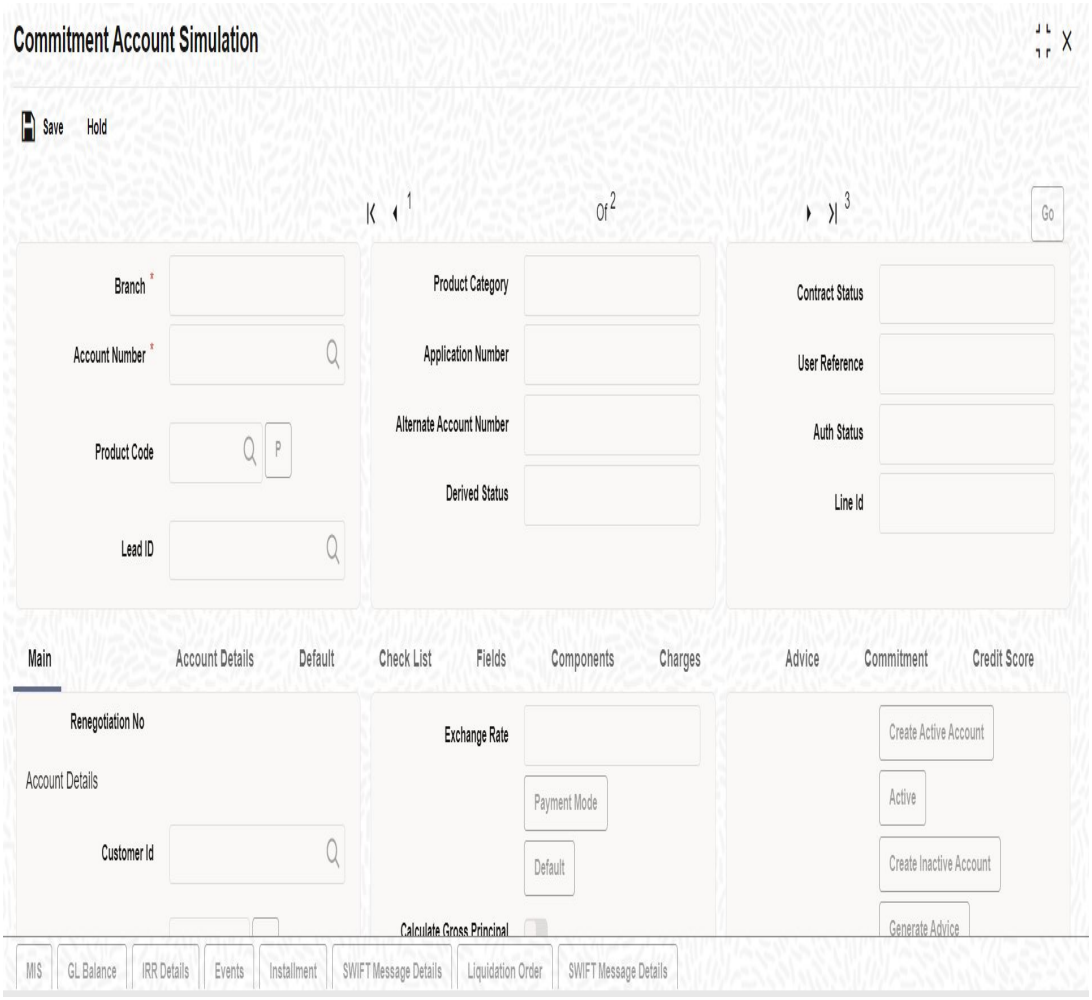
For more information about configuring overrides, refer to the section 'Override Maintenance' in the chapter 'Configuring Overrides' in the Core Services User Manual.

8.1.2 Simulating a Commitment

You can use the 'Commitment Simulation' screen to simulate a Commitment. You can invoke this screen by typing 'CLDSCOMT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Note

Create Active account and Create Inactive account buttons are disabled for commitment simulation.



For field explanations on all tabs except Commitment tab refer section 'Creating a Loan Account' in this chapter.

For Commitment tab details and Liquidation Order details refer section 'Viewing Commitment Details' in the 'Account Creation' chapter.

8.2 Loan Payment

This section contains the following topics:

- Section 8.2.1, "Payment Towards a Loan"
- Section 8.2.2, "Fields Button"
- Section 8.2.3, "Events Button"
- Section 8.2.4, "Advices button"
- Section 8.2.5, "Swift Message Details Button"
- Section 8.2.6, "Check List Button"
- Section 8.2.7, "Signature Details Button"
- Section 8.2.9, "Option for Partial Payment"
- Section 8.2.10, "Back Dated Payments"
- Section 8.2.11, "Saving and Authorizing CL Payments"
- Section 8.2.12, "Making Bulk Payments against Loan or Commitment"
- Section 8.2.13, "Viewing Summary Records"
- Section 8.2.14, "Viewing CL Payments Summary"

8.2.1 Payment Towards a Loan

The 'CL Payment' screen allows you to make payments towards a loan. CL module supports Multi Mode settlements. The various payment modes allowed are Cash/Teller, CASA, Clearing, Electronic Pay Order, Credit Card, Debit Card, External Account, Internal Check and Instrument. Multi mode settlement mechanism facilitates payment of loan installment.

Payment can be against any or all or a combination of the components due. Prepayments will attract a pre-payment penalty to be charged. The payment computed by the system can be overridden by the amount negotiated by the customer and a subsidy is captured as amount waived. The amount accepted is either waived or capitalized. Depending on the mode selected, additional payment details such as clearing house details, settlement products to be used if the settlement is through another product of Oracle FLEXCUBE, etc are captured.

Penalties on Payment

Prepayment as well as delayed payment of loan can attract penalties.

- Prepayment Penalty - The customer can choose to prepay the loan amount, either partly or as a whole before the due date. This may attract a Prepayment Penalty.
- Penalty on delayed payment - In case a customer defaults in paying back the loan amount in time, then the amount becomes an over due and a penalty may be applicable. However, the customer is allowed to negotiate with the bank in order to subsidize the amounts due. Once the bank and the customer decide upon a mutually agreeable amount, the actual payable amount is replaced by this new amount and will be used in lieu of the original amount due.

If a loan payment results in a status change for the account, the system will update the current status for the account in the 'Derived Status' field. During end-of-day batch processing, it will update the 'User Defined Status' for the account with the worst status that is available for all accounts and loans for this CIF and post the required accounting entries for the change.

If an excess payment is received then the system will identify the service account mapped for the principal component of the loan account and credit the excess amount.

If there is repayment during one of the schedules, then based on the specified VAMI re-computation option, the system either modifies the EMI, tenor, or the final bullet/balloon payment.

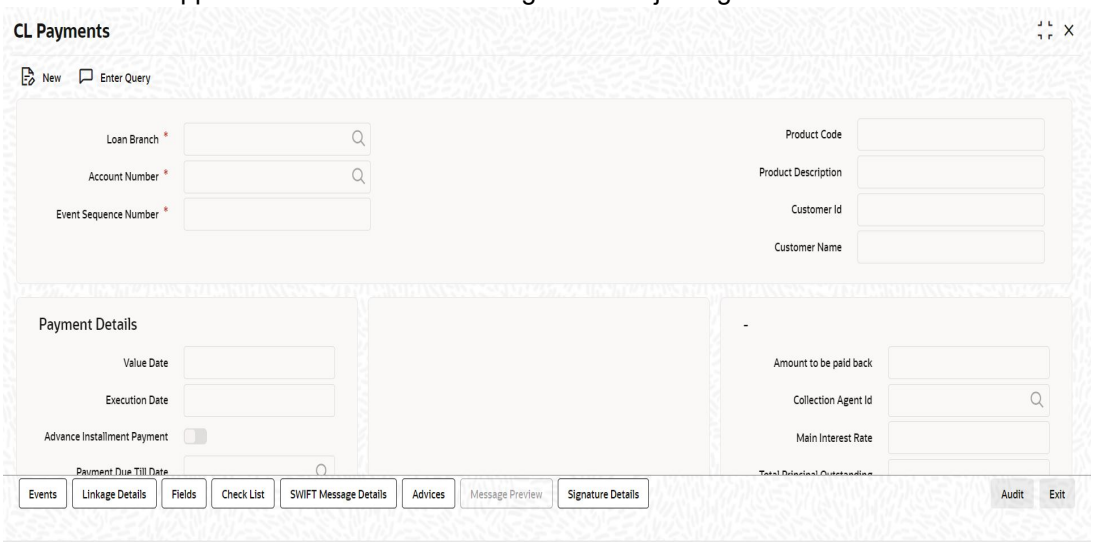
Note

If there no change in the EMI or the tenor, then the ‘Balloon Payment’ option should be chosen.

On auto liquidation for Open Line Loans, any amount available in the service account will be liquidated first and remaining amount will be taken from settlement account.

The ‘CL Payment’ screen captures payment details such as Payment Mode, Amount Settled, Settlement Currency and Exchange Rate. The payment is against any of the loan components such as principal, interest, late fee etc.

You can invoke the ‘CL Payment’ screen by typing ‘CLDPYMNT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



To make a payment, click New icon in the toolbar and then capture the ‘Account Number’, ‘Value Date’ and ‘Limit Date’. Click ‘Populate Due’ button to populate the due amounts component-wise against the account. After this, you can enter the payment details. Alternatively, you can also click ‘Allocate’ button to allocate the settlement amounts across the various components based on the ‘Schedule Order’ and ‘Liquidation Order’.

In case of manual liquidations of Open Line Loans, on click of ‘Populate Due’ button, the system will default a settlement row with settlement account as service account maintained and settlement amount as the amount available in the service account and settlement currency is the service account currency.

The following details are captured here:

Loan Branch

Specify the branch for making payments. Alternatively, you can also select the branch code from the adjoining option list. The list displays all active and open branches, When a user with Multi branch access enabled clicks ‘New’ button, the system will not display the ‘Transaction Branch’ input screen.

Account Number

Select the customer's account number by clicking the adjoining option list. A list of values is displayed. Click on a value to select it.

Event Sequence Number

The system displays the event sequence number of the payment in the account's life history.

Product Code

The system displays product code associated with the specified account number.

Product Description

The system displays description of the displayed product code.

Customer ID

The system displays ID of the customer holding the specified account number.

Customer Name

The system displays name of the displayed customer ID.

Value date

Enter the date on which the payment affects the account balance in this field.

Note

The value date can be a Back Valued, Current or Future Date.

Execution Date

This is the application date on which the payment is entered into the system. If the Execution date is in the future, the payment is tanked and released on the Future Value date of the payment; else, it is applied immediately as of the value date of the payment.

Note

By default it is the current system date, but can be modified.

Advance Installment Payment

If you select this option then the amount due includes schedules till 'Payment Due till Date'. If not then the amount due is the same as on the value date.

Payment Due Till Date'

Select the payment due till date from the available schedules that can be included as amount due by clicking the adjoining option list. A list of schedule due dates for the account is displayed. Click on a value to select it.

This option is allowed only if the 'Advance Installment Payment' option is selected.

Interest Payback Applicable

Check this box if interest payback is applicable for a prepayment.

Amount to be paid back

The system displays the amount to be paid back

Collection Agent Id

The collection agent assigned to the loan gets defaulted here during liquidation. If the collection agent eligible for the fees is different, you can change the agent name here.

Note

The collection agent assigned through the Assignment screen is still valid and the collection agent assigned here is effective only for this particular liquidation. After Authorization the details of the liquidation is passed into Collections module routines for the calculation of Collection Agent Fee.

Main Interest Rate

The rate value for the rate code maintained against the main interest UDE chosen is displayed here.

Total Principal Outstanding

Total Principal Outstanding inclusive of the compounded interest or penalty is defaulted here.

Customer ID

The system displays the Customer No of the account in this field.

Net Negative Interest Amount

The system displays the negative interest amount due.

During allocation process, system considers the total settled amount and the net negative interest amount as the total amount paid towards the component and allocates accordingly.

Prepayment of Amortized Loan

The following details are captured here:

Recomputation Basis

You can choose the recomputation basis for prepayment of amortized loan. The options available are Recalculated Tenor or Change EMI. Choose the relevant basis from the list for recomputation basis.

Recomputation Effective From

You can choose the date on which the prepayment becomes effective. You can start the prepayment on the Value Date or Next Installment.

Close Revolving Loans

Check this box to close a revolving loan account.

During the payment, the system will trigger the ‘CLOS’ event and close the account if the following conditions are true:

- Outstanding balance of the account is zero
- ‘Close revolving loan’ box is checked

Note

Revolving loans will support excess payment even if negative residue amount for a currency is not provided at the product level.

Auto Close Collateral

Check this box if you need to close the collateral automatically on full payment.

Payment Details

The following details are captured here:

Reversed

This option indicates that the settlement is reversed.

During payment reversal, the system validates the reverse amount with term deposit available balance (i.e. term deposit principal amount - blocked amount). If the term deposit available balance is less than the reverse amount, then the system displays an error message.

> **Note**
>
> This option is disabled in the new payment mode.

Settlement Type

The system displays the settlement type

When there is negative interest dues, then system will populate a settlement record with settlement_type as C. By default, for other user added settlements, settlement_type will be D.

If there is any net negative interest amount that has to be credited to the customer, system will post it based on the credit settlement details.

Only CASA or GL will be allowed in the credit settlement type.

Payment Mode

Specify the mode of loan payment by clicking the adjoining option list. A list of payment modes is displayed. Click on a value to select it.

The payment modes are CASA, Cash/Teller, Instrument, External Account, Electronic Pay Order, Internal Cheque, Clearing, Debit Card, and Credit Card.

Settlement Currency

Select the currency used for the specific payment mode by clicking the adjoining option list. A list of currencies is displayed. Click on a value to select it.

Settlement Amount

Specify the amount paid through the specified mode of payment in terms of the settlement currency in this field.

> **Note**
>
> The amount should be a valid amount and should not exceed the total amounts due; else it is treated as a prepayment.

Financing Currency Equivalent

The system displays the amount settled in terms of the local currency in this field.

Original Exchange Rate

The base or actual exchange rate between the account currency and settlement currency gets displayed here.

Exchange Rate

For a customer availing any Relationship Pricing scheme, the customer specific exchange rate derived by adding the original exchange rate and the customer spread maintained for the relationship pricing scheme gets displayed here.

You can change the defaulted rate provided the change is within the variance level maintained for the underlying product.

If Relationship Pricing is not applicable, Exchange Rate will be the same as the Original Exchange Rate.

For more details on customer specific exchange rates, refer the section titled 'Specifying Pricing Benefit Details' in Relationship Pricing user manual

Settlement Sequence Number

The system displays the sequence number from the loan account based on the principal component settlement details.You can modify the default sequence and fetch the accounts or modify the defaulted accounts.

Note

The settlement sequence number field will be enabled for input only if the Payment Mode selected is 'Account'. For the other modes, settlement will be defaulted from Multi Mode Settlement Maintenance (ISDSRCMD).

Settlement Account

The system defaults the debit settlement account for Principal component. However, you can specify a different settlement account from the adjoining option list.

Settlement Order

Each settlement is apportioned against a component due based on the Liquidation order. The order in which the settlements are picked is ordinal as entered in the screen. Click 'Set Comp' button to view/change the component settlement details in the 'Component Details' screen.

For more details on the 'Component Details' screen refer section titled 'Viewing Component Settlement Details' in this chapter.

During payments, based on the Witholding tax percent specified in the 'Withholding Tax Pct' in the 'Customer Maintenance' screen, system internally calculates the applicable tax portion based on the Settlement Amount and passes the accounting entries for the tax.

For more details on setting up Witholding tax percentage refer 'Maintaining Customer Basic Record' section of 'Maintaining Customer Information Files' chapter of Core Entity User Manual

During MLIQ event, you need to input the Settlement Amount after discounting the tax amount and the system allocates the amount to Interest component after adding the tax amount. In addition, system also tops up the Settlement Amount by the total tax amount applicable.

During ALIQ event, the amount available in the customer's settlement account is taken up as the basis for allocation. In case the settlement account does not have full funds, the amount present is taken up as customer portion and the relevant tax portion is added up on top of that.

The amount tag which is used to pass accounting entries corresponding to the tax portion for MLIQ and ALIQ events is <Component name>_WHLD. For eg. MAIN_INT_WHLD

Account Description

In this field, the description of the settlement account is displayed by the system, when you specify or select the Customer Number or Customer Account from the LOV. If the account number keyed in has only one value matching it in the LOV, then system will not open the LOV on tab out and the description of the settlement account will be automatically displayed.

Settlement Details

Depending upon the mode of payment the following settlement details are captured:

For 'CASA':

- Settlement Branch
- Settlement Account
- **For 'Credit Card' and 'Debit Card'**Card No.

For 'Clearing'

- Upload Source
- Instrument Number
- Clearing Product
- End Point
- Routing Number
- Clearing Bank
- Clearing Branch
- Sector Code

For 'External Account'

- Upload Source
- Clearing Bank
- Clearing Branch
- External Account Name
- External Account Number

For 'Electronic Pay Order'

- Upload Source
- Clearing Bank
- Clearing Branch
- External Account Name
- External Account Number

For 'Internal Check'

- Instrument Number
- Settlement Branch
- Settlement Account

For 'Instrument'

- Instrument Number
- Settlement Branch
- Settlement Account

For 'Cash/Teller'

- Upload Source
- Settlement Product

Component Details

The following details are captured here:

Component Name

The system displays the component name in this field.

Currency

The system displays the currency of the component based on Loan currency and the account in this field. If the component is based on a flat amount UDE then the UDE currency is displayed.

Amount due

The system displays the amount due for the component in this field. It is generated based on the account and component.

Adjustment Due

Adjustment due happens when there is a revaluation or when there is rate revision, according to increase or decrease of rates.

Amount overdue

Here, the system displays the amount overdue for the component. It is generated based on the account and component.

Amount not due

For the principal amount, Amount not due is the rest of principal that is due after the value date. Hence any payment towards this constitutes a prepayment. This value is system generated based on account and component.

Amount Paid

The system displays the actual amount paid against the component dues in this field.

Note

When payments are allocated across dues, payment details are defaulted from the liquidation order. But these details can be modified as per your preferences.

Amount Waived

Enter the amount waived by the bank after negotiations with the customer in this field.

Amount Capitalized

Enter the amount capitalized in this field.

On saving a manual payment towards a loan component (s), the online liquidation against each such component follows the order of liquidation as specified through the 'Component Liquidation Order' screen.

Excess/Lower Payment Handling

For manual payments, Excess and Lower Payment handling is available based on multiple parameters.

Payment to be considered as

Select the payment type from the adjoining drop-down list. The list displays the following values:

- Null - This is the default value of the system. Payments will continue to process in the existing manner.
- Full Account Payment

- If the settlement amount is greater than the total due amount, t hen the payment is treated as ‘Excess Payment’ and the excess amount will be taken into profit GL. Loan account will be marked as ‘Liquidated’.
- If the excess amount is more than the negative residual amount maintained for the currency, then the system shows an error message.
- If the settlement amount is less than the total due then the payment will be treated as ‘Lower Payment’. Differential amount will be debited to expense GL and loan account will be marked as ‘Liquidated’
- If the lower amount is more than the residue amount maintained for the currency then the system shows an error message. If no limit is maintained for residual amount then, it is considered as zero and no excess/lower amount processing will be done.

- Full Installment Payment
  - Limit Date is mandatory for this payment. Installment Due (Includes principal amount and components other than the penalty components) will be computed based on the limit date specified. Limit date cannot be greater than the current principal schedule due date. System will allow full payment up to the immediate schedule only.
  - If the settlement amount is greater than the total installment due then the payment will be treated as Excess payment and the excess amount will be credited to Profit GL.
  - If the settlement amount is lesser than the total installment due then the payment will be treated as Lower payment and the differential amount will be debited to Expense GL to settle the installment.
  - The system does validation for Excess/Lower amount based on residual values maintained for the currency.
- Partial Payment
  - The settlement will be considered as partial payment of the account.
  - Adjustments for excess/lower payments will not be applicable.

The below accounting entries will be passed for Excess Payment.

Accounting Role	Amount Tag	Dr/Cr
DR_SETTL_BRIDGE	PRINCIPAL_NRES	Dr
RESD_INC_ACC	PRINCIPAL_NRES	Cr

For Lower Residual amount, below accounting entries are passed:

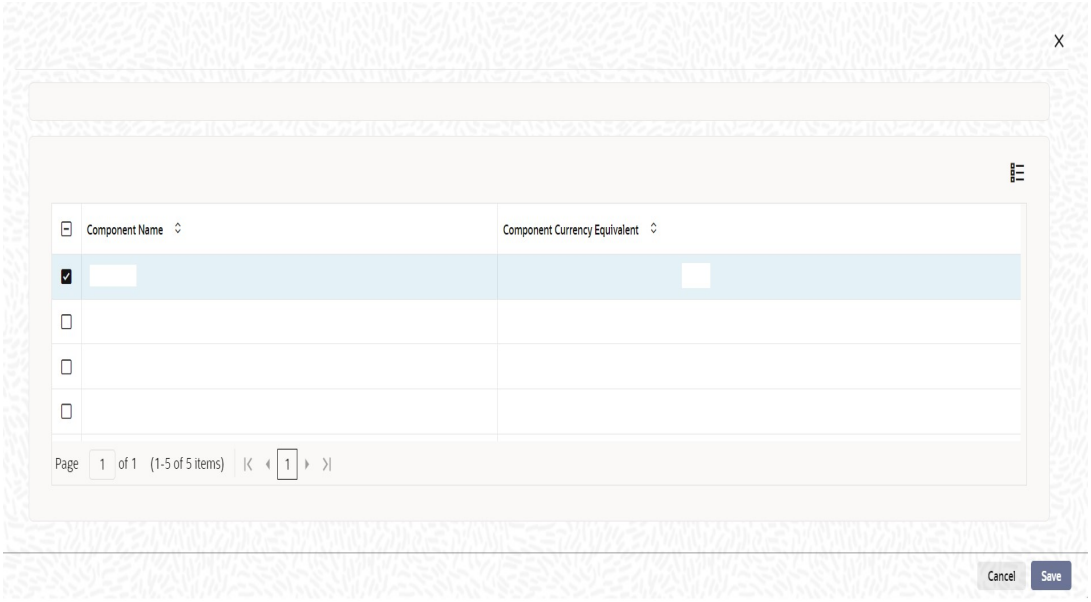
Accounting Role	Amount Tag	Dr/Cr
LOAN_ACCOUNT	PRINCIPAL_RESD	Cr
RESD_EXP_ACC	PRINCIPAL_RESD	Dr
Component_REC	Component_RESD	Cr
RESD_EXP_ACC	Component_RESD	Dr

Note

Residual Amount/Negative residual amount limit will be always considered based on the limit maintained for loan account currency. If component currency/settlement currency is different from loan currency, then it will be converted to loan currency

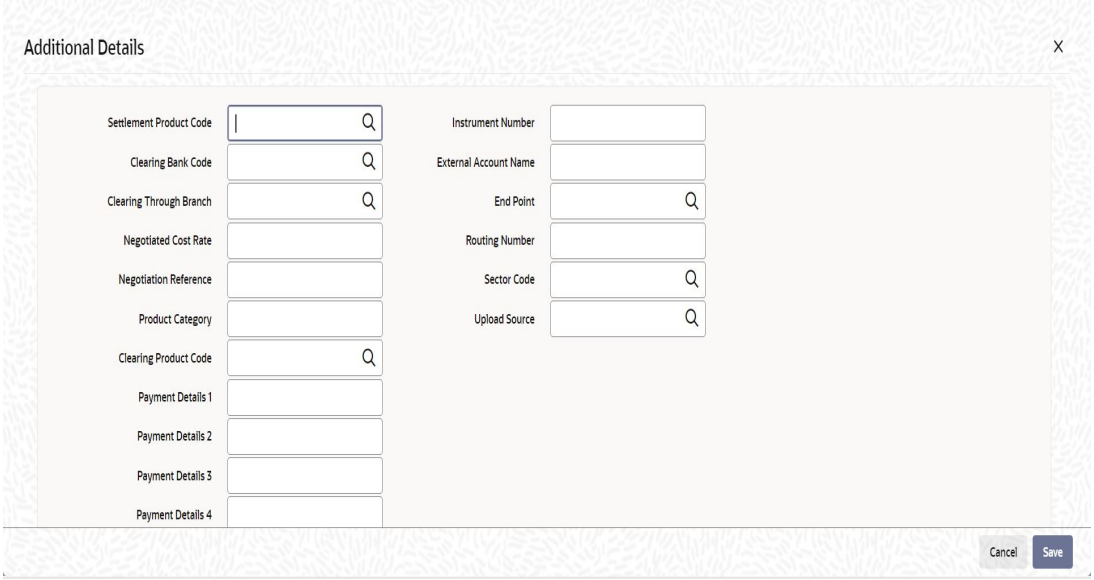
8.2.1.1 Viewing Component Settlement Details

Each settlement is apportioned against a component due based on the Liquidation order. The order in which the settlements are picked is ordinal as entered in the screen. Click 'Settlement Component' button to view/change the component settlement details in the 'Component Details' screen.



8.2.1.2 Additional Settlements Details

You can capture the additional settlement details by clicking the 'Additional Settlement Details' button under payment details.



Settlement Product Code

Specify the settlement product code.

Instrument Number

Specify the instrument number.

Card Number

Specify the card number.

Clearing Bank Code

Select the clearing bank code from the adjoining option list.

Clearing Through Branch

Specify the clearing through branch.

External Account Number

Specify the external account number.

External Account Name

Specify the external account name.

Negotiated Cost Rate

Specify the negotiated cost rate that should be used for foreign currency transactions between the treasury and the branch. You need to specify the rate only when the currencies involved in the transaction are different. Otherwise, it will be a normal transaction.

The system will display an override message if the negotiated rate is not within the exchange rate variance maintained at the product.

Negotiation Reference Number

Specify the reference number that should be used for negotiation of cost rate, in foreign currency transaction. If you have specified the negotiated cost rate, then you need to specify the negotiated reference number also.

Note

Oracle FLEXCUBE books the online revaluation entries based on the difference in exchange rate between the negotiated cost rate and transaction rate.

End Point

Select a valid end point from the adjoining option list.

Routing No

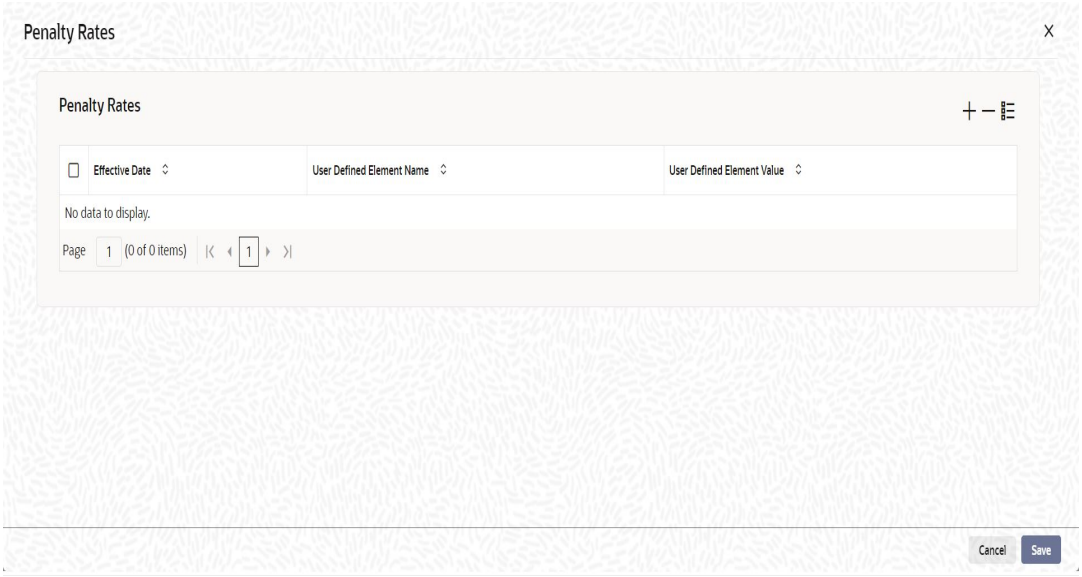
Specify the routing number.

Sector Code

Select a valid sector code from the adjoining option list.

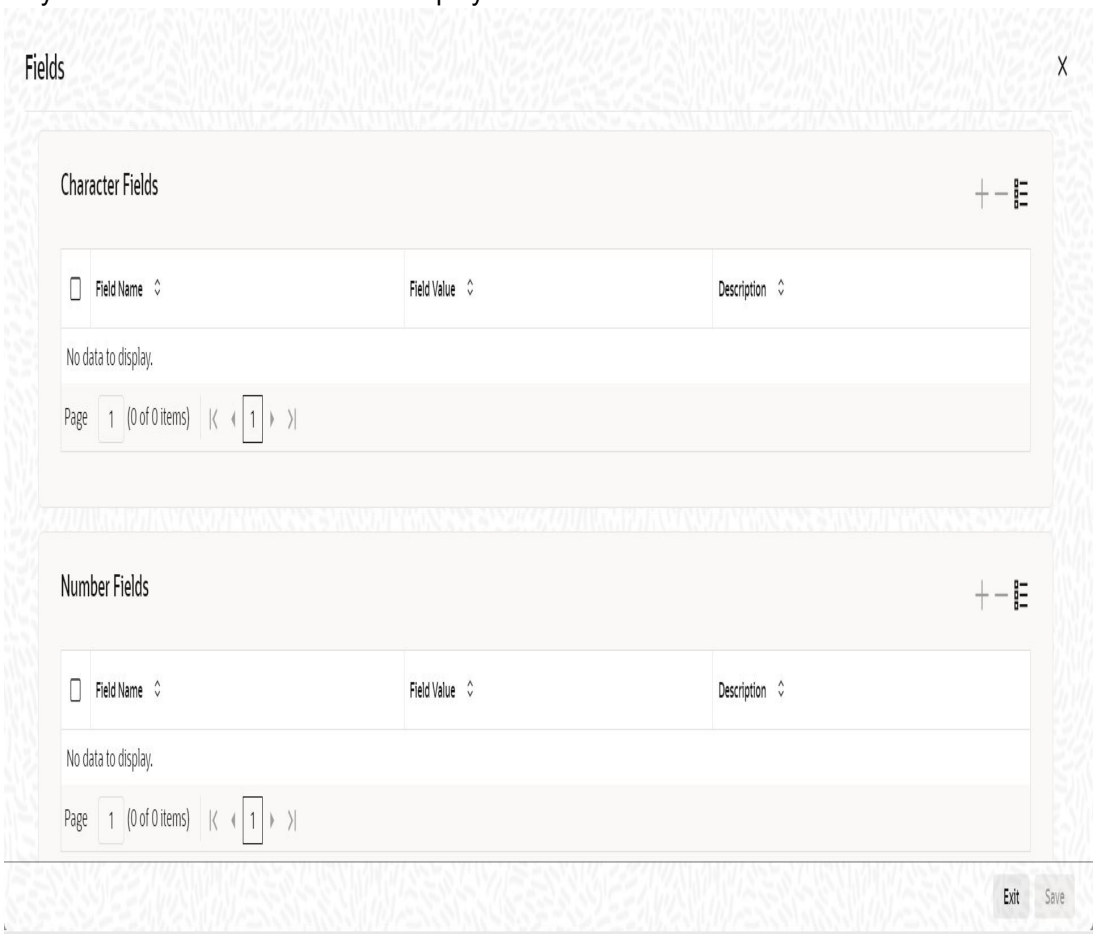
8.2.1.3 Penalty Rates Details

You can maintain the penalty details of the product by clicking the ‘Penalty Rates’ button in the ‘CL Payments’ screen. The screen is displayed below:



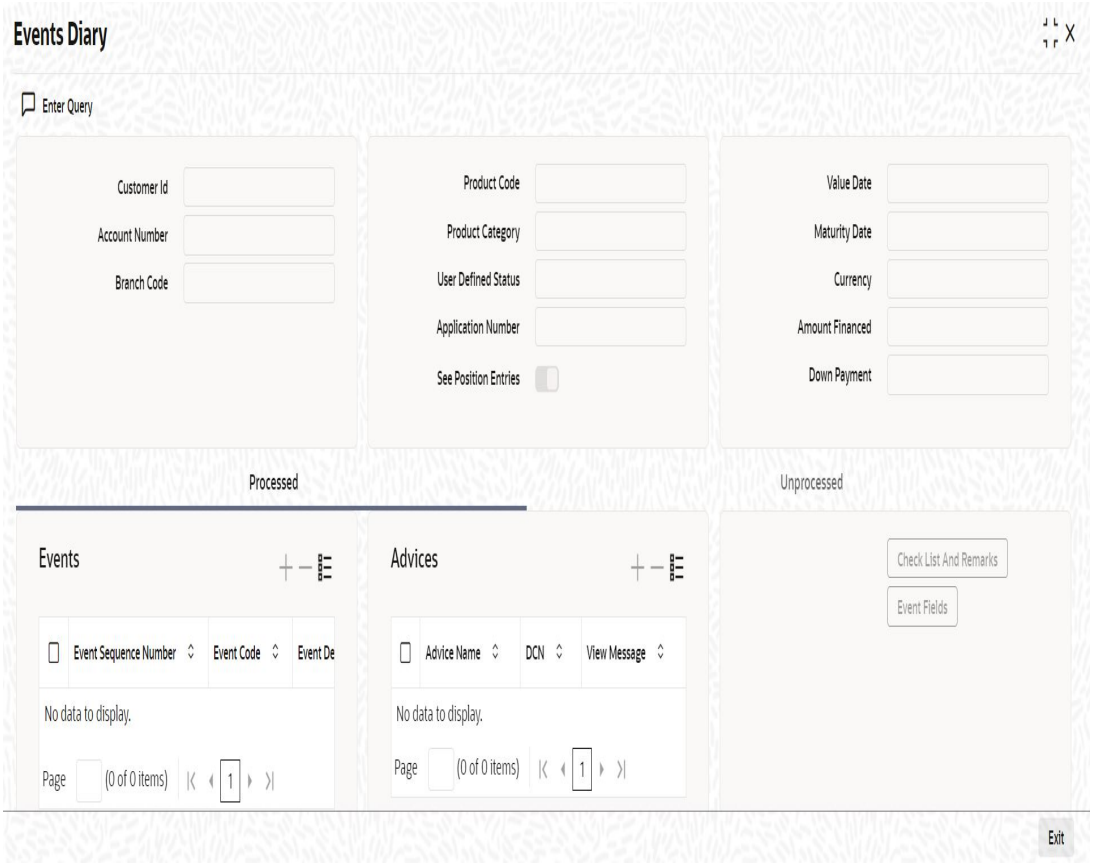
8.2.2 Fields Button

You can maintain user defined fields for the product by clicking the ‘Fields’ button in the ‘CL Payments’ screen. The screen is displayed below:



8.2.3 Events Button

You can view event entries in ‘Events Dairy’ screen. Click ‘Events’ button in ‘CL Payments’ screen.



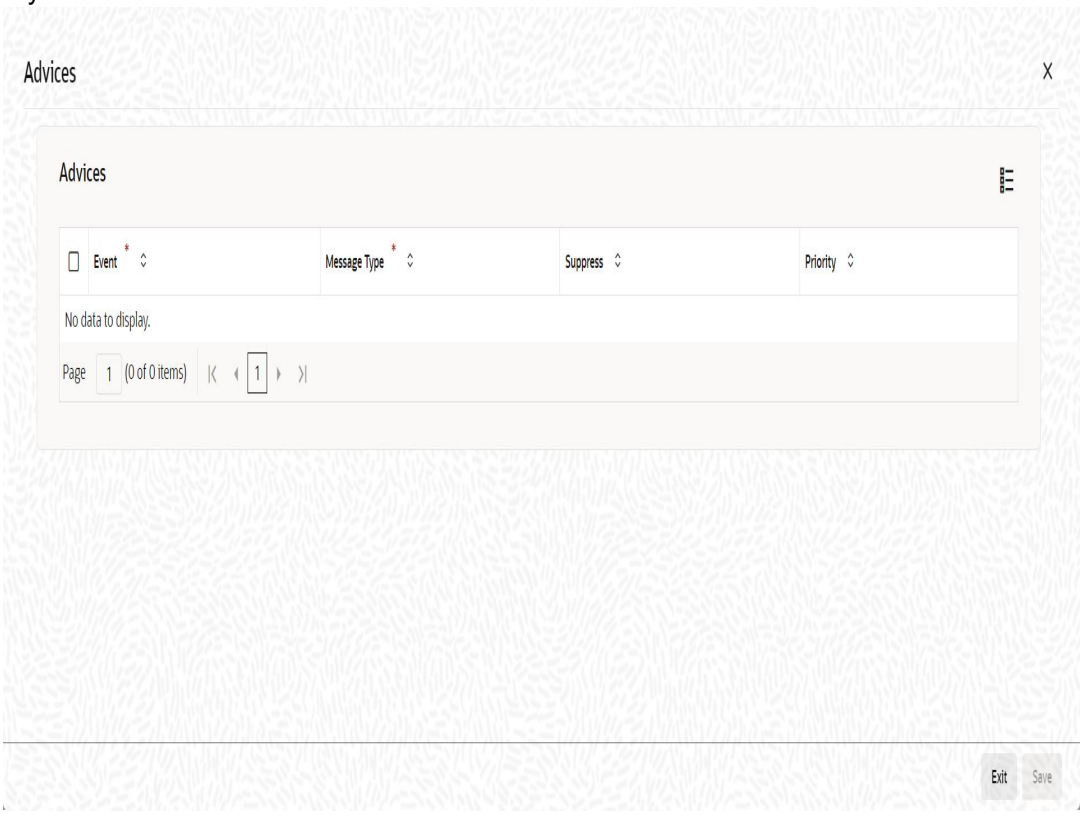
The system defaults the values for all the fields available in the screen based on the details maintained in the ‘Main’ tab.

You can view the accounting entries under in two tabs based on the status of the event:

- Processed Tab – Displays records which are processed
- Unprocessed Tab– Displays records which are unprocessed

8.2.4 Advices button

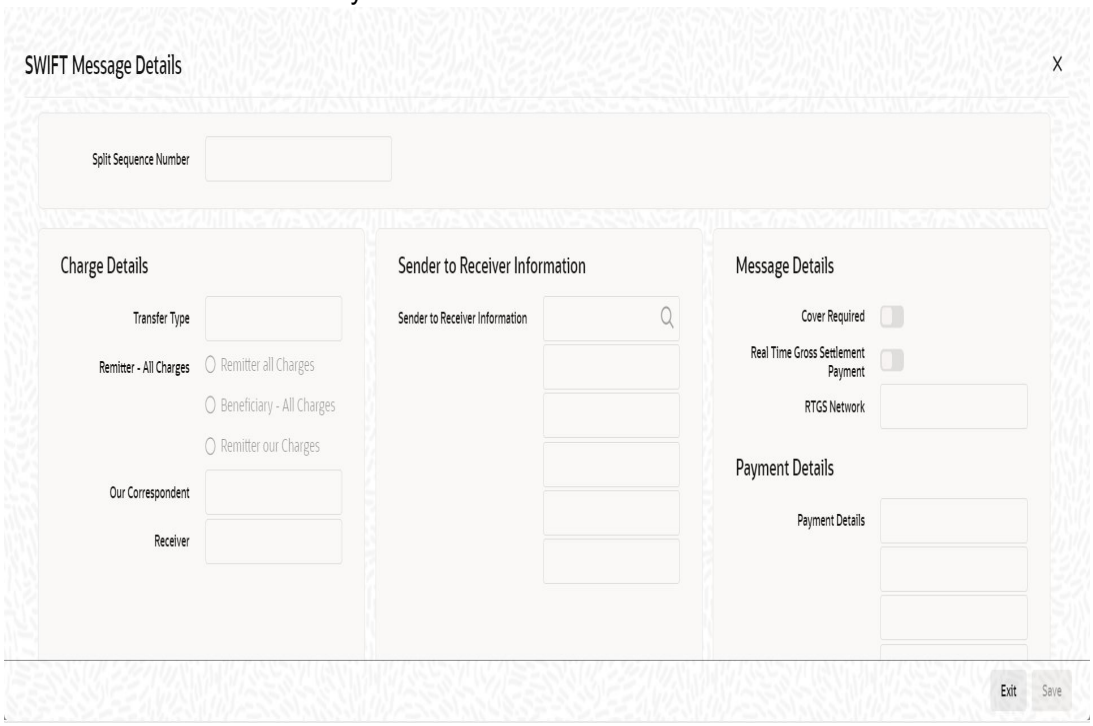
You can view the advices defaulted which also includes the event details and Payment Message in the ‘Advices’ screen. To invoke this screen, click ‘Advices’ button on the ‘CL Payments’ screen.



You can also choose to suppress the messages as required. The changes done for displaying event details in advice screen will be reflected in the advice tab/ sub-screen of other CL screens also. This will facilitate generation of payment messages if customer is getting credit settlement as part of BADJ event of discounted loans.

8.2.5 Swift Message Details Button

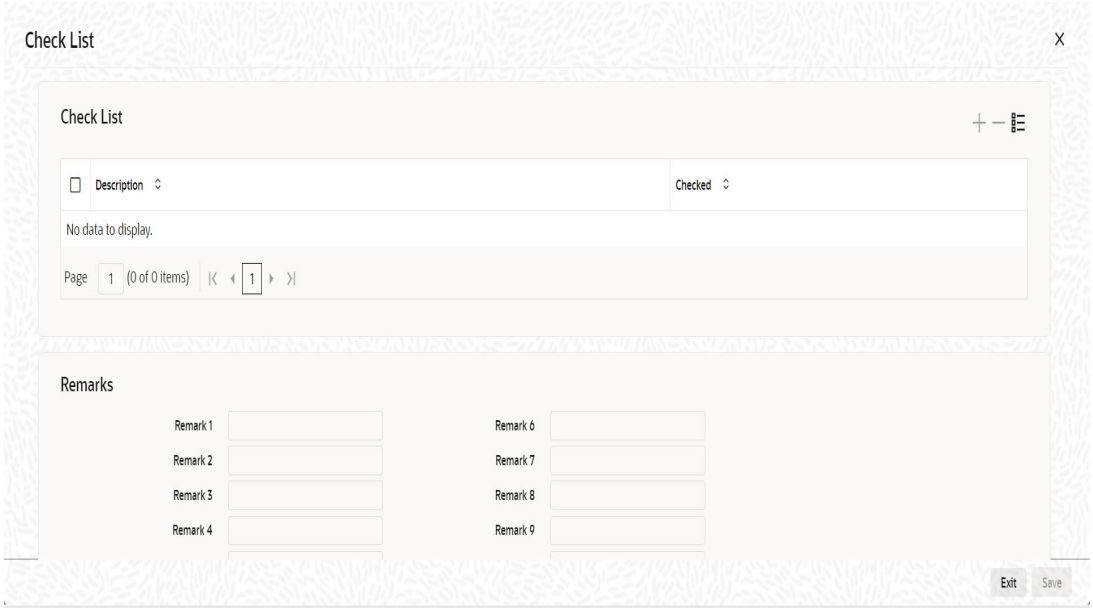
The swift message details screen will default party details for SWIFT messages based on credit settlement party for principal component. To invoke this screen, click 'Swift Message Details' button on the 'CL Payments' screen.



For more details on Swift message related details refer section 'Capturing Swift Message Details' in the chapter 'Capturing Additional Details for a Loan' in this User Manual.

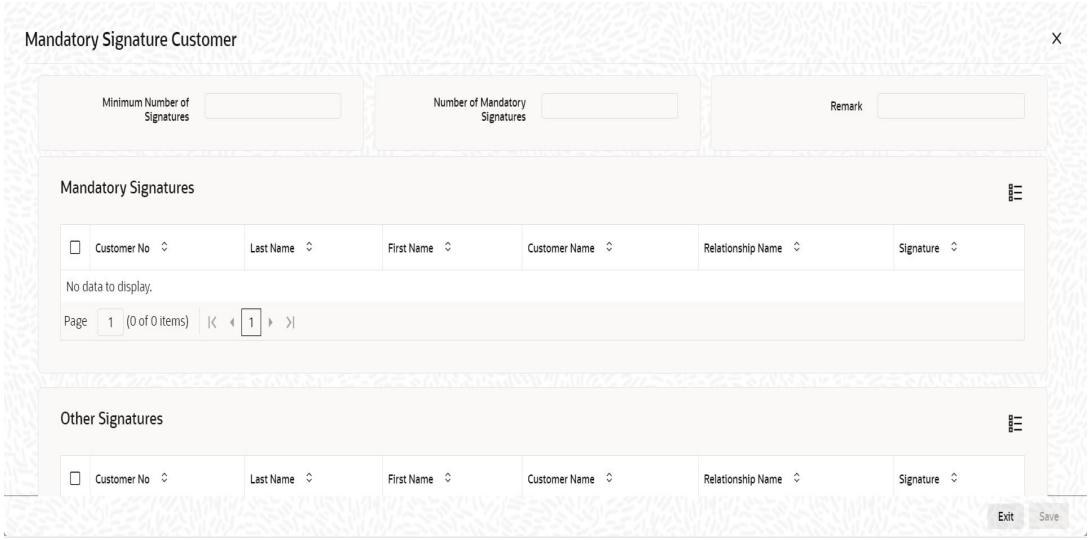
8.2.6 Check List Button

Click the 'Check List' button to maintain the check lists and remarks for the product. The screen is displayed below:



8.2.7 Signature Details Button

Click the 'Signature Details' button in the 'CL Payments' screen. You can maintain the signature details in this screen.



The system will display the following details:

- Minimum Number of Signature
- Number of Mandatory Signatures
- Remarks

Mandatory Signature

- Customer Number
- Last Name
- First Name
- Customer Name
- Relationship Name
- Signature

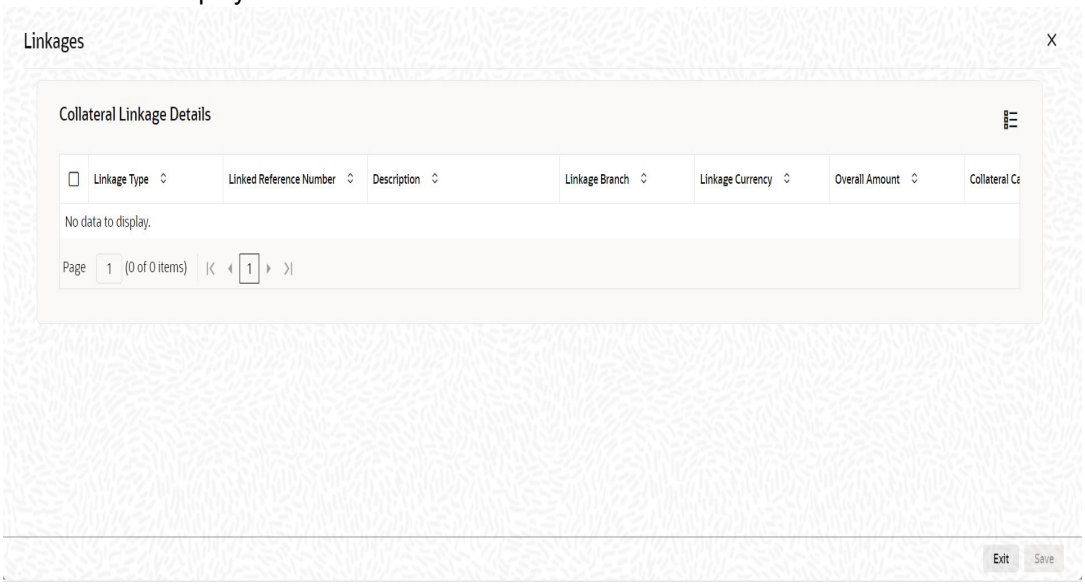
Other Signature

- Customer Number
- Last Name
- First Name
- Customer Name
- Relationship Name
- Signature

In ‘CL Payment’ screen, if multiple settlement accounts are provided during re-payment of loan then the system will consider only first record settlement account and settlement amount for displaying signature details in ‘Signature Details’ sub screen.

8.2.8 Linkage Details Button

Click the ‘Linkage Details’ button to maintain the linkage details and remarks for the product. The screen is displayed below:



You can maintain the following parameters here:

Re-instatement Order no

Specify a valid order in which you need to re-instate the linkage linked to the account. The system re-instates the linkage in an ascending order.

Auto Close Collateral

Check this box if you need to auto close collateral during partial payment only if the partial payment is equal to the linked amount of the collateral.

Note

If the check box is checked during partial payment and the payment amount is not equal to the linked amount of the collateral, then the system displays an error message.

For more details on field explanation, refer to the section ‘Linkage Details Tab’ in ‘Account Creation’ chapter of this User Manual.

When you click on the ‘Populate’ button, the system displays the linkage details in ‘Linkage Details’ tab.

Note

When a principal component is paid,

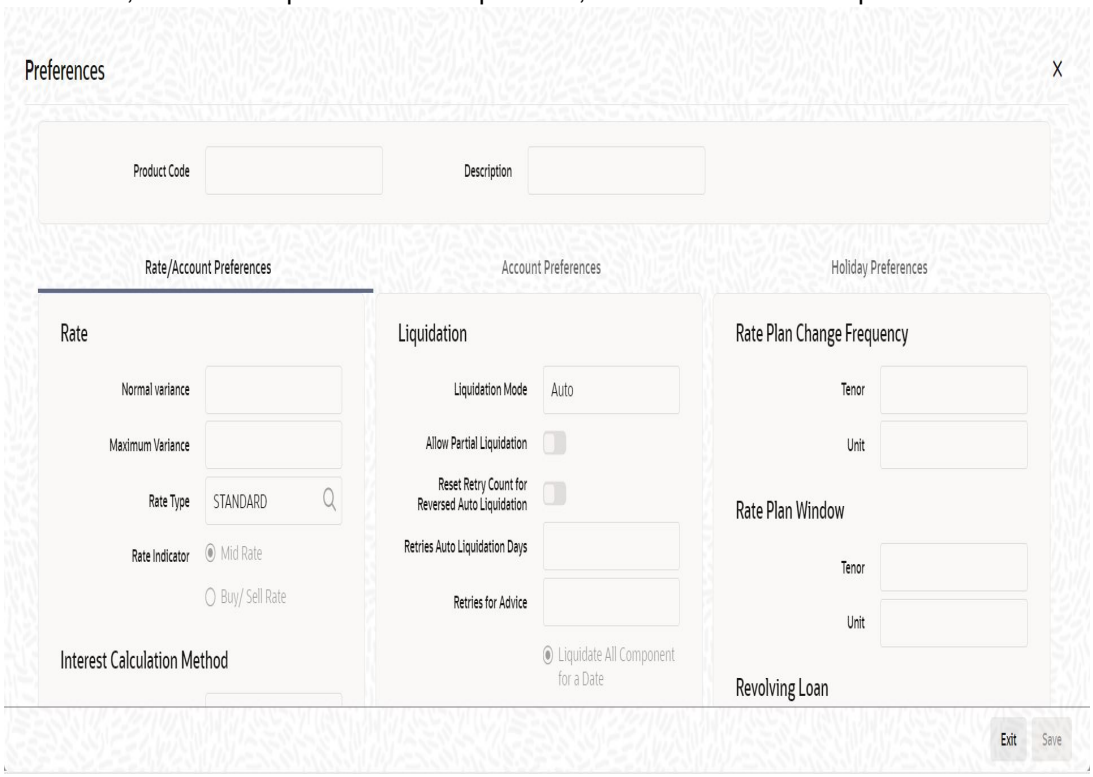
- The system re-instates linked linkage for the amount settled (amount paid + amount waived), based on the ascending order of re-instatement order number maintained at ‘Linkage Details’ level.
- The system will utilize linked linkage for the capitalized amount, based on the ascending order of utilization order number maintained at ‘linkage Details’ level.

8.2.9 Option for Partial Payment

Partial payment is required to parameterize partial liquidation during auto liquidation process.

In the ‘CL Product Preferences’ screen you can indicate whether partial liquidation is allowed during auto liquidation of the loan or not. This preference set at the product level gets defaulted at the account creation level also. But this option is allowed only if ‘Verify Funds’ option is selected. Auto Liquidation will check this option before carrying out partial liquidation viz. before liquidating to the extent of availability during Verify Funds check.

If selected, the function proceeds with liquidation, else it is marked as unpaid.



Refer the section titled ‘Specifying Product Preferences’ in the ‘Defining Product Categories and Products’ chapter of this User Manual for more details.

8.2.10 Back Dated Payments

Oracle FLEXCUBE supports back value dating only upto the last payment date from the current date, if the box ‘Allow back period entries’ is not checked at the product level. In other words, only those back dated payments whose value date is after the last payment date are allowed.

If the box ‘Allow back period entries’ is checked at the product level, then the following functionalities will apply:

- Oracle FLEXCUBE supports back dated payments till the Loan Initiation / Value date.
- Whenever a back valued event such as Principal Increase, Rate Change or Payment Reversal is made, the system recalculates Interest based on the new conditions and passes the difference as back valued adjustments.
- Back valued Adjustments (accruals and Liquidations) are passed on the same day.
- Entries passed will be as follows:
  – Accrual Adjustments (for a Component COMP)

Case 1: Favourable Adjustment (Income earned)

Dr Back valued Interest Adjustment GLCOMP_BVADJ_INC

Cr Accrual Adjustment Income COMP_BVADJ_INC

Case 2: Unfavourable Adjustment (Expense)

Dr Accrual Adjustment Expense COMP_BVRADJ_EXP

Cr Back valued Interest Adjustment GL COMP_BVRADJ_EXP

Liquidation Adjustments

Dr Settlement AC COMP_BVADJ_INC

Cr Back valued Interest Adjustment GL COMP_BVADJ_INC

Dr Back valued Interest Adjustment GL COMP_BVADJ_EXP

Cr Settlement Account COMP_BVADJ_EXP

Back valued Adjustments are passed to the loan servicing account maintained at the loan level.

8.2.11 Saving and Authorizing CL Payments

You have to save a CL payment after entering all the required details in the system. Click Save icon on the Toolbar.

On saving the account, the system validates the value of the amount financed against the following:

- Product transaction limit
- User Input limit

If the transaction currency and the limit currency are different, then the system converts the amount financed to limit currency and checks if the same is in excess of the product transaction limit and user input limit. If this holds true, the system indicates the same with below override/error messages:

- Number of levels required for authorizing the transaction
- Transaction amount is in excess of the input limit of the user

You have to authorise a CL payment before you run EOD batch. To authorize, click 'Authorize' icon on the Application toolbar.

Note

You cannot authorise from the 'CL Payments' screen in the following cases:

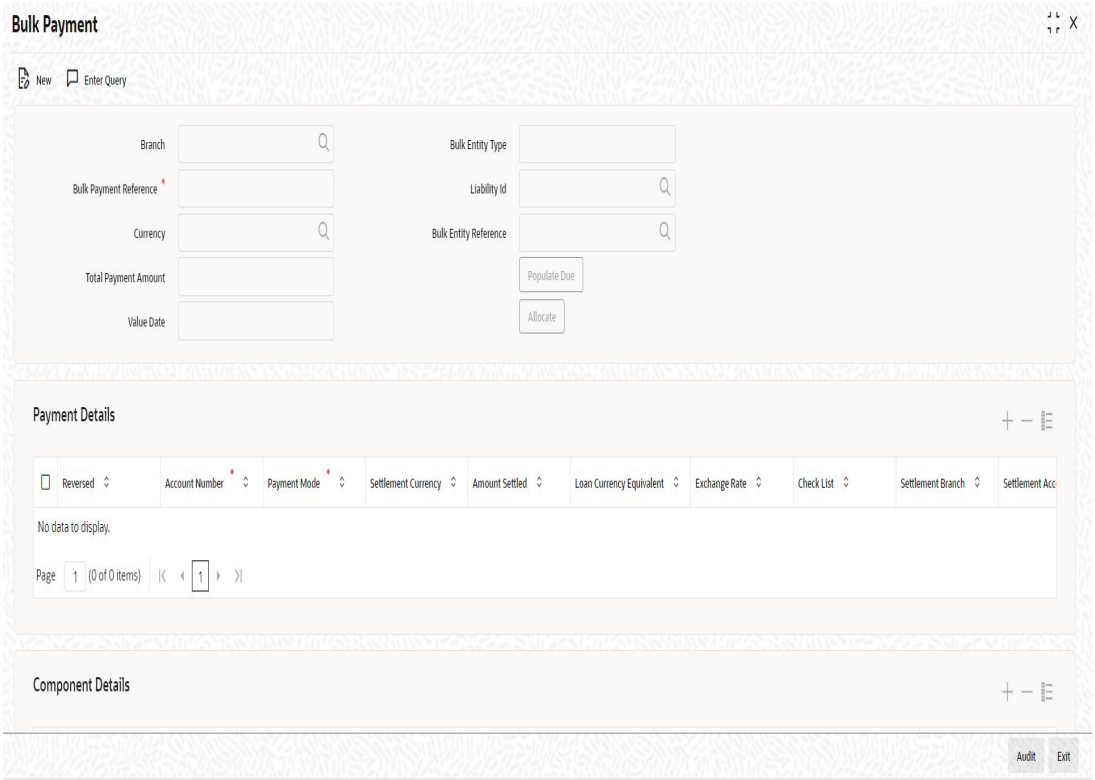
- the contract has multilevel of authorization pending, the same will be done using the 'Multilevel Authorization Detailed' screen
- the level of authorization is greater than or equal to 'N'
- the 'Nth' or the final level of the users authorisation limit is less than the difference between amount financed and sum of the limits of all the users involved in authorizing a transaction, this case holds good when the 'Cumulative' field is checked in the 'Product Transaction Limits Maintenance' screen
- the transaction amount is greater than the authoriser's authorisation limit if the 'Cumulative' field is unchecked in the 'Product Transaction Limits Maintenance' screen.

8.2.12 Making Bulk Payments against Loan or Commitment

The 'BulkPayments' screen is provided to create bulk payments against a limit or commitment for a loan account. The loan/commitment linked to the loan account for which the prioritization rules are maintained, is considered for bulk payment.

Bulk payment is done for the loan accounts linked to an L/C for which the bulk payment option is checked. The bulk payment is always done for the current branch. The Bulk payment is done only for the CL accounts belonging to the current branch from where bulk payments are made. Bulk payment amount is allocated to the accounts linked to a loan/commitment account. This allocation is done based on the Prioritization rules maintained for the L/C selected. If a specific rule is not available for L/C reference for the branch, the ALL option is considered. The payment is triggered based on the amount allocated per the prioritization rules.

To make the bulk payments for the accounts associated under an L/C allocated, invoke the 'BulkPayments' screen by typing 'CLDBLKPT' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



The following details are specified for making the bulk payments under a loan/commitment account:

Branch Code

Specify the branch for making bulk payments. Alternatively, you can select the branch code from the option list. The list displays all active and open branches.. All the accounts associated to a loan/commitment are marked for bulk payments in this branch.

Bulk Payment Reference

Specify the bulk payment reference number for the particular bulk payment made. This is generated once you click the 'Populate Due' button.

Total Payment Amount

Specify the total payment amount available to be allocated across the due components/ accounts under a loan/commitment.

Currency

Specify a valid currency to be maintained as part of the bulk payment made. The adjoining option list displays all the valid currency maintained in the system. You can choose the appropriate one.

Limit Date

Specify the date the limit line is attached to the loan/commitment.

Bulk Entity Type

Select the Bulk Entity type from the adjoining drop-down list. This list displays the following values:

- Limit Line
- Commitment

Specify the type of entity for which bulk payments are made. If the bulk entity type is chosen as limit line, you can then choose the credit line against which the payment needs to be made in the field Bulk Entity. The liability ID linked to this limit is defaulted. Only valid limit lines linked to the loan accounts in the current branch are displayed in the option list.

For the bulk entity type ‘Commitment’ the Commitment reference number is chosen from the option list for the “Bulk Entity”. The customer id of the commitment is populated as the liability ID, and the commitment branch is populated as the branch code. The bulk entity option list displays only the commitments defined under the current branch.

Liability ID

Select the liability ID from the list of values provided. If the Bulk entity type is limit line then the liability for which a limit line is linked to the CL account, is displayed in the list of values.If Bulk entity type is commitment then the liability for which commitment is linked to the CL account, is displayed.

Bulk Entity Reference

Specify the bulk entity reference. You can also select the bulk entity reference from the adjoining option list. The list displays the reference number based on the bulk entity type and liability ID.

After specifying the Bulk Entity details and value date, click the ‘Populate Due’ button. Payment Details and Component Details options are enabled to list all active loan accounts (linked to the L/C selected) and the component wise amount due respectively.

After providing the bulk payment amount, click ‘Allocate’ button to display the payment details and component wise details with all the applicable accounts including the total amount due and total amount allocated against each as per the bulk payment preference maintenance.

Payment Details

Specify the following details:

Reversed

You can reverse a payment done for single account involved in bulk payment. Check this box to indicate that this payment should be reversed.

An override message gets displayed.

Account Number

Specify the account number. The applicable loan accounts under payment details with total amount due and amount allocated against under bulk payment preference are displayed.

Payment Mode

Select the payment mode from the drop-down list. This list displays the following values:

- CASA
- Cash Teller

- Clearing
- Instrument
- External Pay Order
- Credit Card
- Debit Card
- External Account Details
- Internal Cheque

Settlement Currency

Specify a valid settlement currency in which payment is to be made. This adjoining options list contains all the valid settlement currencies maintained in the system. You can choose the appropriate one.

Amount Settled

Specify the amount settled. The total amount due and allocated against each loan account is displayed based on the clicking of the 'Allocate' button; these can be however changed.

Loan Currency Equivalent

Specify the loan currency equivalent for the payment.

Settlement Branch

Specify the branch at which the settlement takes place.The adjoining option list displays all valid settlement branch maintained in the system. Exchange Rate

Specify the exchange rate applicable.

The amount allocated is available for modification, after application of the automatic allocation action.

Check list

This contains a check list screen for the bulk payment made. contract before saving the payment. The check list details are populated on clicking Check list button. You can verify all options the check list for the payment using this screen

Settlement Account

Specify a valid settlement account. The adjoining option list displays all the valid settlement account maintained in the system. You can choose the appropriate one.

Settlement Product

Specify the settlement product.

Instrument Number

Specify the instrument number.

End Point

Specify a valid end point. This adjoining option list displays all the valid end point maintained in the system. You can choose appropriate one.

Card Number

Specify the card number

External Account Number

Specify the external account number.

External Account Name

Specify the external account name.

Clearing Bank

Specify a valid clearing bank. This adjoining option list displays all valid clearing banks maintained in the system. You can choose the appropriate one.

Clearing Branch

Specify the clearing branch.

Upload Source

Specify a valid upload source. This adjoining option list displays all the upload source maintained in the system. You can choose the appropriate one.

Sector Code

Specify a valid sector code. This adjoining option list displays all the valid sector code maintained in the system. You can choose the appropriate one.

Routing Number

Specify the routing number.

Settlement Reference Number

Specify the settlement reference number.

Component Details

Specify the following details:

Account Number

Specify the account number.

Component Name

Specify the name of the component.

Component Currency

Specify the component currency.

Amount Due

Specify the amount to be paid.

Amount Paid (Component Currency)

Specify the amount that is paid.

Amount Overdue

Specify the overdue amount.

Amount Waived

Specify the amount that is waived. You can choose the amount to be waived here.

You can perform the following operations in this screen:

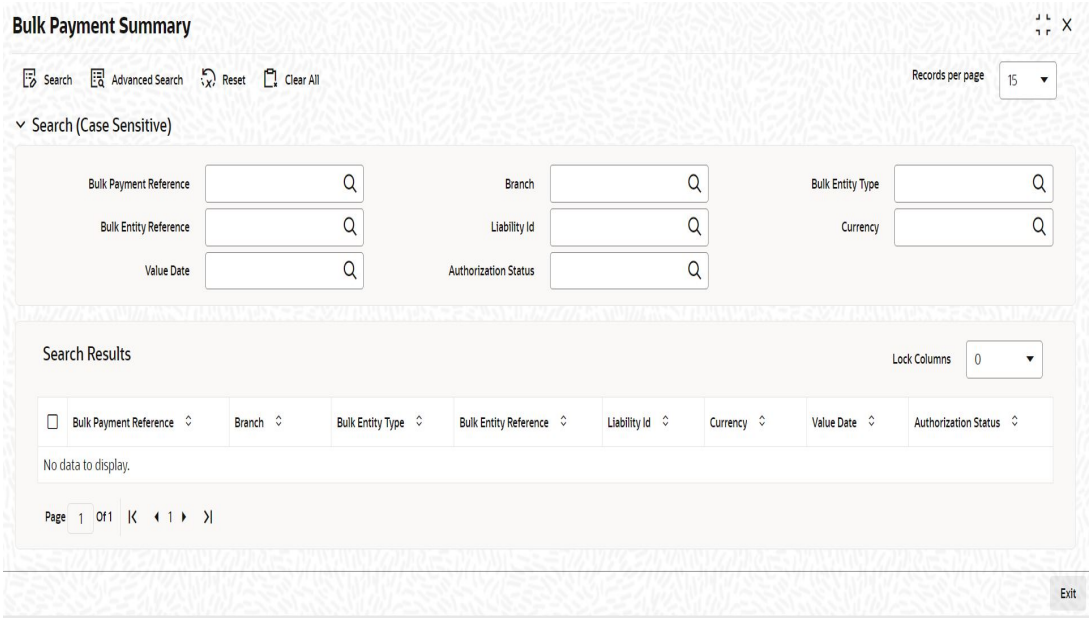
- Save
- Delete
- Authorize

Against each account populated, settlement fields are enabled to capture the details required for the particular settlement mode that has been chosen against the account. The different modes of payment applicable in the manual loan payment screen are made available here as well. Multiple modes of settlement for the same account are not supported.

You can change the allocated amount after the automatic allocation. System validates the data on saving to compare the total payment amount and the sum of amount settled against each component with respect to limit currency. Additionally reversal of payment done for a single account involved in bulk payment is permitted with an override from the manual payment screen.

8.2.13 Viewing Summary Records

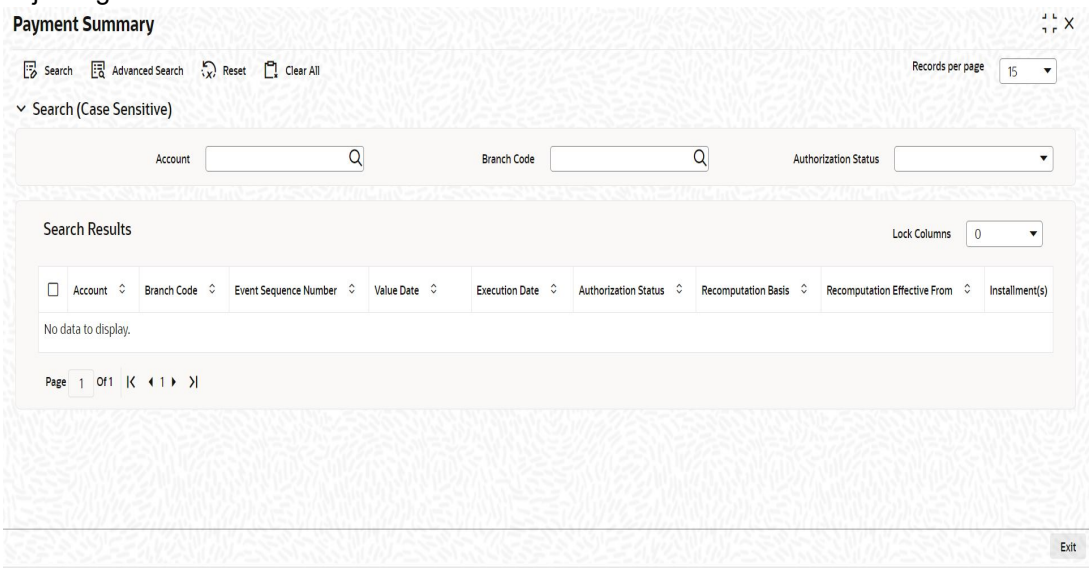
You can view and amend details of a particular record by using the 'Summary' screen. You can invoke this screen by typing 'CLSBLKPT' the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



To view a particular record double click on the desired record displayed in the list of records. The required record is enabled for action.

8.2.14 Viewing CL Payments Summary

You can view the CL payments summary using 'Summary' screen. To invoke this screen, type 'CLSPYMNT' in the field at the top right corner of the Application tool bar and click the adjoining arrow button.



You can click ‘Search’ button to view all the pending functions. However, you can to filter your search based on any of the following criteria:

Account

Select the account number from the option list.

Authorized

Select the authorization status of the contract from the drop-down list.

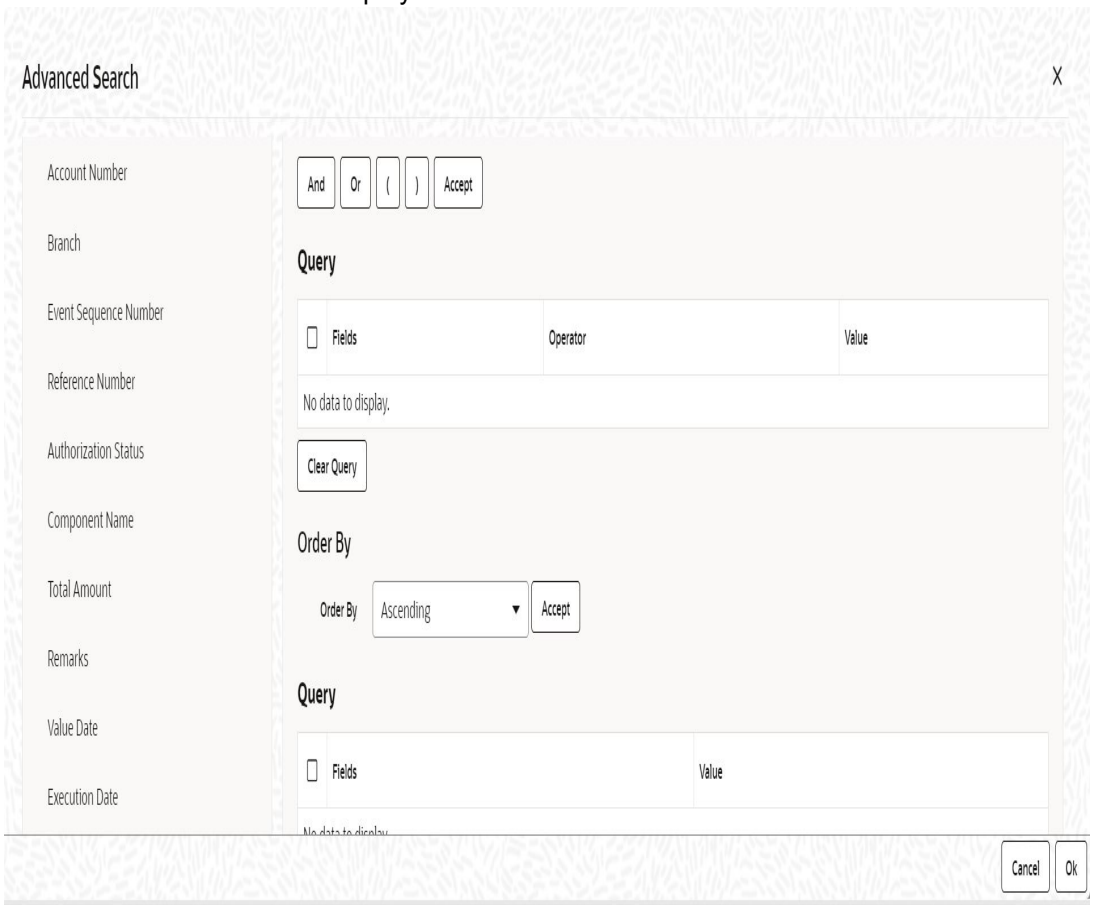
Branch Code

Select the branch code for which you want to check the contract from the option list.

When you click ‘Search’ button the records matching the specified search criteria are displayed. For each record fetched by the system based on your query criteria, the following details are displayed:

- Account
- Branch Code
- Event Sequence Number
- Value Date
- Execution Date
- Authorized
- Recomputation basis
- Recomputation Effective From
- Installment (s)

Click ‘Advanced Search’ to display the screen below:



You can query a contract based on any of the following details:

- Account
- Branch Code
- Event Sequence Number
- Value Date
- Execution Date
- Authorized
- Recomputation basis
- Recomputation Effective From
- Installment (s)

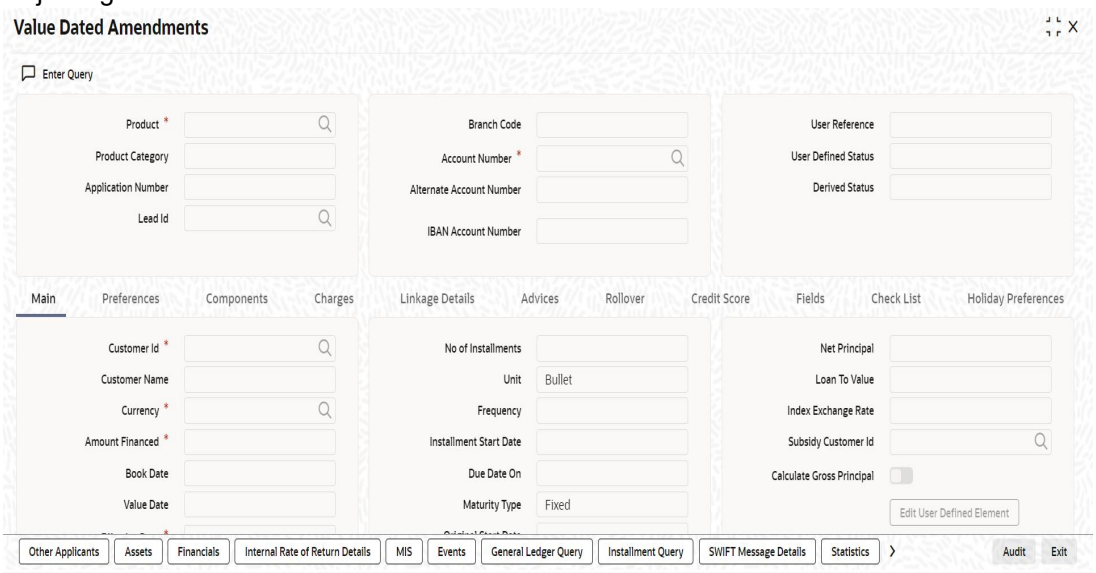
8.3 Loan Amendments

This section contains the following topics:

- Section 8.3.1, "Amending a Loan"
- Section 8.3.2, "Main Tab"
- Section 8.3.3, "Preferences Tab"
- Section 8.3.4, "Holiday Preference Tab"
- Section 8.3.5, "Components Tab"
- Section 8.3.6, "Charges Tab"
- Section 8.3.7, "Linkages Tab"
- Section 8.3.8, "Viewing Value Dated Amendment Details"
- Section 8.3.9, "Amending Commitments"
- Section 8.3.10, "VAMI Simulation"

8.3.1 Amending a Loan

Once a Loan is entered and authorized, financial changes to the Loans can be done through the ‘Value Dated Amendments’ screen. These amendments are based on an effective date and hence are called Value Dated Amendments (VAM). You can invoke this screen by typing ‘CLDACCVM’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Click new icon in the toolbar of the screen

Booking an amendment is called VAMB and Initiating is called VAMI. These are considered as events in the life cycle of the Loan.

Value Dated Amendments supports the following functions:

- When the change in interest rate is completed, the accrual is recomputed. The difference in accruals is accounted for in the current period on the booking date of the change.
- During VAMI, if the principal or rate of interest increases or decreases, then based on the specified VAMI re-computation option, the system either modifies the EMI, tenor or the final bullet/balloon payment.
- If there is no change in the EMI or the tenor, then the 'Balloon Payment' option should be selected.
- Whenever there is a re-computation due to VAMI or pre-payment, the system adjusts the principal against the final bullet, as there is no change in EMI or Tenor, and selects the option 'Balloon Payment'. However; if the EMI interest amount increases and is greater than or equal to the EMI amount, then the system automatically changes the re-computation method to 'Change Installment' in order to re-compute the EMI.

If the changes are required to be effective on a particular date, not maintained previously, a fresh set of rates for that day is required to be maintained.

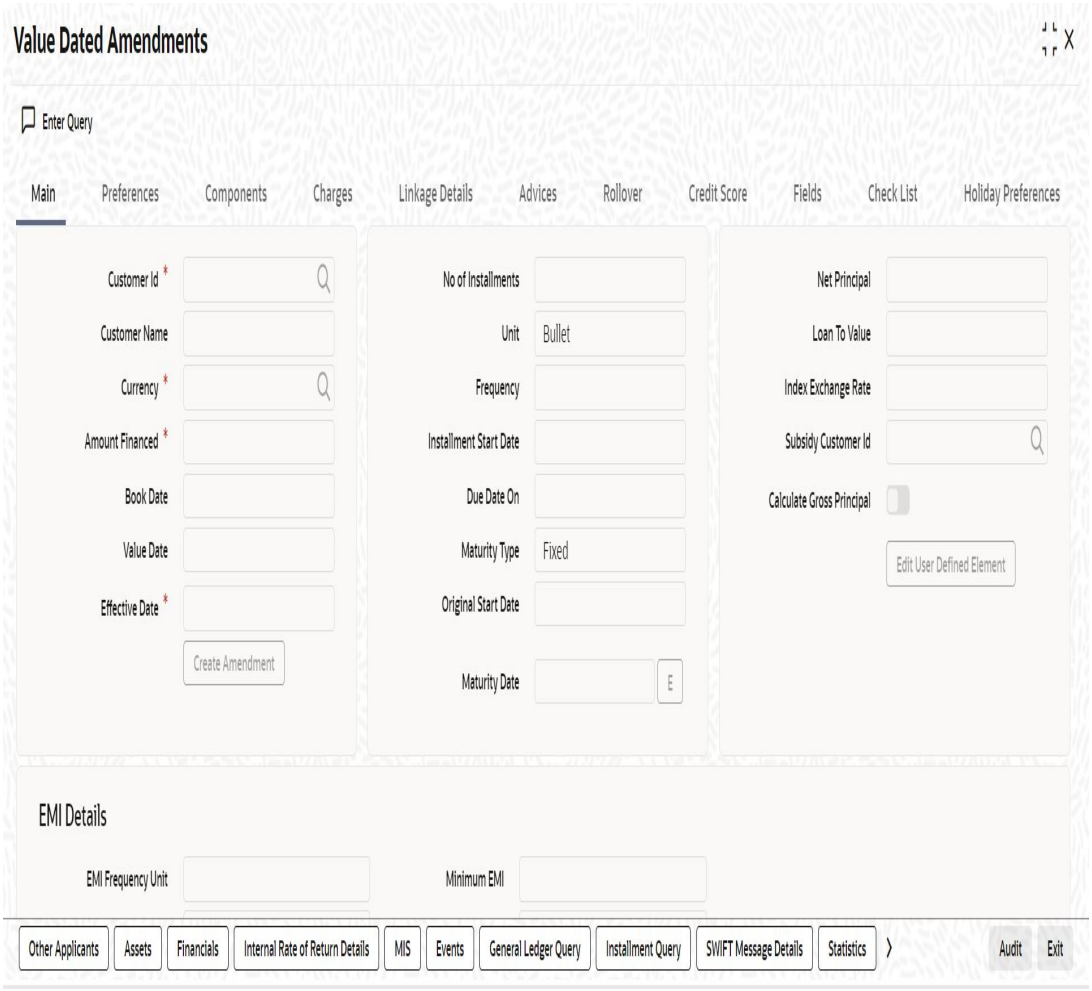
You can pick any active account from the Value Dated Amendments screen and apply the amendments for that account. You can also view or modify the amendments that are not yet applied for that account.

If there is no outstanding balance for an Open Line Loans, then in order to close the account, you should amend the maturity date. The account gets closed during that day's batch.

You can select the lead ID from the adjoining option list if the principal increase on the loan amount is done to process a top up lead request. The system displays all the lead IDs in which the 'Top up Lead' option is checked in the prospect details screen (ORLEADM).

If the amendments result in a status change for the account, the system will update the current status for the account in the 'Derived Status' field. During end-of-day batch processing, it will update the 'User Defined Status' for the account with the worst status available for all accounts and loans for this CIF and post the required accounting entries for the change

8.3.2 Main Tab



Specify the account number for which the amendment needs to be. On querying an authorized CL account, the system displays all the basic details of the account. Unlock the record and specify the effective date of the amendment. Click the 'Create Amendment' button in order to make new amendments to loans.

Note

The system nullifies the modified values if you try to amend loan details like amount finances, maturity date etc. without clicking 'create Amendment' button.

From this screen, you can modify the amount financed, which specifies the increase in amount, Rate or Principal effective a value date, and also the maturity date. Once you specify the amendments, the relative changes with regard to the same can be viewed in the other tabs of the screen.

You can also select the re-computation basis for amendments from this screen. For example, if the re-computation basis is Change Installment, the amendments are applied by changing the Equated Monthly Installments keeping the tenor constant. If re-computation basis is Change Tenor, then the tenor is varied by keeping Installment constant.

Following are the amendments to the Value date effective loans accounts that you can perform through this screen:

- Value Date based changes to the Principal

- Value Date based changes to the Rates
- Value Date based changes to the Tenor of the Loan
- Changes to other parameters

You can change the Loan Tenor, Rate or Principal effective a Value Date from these screens. It also displays the schedules of the account.

The following information is captured:

Effective Date

This is the date as of when the changed values should be applicable.

UDE Effective Date

The effective date is used to pick the UDE value. You can add an effective date, when you make some amendment to the UDE values. Click add button to enter the effective date. UDE effective date should be greater than or equal to VAMI effective date.

Once you have entered the new effective date, click 'P' button. The system will default the latest UDE values maintained for the account. However, you may delete or modify the default UDE values.

Note

If you click the 'P' button after making some changes to the UDE values, the system will ignore your changes and default the UDE values from the product again.

Amount Waived

Specify the amount which can be provided as the discount to the customer. This will be waived from the charge computed. This amount can not be greater than the charge amount.

Maturity Date

You can modify the maturity date and enter the new maturity date for the retail lending account.

Once you change the maturity date and click 'E' button, next to maturity date field. The system updates the schedule date for the bullet schedule based on the new maturity date.

After the change in the maturity date, if the incremental tenor matches the frequency of the last schedule in all the components, then the system will generate the remaining schedules based on the new maturity date.

If the change in maturity date is not in multiples of the last defined frequency, then the system will update the bullet schedule only. The other schedules will not change. However, you can change the schedules from the 'Schedule Definition' frame of the 'Components' tab of this screen. You need to click 'Edit Schedules' and 'Explode Schedules' button to change the schedules.

Note

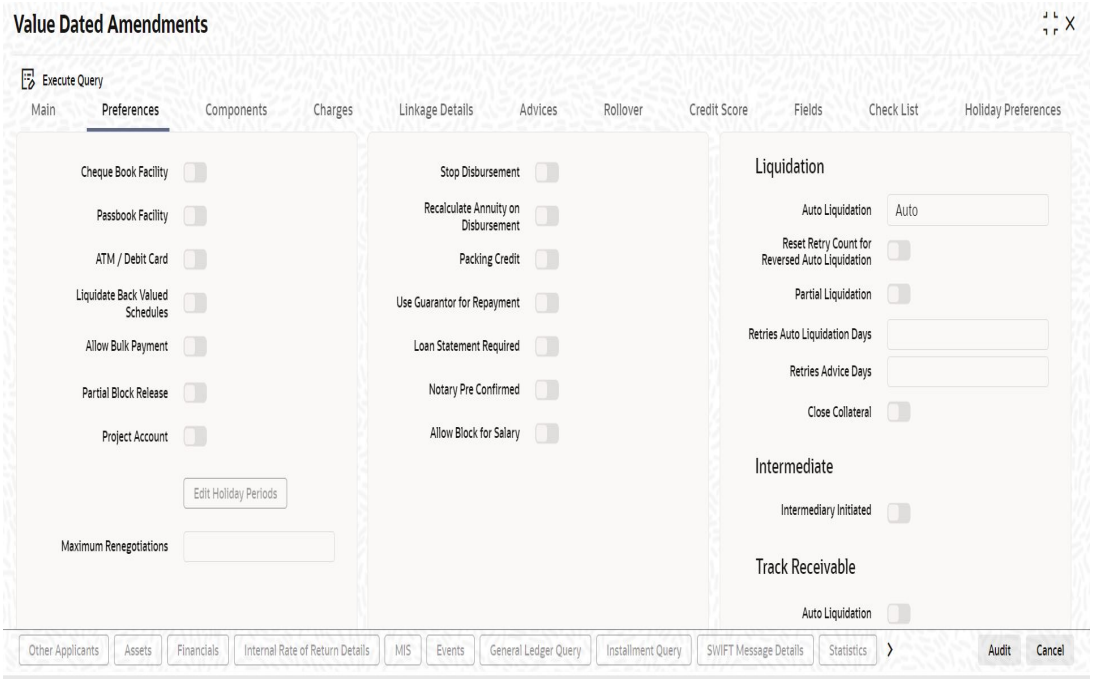
The system will automatically calculate the schedules only in case of extension of the maturity date. If the change in the maturity date results in reduction of the tenor, the schedules will not be calculated automatically. In such cases, you need to change the schedules manually.

The automatic schedule change is applicable only to the loan accounts that have schedules in uniform frequency for all components throughout the loan tenor. In case of flexible

repayment schedules like user defined EMI/principal amounts or dual formula, you need to change the schedules manually.

8.3.3 Preferences Tab

Preferences maintained for the account are displayed here.



Partial Block Release

Check this box to release the amount block placed on TD partially. If this field is not checked, then the block will be released on Loan Account liquidation only.

On save the system validates the following:

Linkage Amount with new term deposit available balance. If term deposit available balance is less than the Linkage Amount, then the system displays an error message.

If 'Rate Code' selected for Main Interest UDE is a term deposit account, then the system validates the 'Linkage Reference' with Main Interest UDE 'Rate Code', and if the values differ then the system displays an error message.

If Main Interest UDE has a term deposit account in Rate Code and UDE effective date differs from that of value dated amendment effective date, then the system displays an error message.

You can modify the following details:

Liquidation Mode

Specify the mode of liquidation from the drop-down list. The following options are available for selection:

- Auto
- Manual
- Component

Retries Advice Days

Number of retries for an advice is defaulted here from the product maintenance level; however, you can modify if needed. The value should be less than the value maintained for ‘Retries Auto Liquidation Days’.

Maximum Renegotiations

The maximum number of renegotiation allowed for the account is defaulted here. However, you can modify the value if needed.

Note

System rejects the VAMI request if the new value of “Maximum Renegotiations” is lesser than the previous value.

Provisioning Preference

You can define the provisioning preference of loan accounts by selecting the required option in Provisioning Mode.

Provisioning Mode

Select the Provisioning Mode preference of loan accounts from the drop-down list. The list displays the following options:

- Not Applicable
- Auto
- Manual

The provisioning mode option will get defaulted from Account level. However, you can switch between Auto to Manual mode or vice versa, but cannot change the mode as “Not Applicable” if defined as either Auto or Manual mode.

It is mandatory to select the provisioning mode as either ‘Auto’ or ‘Manual’ if CL product is created with a provision component. If CL product does not have provision component, then provisioning mode should be selected as 'Not Applicable'.

Loan Settlement Notice

You can maintain the following loan settlement notice details here:

Loan Settlement Request

Check this option to indicate the request for loan settlement has been received. If you check this box, it is mandatory to specify the notice date and the expected loan closure date.

Notice Date

Specify the date on which the notice of loan settlement was received. By default, the system displays the current application date. However, you can modify this.

You can use the date button to choose an appropriate date from the calendar.

Expected Closure Date

Specify the expected date of loan closure. This date must be later than the notice date specified above. This must also be earlier than the original loan closure date.

You can specify the expected closure date only if the option ‘Loan Settlement Request’ is checked. In other cases, this date cannot be captured.

Recomputation Basis

Recomputation Basis

Select the recomputation basis from the adjoining drop-down list. The options available are:

- Change Tenor
- Change Installment

Value dated amendment operation is applicable for recomputation basis.

Rate Change Action

Select the rate change action from the adjoining drop-down list. The available values are:

- Change Installments
- Change Tenor

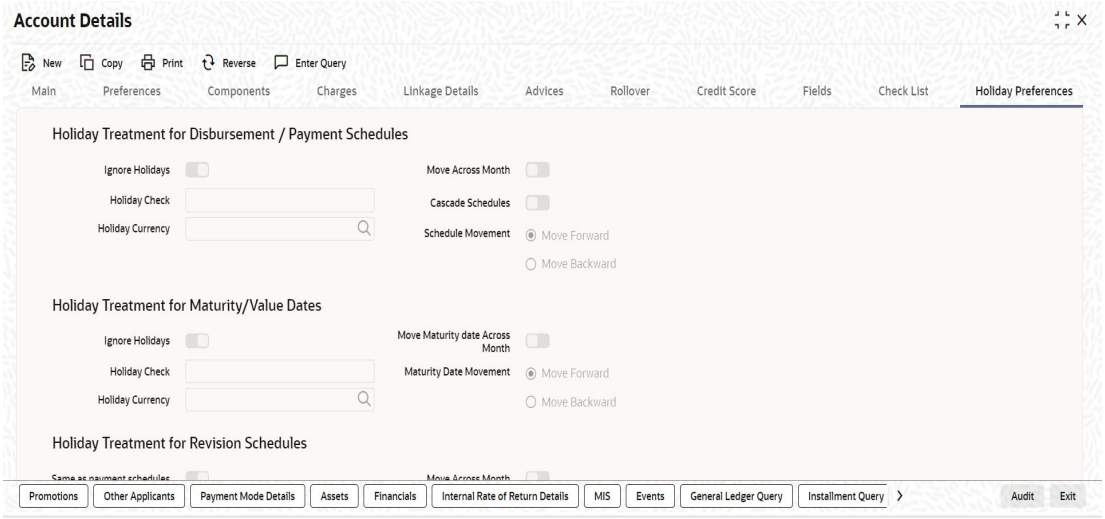
The system defaults ‘Change Installments’ as rate change action value. However, you can modify it. The value ‘Change Tenor’ is applicable only for amortized accounts.

Rate Change Action is applicable for ARVN and REVN operations.

For more details on the fields refer section titled ‘Creating a Loan Account’ in ‘Account Creation’ chapter of this User Manual.

8.3.4 Holiday Preference Tab

Click on the ‘Holiday Preference’ tab to invoke the following screen: ..



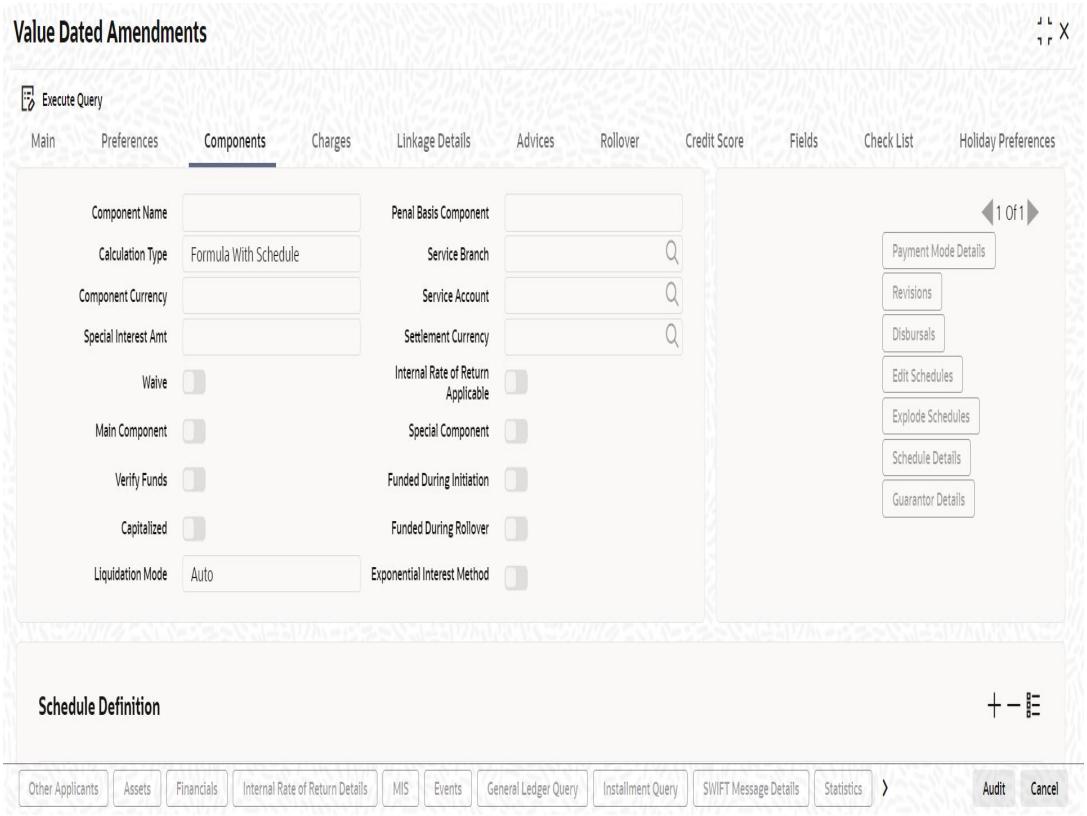
You can specify the holiday preferences for Disbursement/Payment Schedule, Maturity/Value dates and Revision schedules using this screen.

The values here are defaulted from the product screen. You can change the parameters before authorizing. After modifying the holiday parameter, you have to click the ‘**Re-default**’ button so that the schedule dates will be rebuilt by the system.If maturity date is changed due to maturity date related holiday parameters then the system will do a product re-default.

If Ad-hoc treatment plan is checked at the product level then ‘Cascade Schedules’ and ‘Ignore Holidays’ cannot be checked at the account level.

For more details on fields in this screen, refer the section titled ‘Holiday Preference Tab’ in Chapter ‘Defining Product Categories and Products’ in this user manual.

8.3.5 Components Tab



In this tab you can modify the schedule preferences of your account. Select the components that you wish to modify from the list provided. You can amend the details of the selected component, after you click the 'Edit' button. The schedules are defaulted from Product maintenances at the time of account opening.

While making modification to schedule, follow the steps given below:

- Bullet schedule as well as end dates of schedules should be deleted before any amendment.
- If you want to use irregular schedule amounts instead of normal linear flow you need to maintain each schedule date separately.
- If you insert any schedule do not add end date.
- If number of schedules is '1' for the particular schedule record, then the frequency should be 'daily'.

Click 'Explode' button once you finalize your changes on the schedule. System calculates the missing parameters based on Product preferences.

Note

You can modify future dated schedules only.

Liquidation Mode

The system defaults the mode of liquidation from the product level. However you can modify the same to indicate the mode of liquidation of the component from the drop-down list. The following options are available for selection:

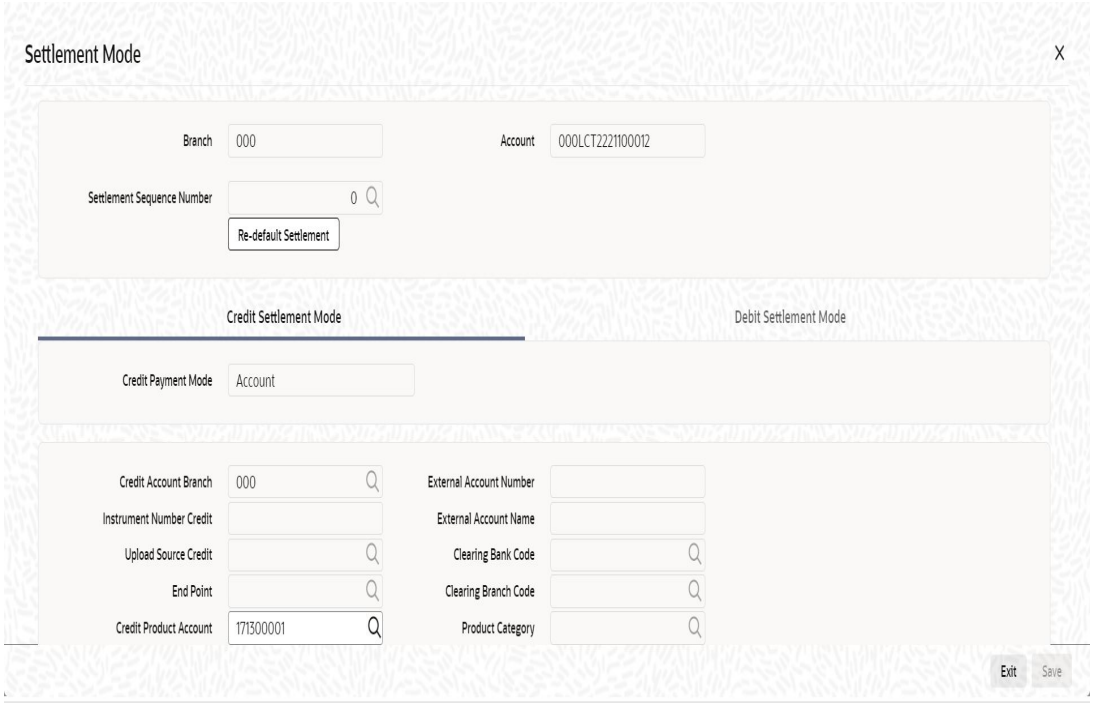
- Auto
- Manual

Note

This is applicable only if ‘Liquidation mode’ is selected as ‘Component’ at the account preference level.

8.3.5.1 Specifying Payment Mode Details

You can specify the details of payment mode in the ‘Settlement Mode’ screen. To invoke the screen, click ‘Payment Mode Details’ button under ‘Components’ tab in the ‘Value Dated Amendments’ screen.



Here you can specify the following details:

Branch

Specify the branch in which the customer account resides.

Account

Specify the unique number of the account in the specified branch.

Credit Settlement Mode Tab

You can specify the credit settlement details under the ‘Credit Settlement Mode’ in the ‘Settlement Mode’ screen.

Credit Payment Mode

Select the credit payment mode from the adjoining drop-down list. The list displays the following values:

- CASA
- Credit Card
- Clearing
- Debit Card
- External Account
- Electronic Pay Order

- GIRO
- Internal Cheque
- Instrument
- Cash/Teller

Credit Product Account

Specify the account number of the credit product.

To view the joint holder's details of an account and the mode of operation maintained at the account level, place the cursor on the Credit Product Account field and press Ctrl+J. The system displays the 'Joint Holder' screen.

For more information on the 'Joint Holder' screen refer to the section 'Joint Holder Maintenance' in the core User Manual.

Credit Account Branch

Specify the name of the branch in which the credit account should be maintained.

Instrument Number Credit

Specify the instrument number that should be used for credit payment.

Upload Source Credit

Specify the upload source that should be used for credit payment.

End Point

Specify the end point maintained in the clearing system. The adjoining option list displays all valid end points maintained in the system. You can choose the appropriate one.

External Account Number

Specify the external account number.

External Account Name

Specify the name of the beneficiary who is holding the external account.

Clearing Bank Code

Specify the code of the external bank that should be used for clearing maintenance. The adjoining option list maintains all valid banks maintained in the system. You can choose the appropriate one.

Clearing Branch Code

Specify the branch code of the specified external bank that should be used for clearing. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Product Category

Specify the category of the product. The adjoining option list displays all valid products maintained in the system. You can choose the appropriate one.

Routing Number

Specify the routing number of the specified branch for clearing.

Clearing Product Code

Specify the product code that should be used for clearing. The adjoining option list displays all valid code maintained in the system. You can choose the appropriate one.

Sector Code

Specify the code of the sector that should be used for clearing. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Giro Number

Specify the GIRO number of the corporate customer.

Payer Account

Specify the account from which the amount should be paid.

Payer Bank Code

Specify the code of the payer's bank that should be used for the payment of amount.

Payer Branch

Specify the branch of the specified payer's bank that should be used for the payment of amount.

Payer Bank Address 1-4

Specify the address of the bank that should be used for the payment of the amount.

Bank GIRO

Indicate the type of bank GIRO that should be used for corporate customers. You can select one of the following:

- Bank GIRO
- Plus

Auto GIRO

Indicate the type of the Auto GIRO for automatic direct debit. You can select one of the following values:

- Auto
- Manual

Exchange Rate

For a customer availing any Relationship Pricing scheme, the customer specific exchange rate derived by adding the original exchange rate and the customer spread maintained for the relationship pricing scheme gets displayed here.

You can change the defaulted rate provided the change is within the variance level maintained for the underlying product.

If Relationship Pricing is not applicable, Exchange Rate will be the same as the Original Exchange Rate.

For more details on customer specific exchange rates, refer the section titled 'Specifying Pricing Benefit Details' in Relationship Pricing user manual.

Negotiated Cost Rate

Specify the negotiated cost rate that should be used for foreign currency transactions between the treasury and the branch. You need to specify the rate only when the currencies involved in the transaction are different. Otherwise, it will be a normal transaction.

The system will display an override message if the negotiated rate is not within the exchange rate variance maintained at the product.

Negotiated Reference No

Specify the reference number that should be used for negotiation of cost rate, in foreign currency transaction. If you have specified the negotiated cost rate, then you need to specify the negotiated reference number also.

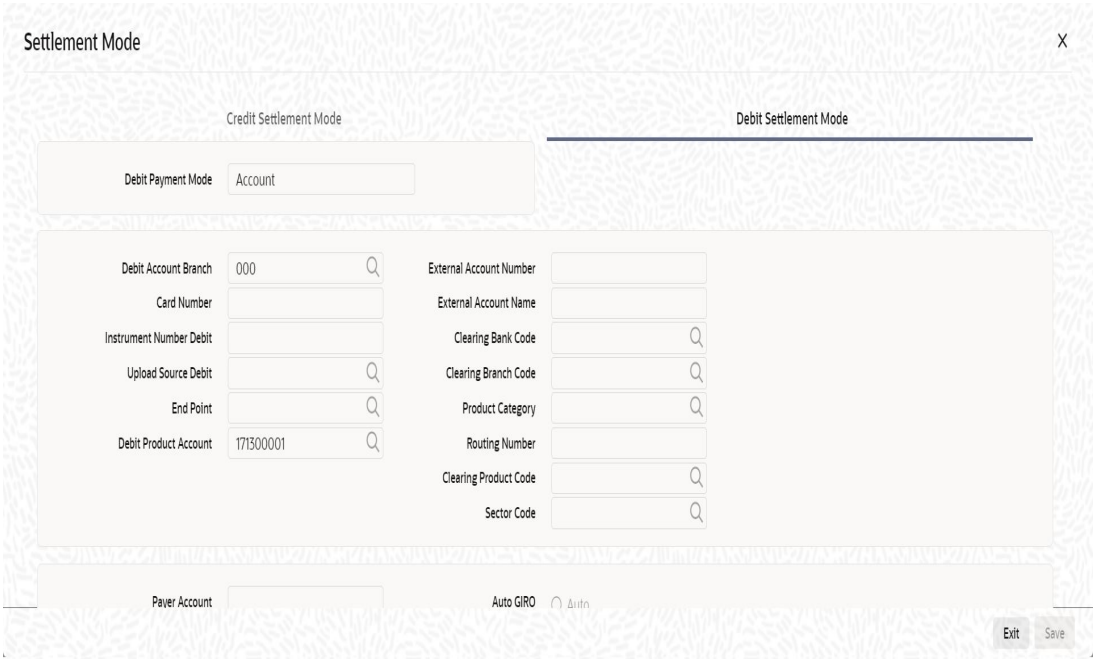
> **Note**
>
> Oracle FLEXCUBE books the online revaluation entries based on the difference in exchange rate between the negotiated cost rate and transaction rate.

Original Exchange Rate

The base or actual exchange rate between the account currency and settlement currency gets displayed here.

Debit Settlement Mode Tab

You can specify the debit settlement details under the 'Debit Settlement Mode' in the 'Settlement Mode' screen.



Here you can specify the following details:

Debit Payment Mode

Select the Debit payment mode from the adjoining drop-down list. The list displays the following values:

- CASA
- Credit Card
- Clearing
- Debit Card
- External Account
- Electronic Pay Order
- GIRO
- Internal Cheque
- Instrument

- Cash/Teller
- PDC

Note

If the Debit Settlement mode is selected as PDC, then the other debit settlement details are not maintained.

If the debit Settlement is PDC then the liquidation mode of the component should be manual.

The Debit Settlement can be chosen as PDC only when contract is amortized.

Debit Product Account

Specify the account number of the debit product.

To view the joint holder's details of an account and the mode of operation maintained at the account level, place the cursor on the Debit Product Account field and press Ctrl+J. The system displays the 'Joint Holder' screen.

For more information on the 'Joint Holder' screen refer to the section 'Joint Holder Maintenance' in the core User Manual.

Debit Account Branch

Specify the name of the branch in which the debit account should be maintained.

Instrument Number Debit

Specify the instrument number that should be used for debit payment.

Upload Source Debit

Specify the upload source that should be used for debit payment.

End Point

Specify the end point maintained in the clearing system. The adjoining option list displays all valid end points maintained in the system. You can choose the appropriate one.

External Account Number

Specify the external account number.

External Account Name

Specify the name of the beneficiary who is holding the external account.

Clearing Bank Code

Specify the code of the external bank that should be used for clearing maintenance. The adjoining option list maintains all valid banks maintained in the system. You can choose the appropriate one.

Clearing Branch Code

Specify the branch code of the specified external bank that should be used for clearing. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Product Category

Specify the category of the product. The adjoining option list displays all valid products maintained in the system. You can choose the appropriate one.

Routing Number

Specify the routing number of the specified branch for clearing.

Clearing Product Code

Specify the product code that should be used for clearing. The adjoining option list displays all valid code maintained in the system. You can choose the appropriate one.

Sector Code

Specify the code of the sector that should be used for clearing. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Payer Account

Specify the account from which the amount should be paid.

Payer Bank Code

Specify the code of the payer's bank that should be used for the payment of amount.

Payer Branch

Specify the branch of the specified payer's bank that should be used for the payment of amount.

Payer Bank Address 1-4

Specify the address of the bank that should be used for the payment of the amount.

GIRO Number

Specify the GIRO number of the corporate customer.

Bank GIRO

Indicate the type of bank GIRO that should be used for corporate customers. You can select one of the following:

- Bank GIRO
- Plus

Auto GIRO

Indicate the type of the Auto GIRO for automatic direct debit. You can select one of the following values:

- Auto
- Manual

Exchange Rate

For a customer availing any Relationship Pricing scheme, the customer specific exchange rate derived by adding the original exchange rate and the customer spread maintained for the relationship pricing scheme gets displayed here.

You can change the defaulted rate provided the change is within the variance level maintained for the underlying product.

If Relationship Pricing is not applicable, Exchange Rate will be the same as the Original Exchange Rate.

For more details on customer specific exchange rates, refer the section titled 'Specifying Pricing Benefit Details' in Relationship Pricing user manual.

Negotiated Cost Rate

Specify the negotiated cost rate that should be used for foreign currency transactions between the treasury and the branch. You need to specify the rate only when the currencies involved in the transaction are different. Otherwise, it will be a normal transaction.

The system will display an override message if the negotiated rate is not within the exchange rate variance maintained at the product.

Negotiated Reference No

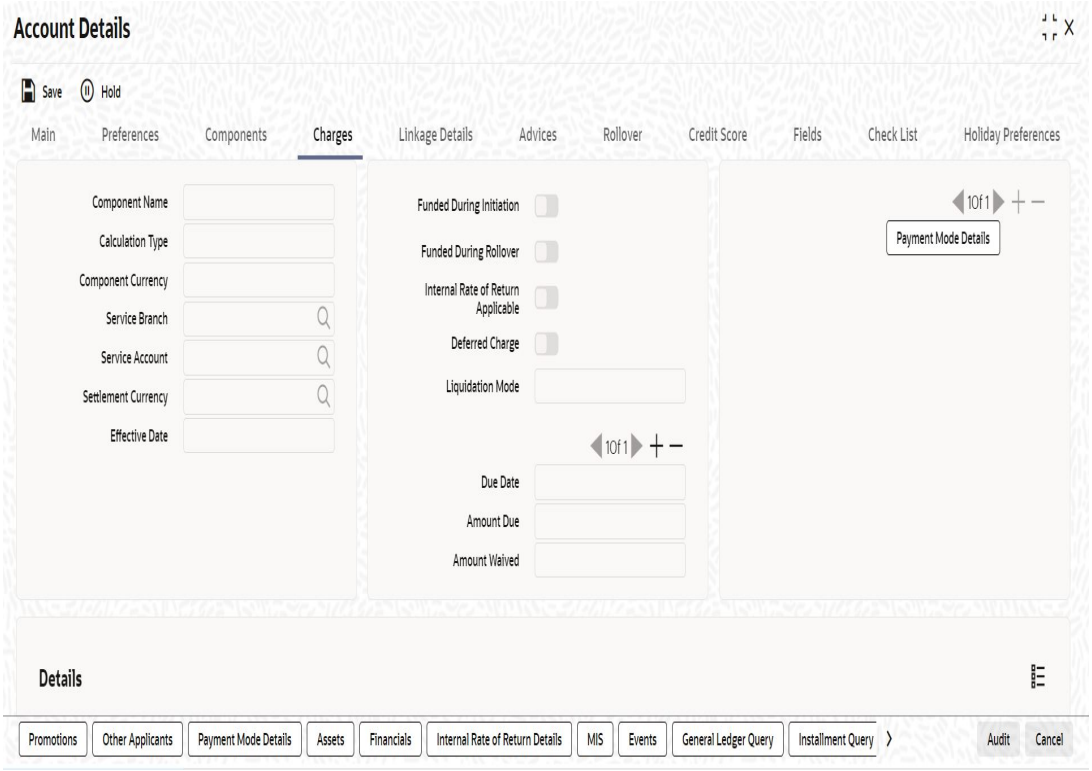
Specify the reference number that should be used for negotiation of cost rate, in foreign currency transaction. If you have specified the negotiated cost rate, then you need to specify the negotiated reference number also.

> **Note**
>
> Oracle FLEXCUBE books the online revaluation entries based on the difference in exchange rate between the negotiated cost rate and transaction rate.

8.3.6 Charges Tab

In order to calculate the charges that we would like to levy on an account, we have to specify the basis on which we would like to apply charges.

The Charges tab is displayed where you can view/modify the charges to be levied on the account.



For more details on charges tab refer section 'Charges Tab' under 'Loan Account Creation' in Account Creation chapter in this user manual

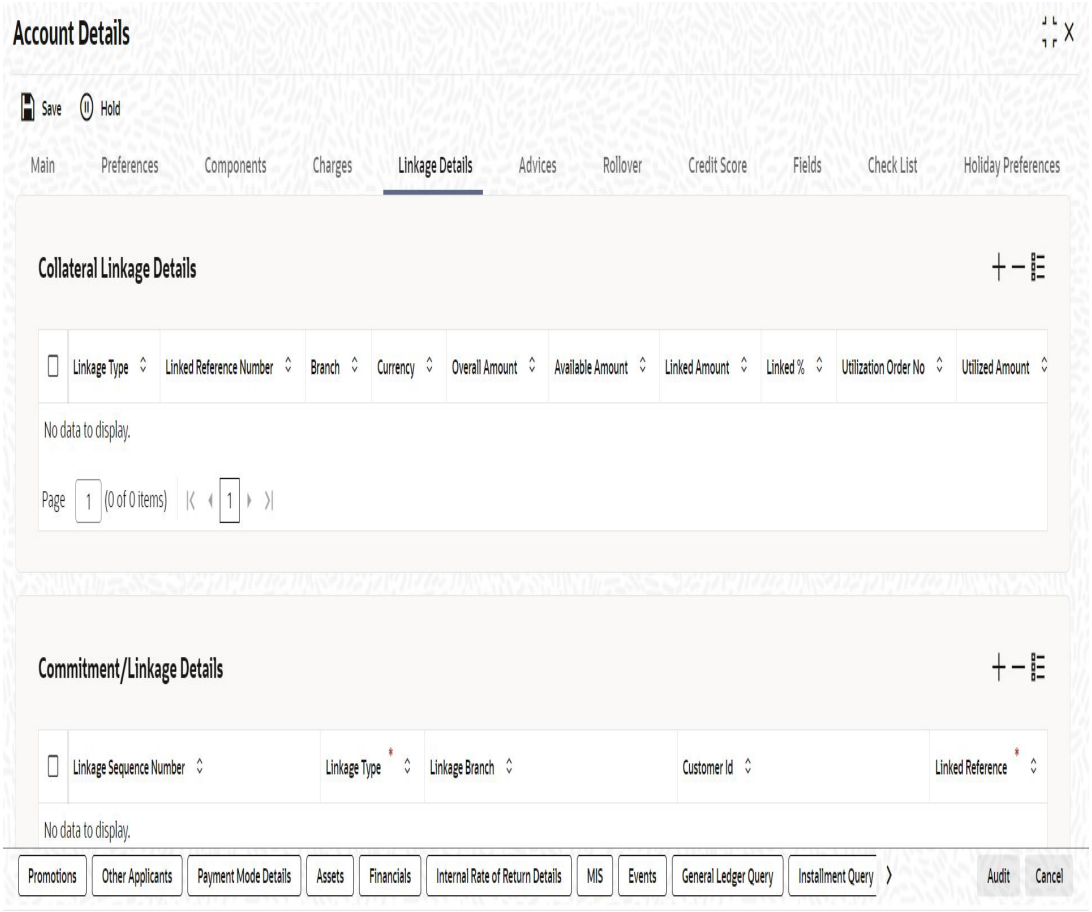
You can capture the following details in this screen:

Amt. Waived

The amount displayed here is the amount that needs to be waived as the discount offered to the customer.

8.3.7 Linkages Tab

Click the ‘Linkage Details’ tab to maintain the linkage details and remarks for VAMI. The screen is displayed below:



While saving an account amendment:

- If the ‘Linkage Type’ is ‘New Collateral’, then the system creates and authorizes the collateral with ‘Collateral Type’ as ‘Normal’ and assigns the Liability ID of the customer. However, you can manually create collateral with different type and link it to the account.
- The system validates if the sum of Principal Increased and Principal Outstanding Amount is greater than the Linked Amount maintained at collateral linkage details level. If the sum is greater, then the system tracks the remaining amount against the liability ID of the customer, automatically.
- If the new term deposit account (if changed) available balance (i.e, term deposit principal amount - blocked amount (if any)) is less than the linkage amount, then the system displays an error message.
- If the ‘Linkage Reference’ is different from main interest UDE ‘Rate Code’ value, the system displays an error message.
- If the value dated amendment effective date is different from the UDE effective date, then the system displays an error message.
- If the Liability ID does not have sufficient available balance, then the system displays the override message as ‘The liability does not have enough available balance. Do you want to continue?’
- If you de-link the attached commitment and link the new commitment, then the system displays the error message as ‘Account is already Linked, Cannot Delete'.

While deleting an account amendment, the system re-instates the collateral if it is utilized by the account and closes the collateral, created new, automatically.

If the linked reference number is not utilized, you can delete the linkage details and modify the linked amount and linked percentage.

On authorizing account amendment:

- The system releases lien on the old term deposit account (if changed) and marks a lien on the new term deposit account by the linkage amount with 'Amount Block Type' as 'Loan'.
- Under 'Linkage Details', the system defaults the block reference number as the amount block reference number of the term deposit account.
- If the interest rate has changed, the system starts accruals based on the new rate

Note

You can amend the field 'Partial Block Release' as part of value dated amendment.

In case of principal increase, the system will check the principal amount against the linked term deposit account available amount. If the term deposit account amount is not sufficient, then the system displays an error message.

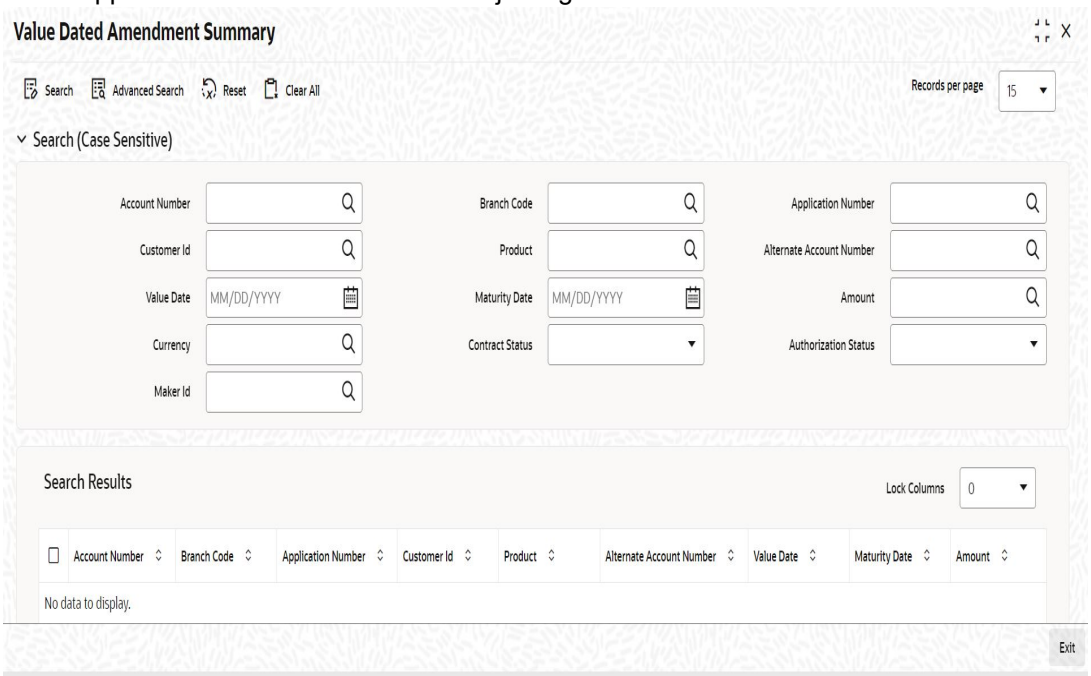
For more details and the field explanation of each tab, refer to the section 'Creating a Loan Account' in 'Account Creation' chapter of this User Manual.

While saving the transaction, if you have modified the Rate Code or the UDE value, the system displays configurable override messages. These overrides are displayed during subsequent modifications of the interest rate. You can also configure overrides for Dual Authorization to be displayed at Contract and Maintenance level in the 'Override Maintenance' screen.

For more information about configuring overrides, refer to the section 'Override Maintenance' in the chapter 'Configuring Overrides' in the Core Services User Manual.

8.3.8 Viewing Value Dated Amendment Details

You can view the value dated amendment summary using ‘Value Dated Amendment Summary’ screen. To invoke this screen, type ‘CLSACCVM’ in the field at the top right corner of the Application tool bar and click the adjoining arrow button.



You can click ‘Search’ button to view all the pending functions. However, you can to filter your search based on any of the following criteria:

Account Number

Select the account number from the option list.

Application Number

Select the application number from the option list.

Product

Select the product code from the option list.

Value Date

Specify the value date.

Amount

Select the contract amount.

Contract Status

Select the status of the contract from the drop-down list.

Branch Code

Select the branch code from the option list.

Customer Id

Select the customer Id from the option list.

Alternate Account Number

Select the alternate account number from the option list.

Maturity Date

Specify the value date.

Currency

Select the currency of the transaction from the option list.

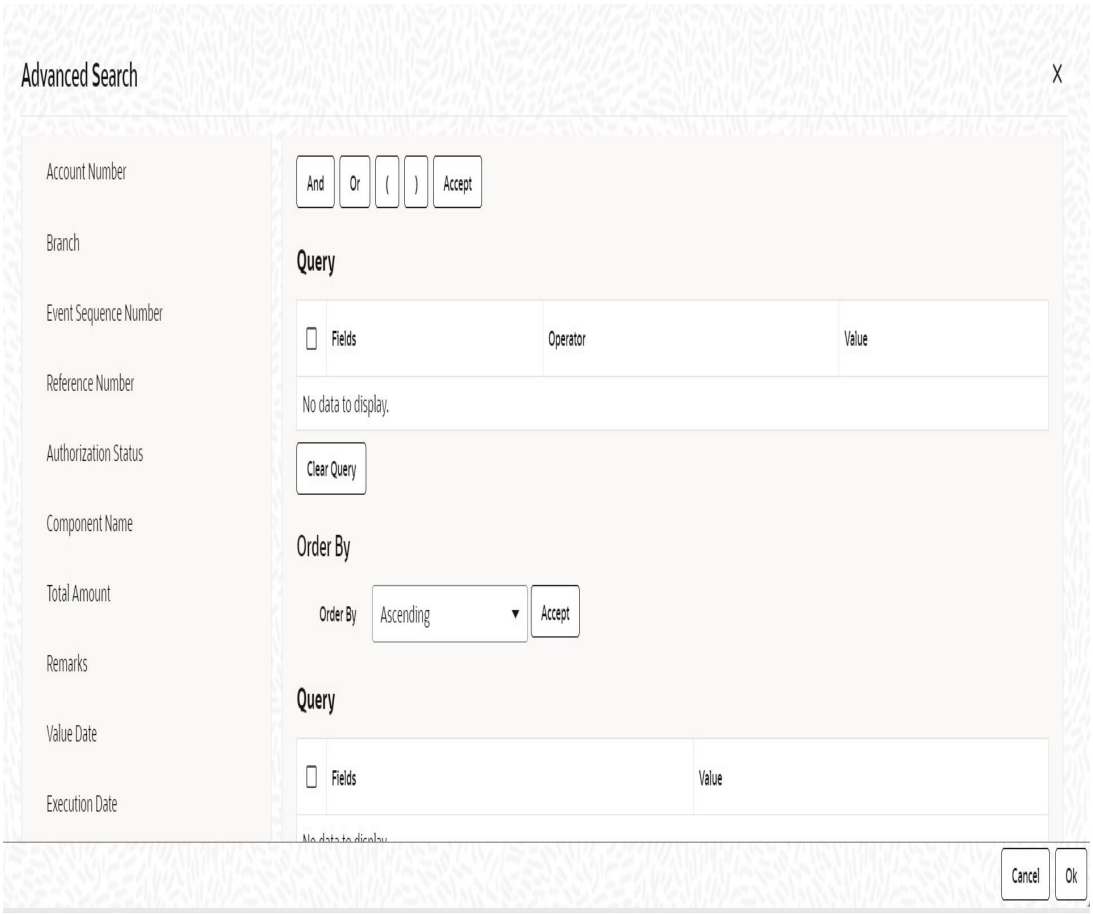
Authorized

Select the authorization status of the contract from the drop-down list.

When you click ‘Search’ button the records matching the specified search criteria are displayed. For each record fetched by the system based on your query criteria, the following details are displayed:

- Account Number
- Branch Code
- Application Number
- Customer Id
- Product
- Alternate Account Number
- Value Date
- Maturity Date
- Amount
- Currency
- User Defined Status
- Contract Status
- Authorized

Click ‘Advanced Search’ to display the screen below:



You can query a contract based on any of the following details:

- Account Number
- Branch Code
- Application Number
- Customer Id
- Product
- Alternate Account Number
- Value Date
- Maturity Date
- Amount
- Currency
- User Defined Status
- Contract Status
- Authorized

8.3.9 Amending Commitments

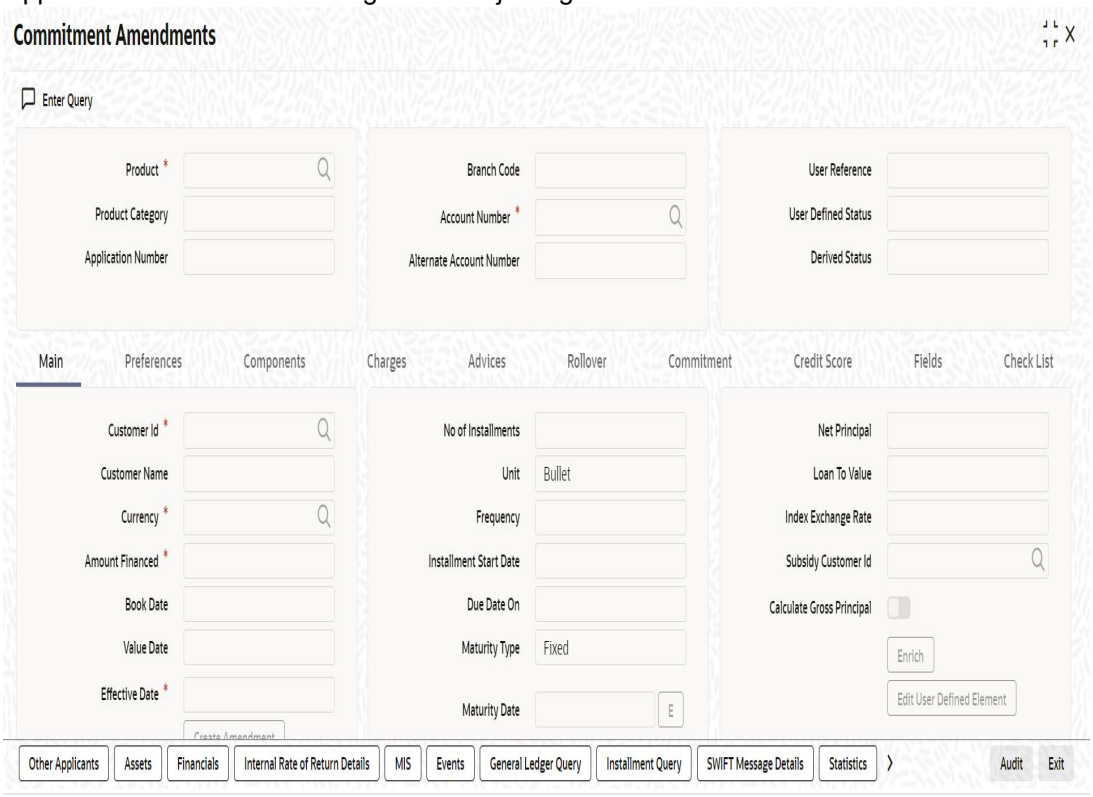
Once a Commitment is entered and authorized, changes to the Commitment account can be done through the 'Commitment Amendments' screen. These amendments are based on an effective date and hence are called Value Dated Amendments (VAM).

Oracle FLEXCUBE allows you to change the credit limit using the value dated amendments screen on or before the maturity date of the loan account. You can also change the maturity

date for an open line loan using the value dated amendments screen with a back valued effective date.

For open line loans, the account rollover is restricted.

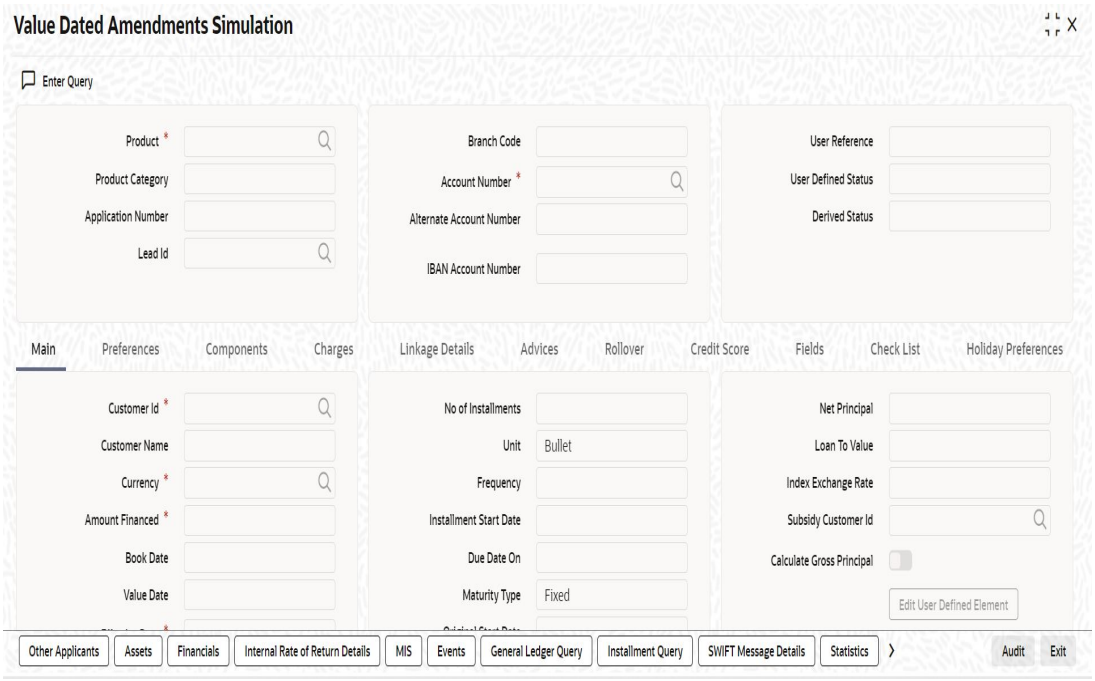
You can invoke this screen by typing ‘CLDCMTVM’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



For more details on the field explanation of each tab refer section ‘Creating a Commitment Account’ in the ‘Account Creation’ chapter of this User Manual. Also refer to the section ‘Loan Amendments’ in this chapter.

8.3.10 VAMI Simulation

Value Dated Amendment simulation calculation function is used to get the details of the VAMI charge before applying the same. You can invoke this screen by typing ‘CLDSIMVM’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The Value Dated Amendment Simulation screen is similar to 'Amendments' screen.

For more details on the field explanation refer section 'Creating a Loan Account' in 'Account Creation' chapter of this User Manual. Also refer 'Loan Amendments' section in this chapter.

8.3.10.1 Maturity Date Change

The Amendment of the Loan account maturity date, effective on a certain date can be performed through this function. Future schedules are affected based on the effective date. This assists in providing schedules as per the customer's choice. Hence, even if an extension is sought, the interest increase in the installment can be postponed till a certain period to facilitate customer's liquidity situation.

8.3.10.2 Version Creation

Version numbers are created for a loan account during any one of the following three instances:

- When amendments made to the Account parameters – Principal, Rate and Tenor
- Rollover of the Loan product

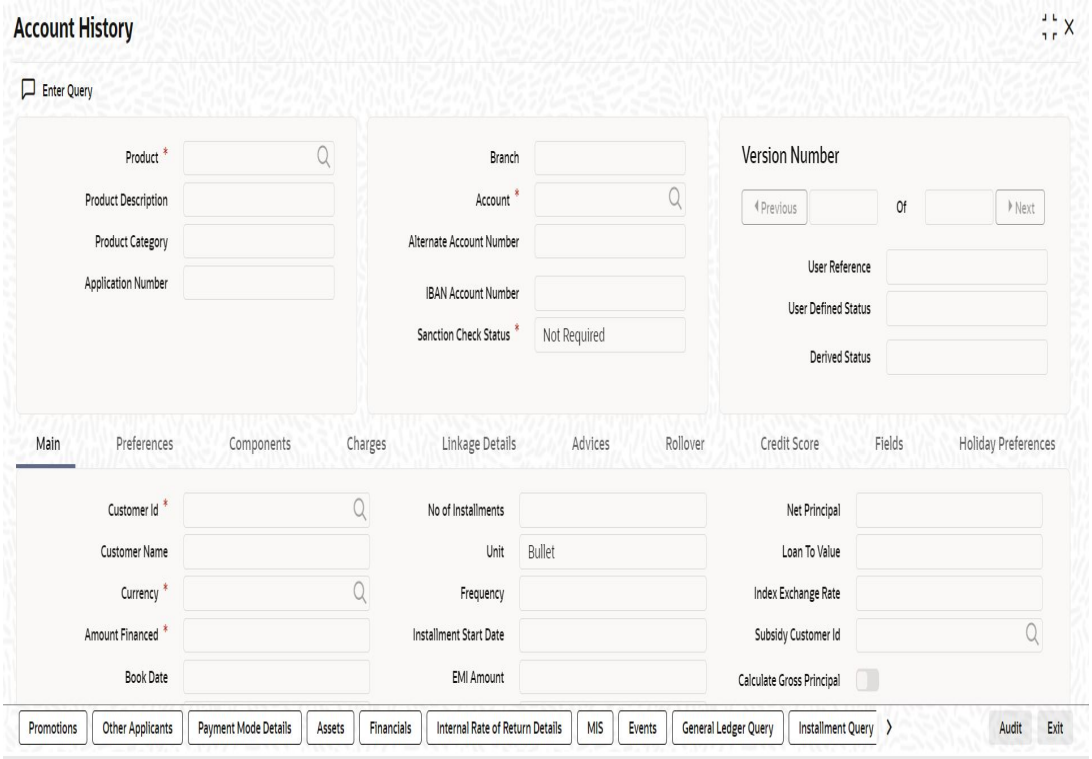
While saving the transaction, if you have modified the Rate Code or the UDE value, the system displays configurable override messages. These overrides are displayed during subsequent modifications of the interest rate. You can also configure overrides for Dual Authorization to be displayed at Contract and Maintenance level in the 'Override Maintenance' screen.

For more information about configuring overrides, refer to the section 'Override Maintenance' in the chapter 'Configuring Overrides' in the Core Services User Manual.

8.4 Viewing Account Version History and Reversal

Multiple versions created for a loan account can be viewed through the 'Account–View History' screen. Reversal of operations to previous version is supported for Rollovers and Amendments that create a new version. You can invoke this screen by typing 'CLDACHTY'

in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The CL module has the following features:

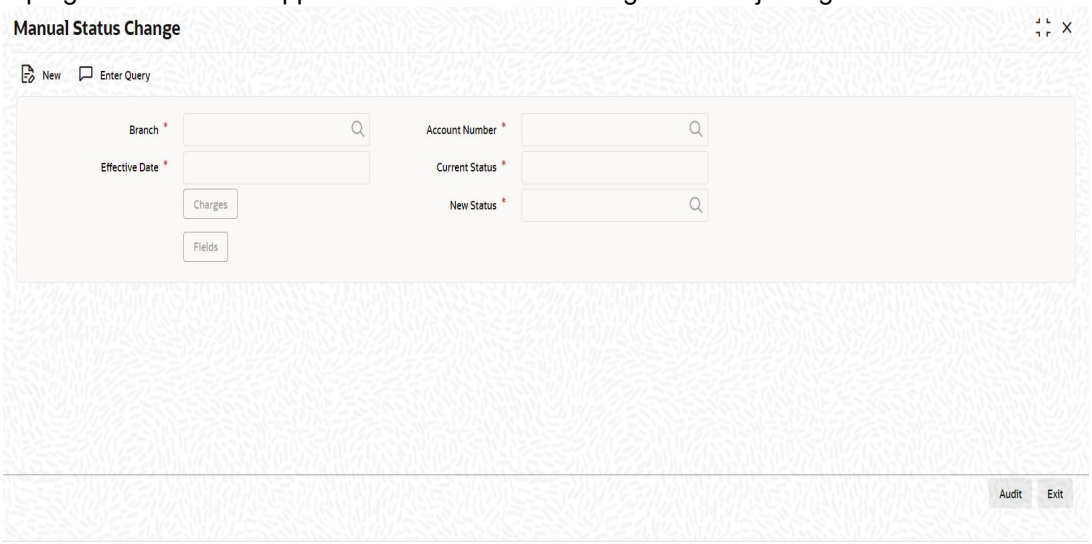
- Oracle FLEXCUBE CL module Loan accounts have in-built versioning features.
- Contract parameters and hence the loan behaviour are modified based on operations such as Value dated amendments, Contract amendments, Rollovers etc., thus creating a new version.
- Any version of the loan can be backtracked sequentially to a previous configuration by saving the versions in history and by changing the events diary appropriately.
- This can be viewed by scrolling to the appropriate version number.
- Oracle FLEXCUBE supports an incremental reversal of contract version. While reversing, all the events will be reversed and the balances are appropriately affected.
- When you click Reversal icon in the toolbar, the options presented are Entire Contract and Current Version.
- For a single step reversal, all authorized entries and maintenances are reversed through this operation. A new version is created and a new event REVV – Reverse Version is triggered.
- It is also possible to forward track the same changes after back tracking
- If the entire contract is to be reversed, REVC fires when the version to be reversed is the First version.
- If the reversal is an account reversal, then the system will re-instate linked linkage for the equivalent of the amount disbursed.
- If the reversal is a payment reversal, then the system will utilize linked linkage for the equivalent of the amount paid.

Refer the 'General Maintenance' Chapter of this User Manual for further information on the 'Account Details Screen' and 'Version Control'.

8.5 Manual Status Change

The status change can also be triggered manually. The record on the 'Manual Status Change' screen is enabled only as on the current value date. The value date should not be backdated or future-dated.

You can invoke the ‘Manual Status Change’ screen by typing ‘CLDSTACH’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The following details are captured here:

Branch Code

Enter the branch code of the account for which the status will be manually changed in this field.

Account Number

Select the account number of the account which needs a status change in this field by clicking the adjoining option list. A list of values is displayed. Double click on a value to select it.

Current Status

The system displays the current status of the Account in this field.

New Status

Select the new status of the account by clicking the adjoining option list. A list of values appears. Double click on a value to select it.

The valid values are active, dormant, closed and so on.

This is a mandatory input.

Effective Date

Enter the date of the new status for the account comes into effect in this field. This is a mandatory input.

> **Note**
>
> When a change in status is done manually for an account, the system will post the required accounting entries for the change immediately.

8.6 Loan Write-Off

This section contains the following topics:

- Section 8.6.1, "Processing Write-Off Status"
- Section 8.6.2, "Partial Write Off"
- Section 8.6.3, "Processing Recovery"

8.6.1 Processing Write-Off Status

Oracle FLEXCUBE handles 'Write-off' as a separate 'Status' with highest adversity level. If the status change has to be on a specific date, then you can manually change the status and move the account to 'Write-off' status. The system also maintains accounting entries for the transfer of the balance from the normal/real GLs to the contingent GLs. When status changes to 'Write-off', 'Contingent Accrual' option is selected for 'Accrual Preferences' to stop the accrual on the normal/real GL and continue the accrual on the contingent GL.

Oracle FLEXCUBE maintains an appropriate rule for the Status Change, Payment, and Accrual events based on the accounting entries and appropriate 'Role to Head Mapping' for the accounting roles, to enter the Real or the Contingent GL based on Contract Status.

8.6.2 Partial Write Off

The bank considers writing off a loan when a customer is in arrears for a very long time. It then moves the status of such loan to 'Write Off' which is the worst status for a Loan. Oracle FLEXCUBE system follows the normal liquidation order for write offs.

The CL module in Oracle FLEXCUBE allows for writing off a loan partially. You can then at any point of time irrespective of the contract status write off a partial amount of the loan.

The following points are noteworthy in a Partial Write Off scenario:

- During a Partial Write Off a transaction triggers the movement of Principal and Income Receivables.
- A customer is liable to pay the complete outstanding amount against a loan even though a partial amount if written off. The bank just uses the Partial Write Off for moving balances from one GL to another.
- A Manual Write Off allows you to choose the amount to be written off.

Note

A Partial Write Off does not necessarily change the status of a loan but that of the ledger to the extent of partial write off amount.

Whenever a partial write off is done on a loan account, the PWOF event is triggered. Based on the accounting entries maintained for PWOF event at the Product level accounting entries will be booked. For all Credit Legs maintained for the PWOF event you should choose to split balances. Split Balances maintained for the Credit Legs of the PWOF Event are always 'YES'.

Amount Tag <COMPONENT_NAME>_PWOF is made available for framing accounting entries towards Real GLs movement while Amount Tag <COMPONENT_NAME>_PWOF_CONT is made available towards framing accounting entries for Contingent GL Movement.

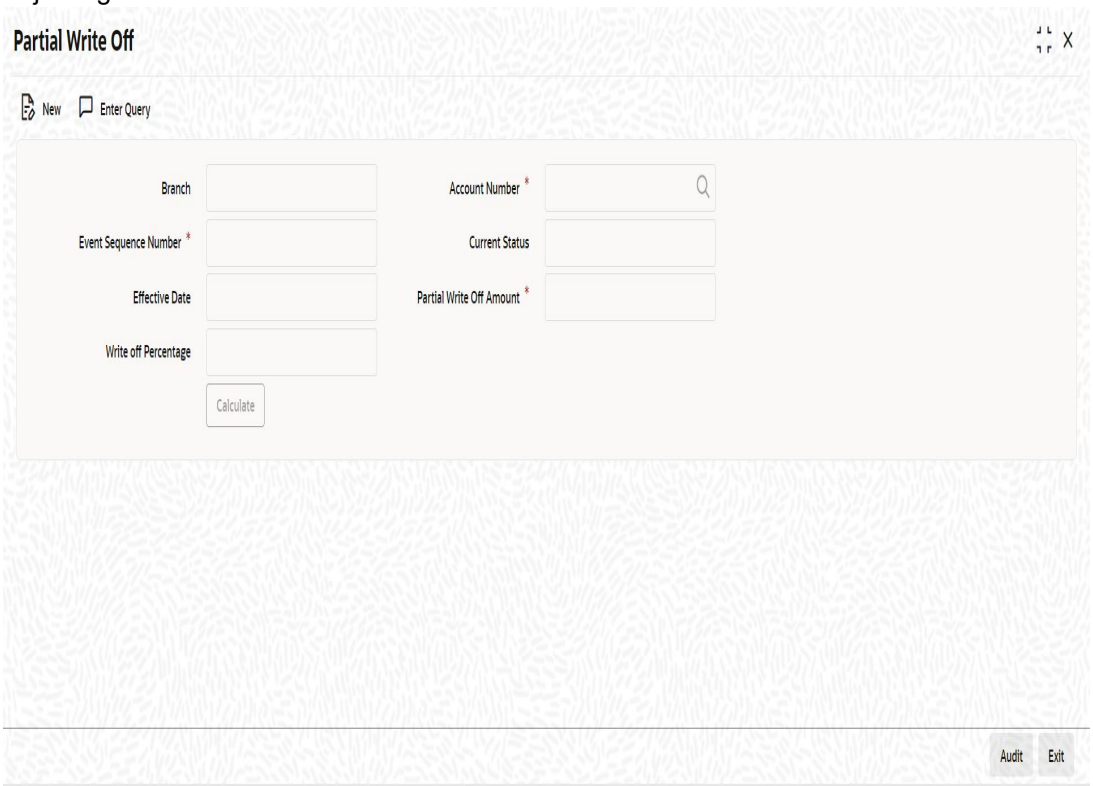
Some sample amount tags and accounting roles available for framing accounting entries for the PWOF event are as shown below:

Accounting Role	Amount Tag
MAIN_INTEXP_NORM	MAIN_INT_PWOF
MAIN_INTREC_NORM	MAIN_INT_PWOF
LOAN_AC-COUNT_OVD1	PRINCIPAL_PWOF
PRINCIPALEXP_OVD1	PRINCIPAL_PWOF
PRE_PENEXP_NORM	PRE_PEN_PWOF
PRE_PENREC_NORM	PRE_PEN_PWOF
CONT_W_DOUB	MAIN_INT_PWOF_CONT
CONT_SUBS	MAIN_INT_PWOF_CONT

For more details on maintaining events and accounting entries at Product level refer section titled 'Events Tab' and 'Defining Accounting Entries' respectively in the chapter titled 'Defining Product Categories and Products' in this User Manual.

8.6.2.1 Manual Partial Write Off

A partial write off on a loan account is possible at any time during the life cycle of a CL contract irrespective of its status. You can manually initiate a partial write off for a loan account using the 'Partial Write Off' screen. You can invoke the 'Partial Write Off' screen by typing 'CLDPWOFF' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The following details are captured here:

Branch Name

The current branch code is defaulted here. You can initiate a Partial Write Off only from the current branch.

Account Number

Select the appropriate account number from the option list provided. The option list displays all the accounts belonging to the current branch.

Effective Date

This is the date from which the partial write off on the loan account should become effective. The current application date is defaulted here.

Current Status

The current status of the selected loan account is displayed here.

Write Off Percentage

Specify the percentage of loan amount that has to be partially written off and click 'Calculate' to allow the system to determine the write off amount basis the total outstanding amount. This is optional.

Partial Write Off Amount

Specify the loan amount to be partially written off. If you have already specified the write off percentage then system will calculate the write off amount calculated based on the percentage provided on total outstanding.

Saving the write off transaction triggers the PWOF event and system passes accounting entries based on the accounting entries maintained at the product level in accordance with the account status. If the CL account currency and component currency are different, accounting entries are always passed in the component currency.

Upon executing a write off, the amount specified is split across components based on the liquidation order..The account entry is then passed for components with the latest severity respectively, so that such balance is picked up first if subsequent payment happens. For subsequent payments after a write off, system first considers the previously written off balance and then the written off amount for balancing.

Note

The write off amount is split across components and not schedules.

In the scenario of a status change after write off, balance movement happens in the Normal Asset GL and the Partial Write Off GL. If a Contingent GL accrual precedes a write off then the Contingent GL balance is moved to a Contingent Write Off GL as defined in the PWOF accounting entry definition. The real balances are in turn moved to the Real Write Off GL.

8.6.3 Processing Recovery

If there is a payment to an account in 'Write-off' status and interest income is reversed, then you can recover the amount at the 'Manual Disbursement' level. After recovery of the amount, if appropriate accounting entries are maintained with 'Split Balance', then the system automatically updates the balance in different GLs, maintained based on the amount paid or recovered.

8.7 Loan Rollover

This section contains the following topics:

- Section 8.7.1, "Specifying Loan Rollover Preference"
- Section 8.7.2, "Capturing Manual Rollover Details"
- Section 8.7.3, "Rollover/Renegotiation Tab"
- Section 8.7.4, "Linkage Details Tab"
- Section 8.7.5, "Saving and Authorizing Manual Rollover Details"
- Section 8.7.6, "Capturing Split Rollover Details"
- Section 8.7.7, "Capturing Consolidated Rollover Details"
- Section 8.7.8, "Capturing Inactive Rollover Details"

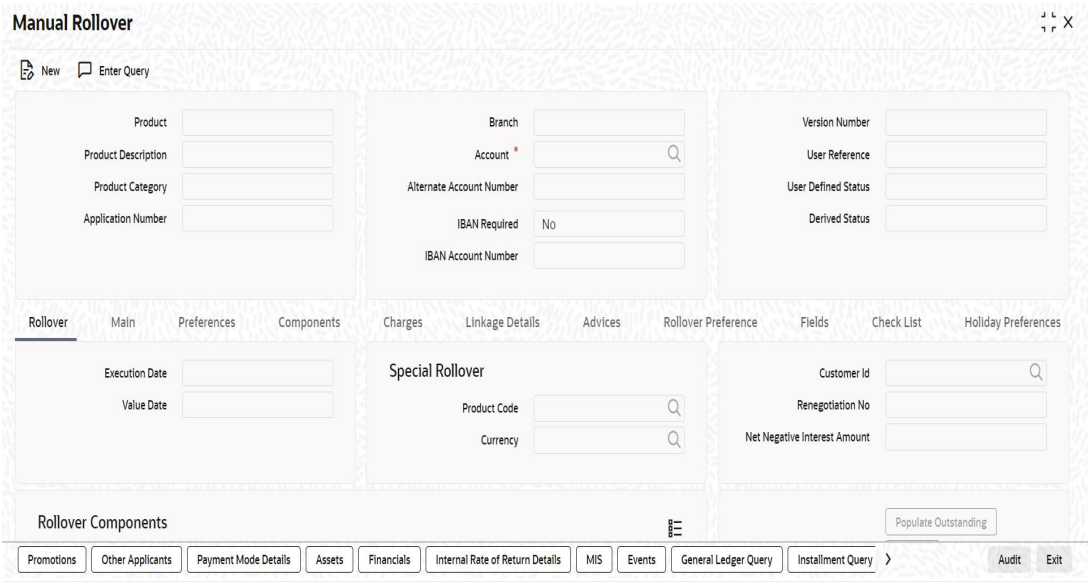
8.7.1 Specifying Loan Rollover Preference

The rollover preferences and rollover type for a loan account are specified at the time of setting up a product. In the product screen, you have the option to rollover the account manually or instruct the system to do an automatic rollover. You can also specify the type of rollover; the options available are custom and special. When a loan is rolled over, a schedule is defaulted depending upon the UDE type and the schedule basis specified in the product screen.



Refer to the Products Chapter for more details on rollover specifications for loan accounts.

The rollover preferences specified at the product level are defaulted in the accounts screen at the time of loan account creation.



Refer to the Account Creation chapter for more details on rollover specifications for loan accounts.

CL module has a special operations screen to support manual Rollover of accounts. This screen provides facility to pay off dues on the loan and also options to rollover the unpaid amounts for a new tenor with new loan terms.

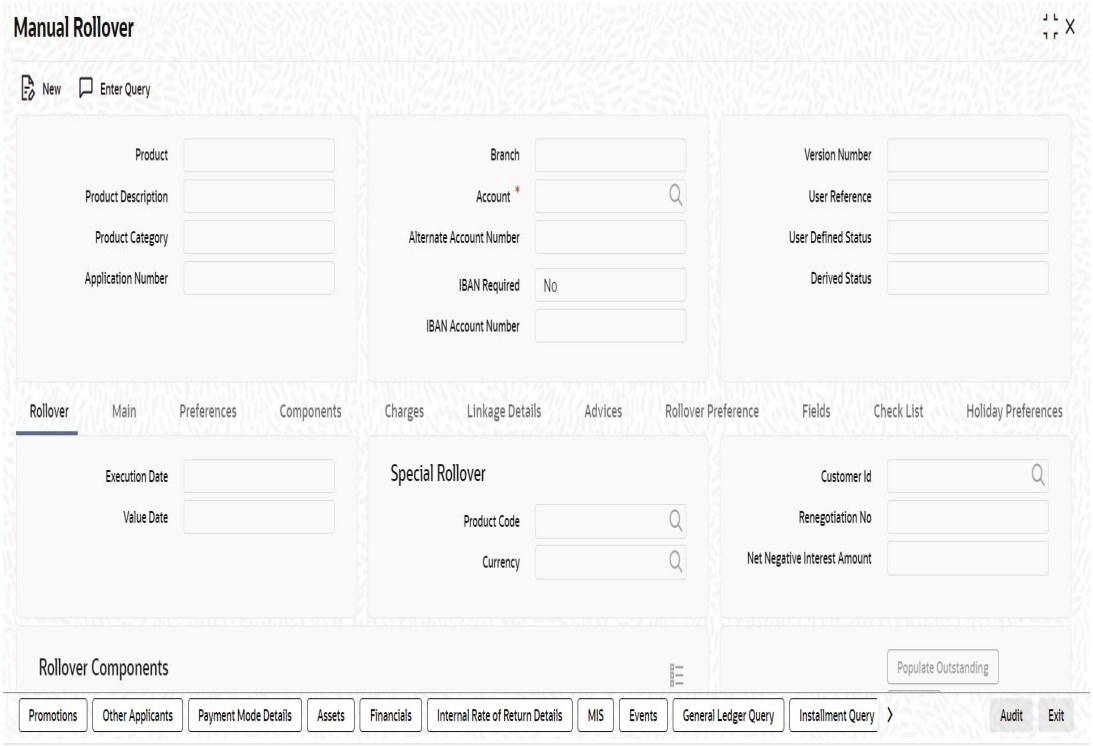
If the Rollover is a simple maturity extension with or without components (Outstanding Principal, Interest etc) capitalized, then the ROLL event is fired. However, if the Rollover is a result of Renegotiation and Restructuring of the loan then the respective events are fired.

Special Rollovers involve a change in the Loan currency, reassignment of the Loan customer, creation of a new loan with same reference number as the original loan and waiver of outstanding loan. These are supported by events that fire the respective accounting entries.

The special Rollover Event is SROL and Renegotiation of a loan is RNOG. The event entries to be maintained are displayed in the product defaulting.

8.7.2 Capturing Manual Rollover Details

You can invoke the 'Manual Rollover' screen by typing 'CLDMNROL' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Query for the account number that needs to be rolled over and then click New icon in the toolbar. Select the lead ID from the adjoining option list if the principal increase is done to process an associated top up lead. The system displays all the lead IDs in which the 'Top up Lead' option is checked in the prospect details screen (ORLEADM). When there is a principal increase through manual rollover, value dated amendment, renegotiation, then the lead ID status will be updated as 'CONVERTED'. The history tab of ORDLEADM will be updated with 'SYSTEM' Id. Then, click on the 'Populate Outstanding' button. The system will display the outstanding against each component for the account. You can then specify the rollover details such as 'Liquidation Amount', 'Settlement Details' etc. Then, click 'Allocate' button to actually allocate the settlements against the components involved.

8.7.3 Rollover/Renegotiation Tab

You can specify the following details in the Manual Rollover screen:

Exec Date

Select the transaction date of the rollover in this field.

Value Date

Select the value date of the rollover in this field.

Product code

Select the new product of the account due to Special Rollover, from the adjoining option list. Double click on a value to select it.

Currency

Select the new currency of the account due to Special Rollover from the adjoining option list. Double click on a value to select it.

Customer ID

Select the customer Id from the list of values provided. Double click on a value to select it.

Renegotiation No

The system displays the renegotiation count. This is the number of renegotiations that are already performed on the loan account.

Net Negative Interest Amount

The system displays the net negative interest amount.

Component Details

The following details are captured here:

Component Name

The system displays the name of the component that is being rolled over / paid in this field.

Amount Outstanding

The system displays the outstanding portion of the component in this field.

Liquidation Amount

Enter the amount that is paid as part of the Rollover in this field.

Principal Increase Amount

Enter the amount that is rolled over for the component in this field.

Waive Amount

Enter the amount that is waived for the component as part of the rollover in this field.

Debit Details/Credit Details

The following details are captured here:

Mode

Select the mode in which the settlement should be done from the adjoining drop-down list. The list displays the following values:

- CASA
- Credit Card
- Clearing
- Cash/Teller

Currency

Select the currency in which a particular settlement is to be made from the adjoining option list. Double click on a value to select it.

The options include list of currencies allowed for the product, branch and category.

Amount Settled

Enter the amount to be disbursed in this mode as a part of the disbursement.

Note

The amount should be less than the difference between Disbursement amount and the amount settled through other modes. The amount should be in terms of the mode currency.

Loan Currency Equivalent

The system displays the amount in terms of the loan currency in this field.

Original Exchange Rate

The base or actual exchange rate between the account currency and settlement currency gets displayed here.

Exchange Rate

For a customer availing any Relationship Pricing scheme, the customer specific exchange rate derived by adding the original exchange rate and the customer spread maintained for the relationship pricing scheme gets displayed here.

You can change the defaulted rate provided the change is within the variance level maintained for the underlying product.

If Relationship Pricing is not applicable, Exchange Rate will be the same as the Original Exchange Rate.

For more details on customer specific exchange rates, refer the section titled 'Specifying Pricing Benefit Details' in Relationship Pricing user manual.

For Dr Settlement, the following details can be captured depending on the settlement mode:

For 'CASA'

- Settlement Branch
- Settlement Account

For 'Credit Card' and 'Debit Card'

- Card No.

For 'Clearing'

- Upload Source
- Instrument Number
- Clearing Product
- End Point
- Routing Number
- Clearing Bank
- Clearing Branch
- Sector Code
- Clearing House

For 'External Account'

- Upload Source
- Clearing Bank
- Clearing Branch
- External Account Name
- External Account Number
- Clearing House

For 'Electronic Pay Order'

- Instrument Number

For 'Internal Check'

- Instrument Number
- Settlement Branch
- Settlement Account

For 'Instrument'

- Instrument Number
- Routing Number
- End Point

For 'Cash/Teller'

- Upload Source

For Cr Settlement, the following details can be captured depending on the settlement mode:

For 'CASA'

- Settlement Branch
- Settlement Account

For 'Clearing'

- Upload Source
- Instrument Number
- Clearing Product
- End Point
- Routing Number
- Clearing Bank
- Clearing Branch
- Sector Code
- Clearing House

For 'External Account'

- Upload Source
- Clearing Bank
- Clearing Branch
- External Account Name
- External Account Number
- Clearing House

For 'Instrument'

- Instrument Number
- Routing Number
- End Point

For 'Cash/Teller'

- Upload Source

Negotiated Cost Rate

Specify the negotiated cost rate that should be used for foreign currency transactions between the treasury and the branch. You need to specify the rate only when the currencies involved in the transaction are different. Otherwise, it will be a normal transaction.

The system will display an override message if the negotiated rate is not within the exchange rate variance maintained at the product.

Negotiated Reference Number

Specify the reference number that should be used for negotiation of cost rate, in foreign currency transaction. If you have specified the negotiated cost rate, then you need to specify the negotiated reference number also.

Note

Oracle FLEXCUBE books the online revaluation entries based on the difference in exchange rate between the negotiated cost rate and transaction rate.

The CL Module supports the following rollover functions:

Special Rollover

Only manual product and/or currency modifications are allowed during rollover. This is termed as Special rollover.

Following are the two events for special rollover:

SROL – Special Rollover Liquidation

This event has normal liquidation entries as well as the entries to liquidate the amount to be rolled over into suspense.

Amount Tag

<component_name>_SROL

Accounting Role

SROL_SUSPENSE

The entries defined are:

Dr/ Cr	Role	Amount Tag
Dr	DR_SET-TLE_BRIDGE	PRINCIPAL_LIQD
Cr	LOAN_ACCOUNT	PRINCIPAL_LIQD
Dr	DR_SET-TLE_BRIDGE	MAIN_INT_LIQD
Cr	MAIN_INTREC	MAIN_INT_LIQD

Dr	SROL_SUSPENSE	PRINCIPAL_S-ROL
Cr	LOAN_ACCOUNT	PRINCIPAL_S-ROL
Dr	SROL_SUSPENSE	MAIN_INT_SROL
Cr	MAIN_INTREC	MAIN_INT_SROL

REOP – Re-Opening of Loan Account with new product and/or currency

This event has entries to Dr Loan Account and Cr the Dr Settlement suspense. The PRINCIPAL amount tag is used for these entries.

The entries defined are:

Dr/ Cr	Role	Amount Tag
Dr	LOAN_ACCOUNT	PRINCIPAL
Cr	SROL_SUSPENSE	PRINCIPAL
Dr	LOAN_ACCOUNT	PRINCI-PAL_INCR
Cr	CR_SET-TLE_BRIDGE	PRINCI-PAL_INCR

The above two events are triggered whenever Product and/or currency is changed during manual rollover.

The manual rollover screen is used to carry out special rollover. The current product code and currency are shown on the manual rollover tab. If any of this were modified then SROL event is triggered, which in turn triggers REOP, else, a normal ROLL event is triggered.

Note

In case of Product Change, SROL event of the previous product is triggered and REOP event of the new product is fired. Hence the SROL_SUSPENSE maintained should be same across all products.

Pre Mature Rollover

During manual rollover a Rollover Value Date is captured, which is a date prior to the maturity date to pre maturely rollover the loan. The interest is calculated up to the rollover value date. You can choose to liquidate or roll any component. Special Rollover is also allowed.

Back Value dated Rollover

The rollover value date may be used to input back valued rollovers.

Rollover Booking

The ROLB (Rollover Book) event facilitates processing of future dated rollover instructions. A manual rollover, to be executed in the future can be created by giving a future execution date. For such rollover instructions, the ROLB event is fired. The rollover instructions are applied on the execution date. All the settlement entries are passed on the execution date with the rollover value date.

Rollover Tenor

Select any of the following values:

- Days – The Tenor for the Rolled Contract would be taken in terms of days.

Example: Value Date: 01-Jan-2005; Maturity Date: 01-Apr-2005; Tenor: 90 days

New Rolled Maturity Date: 30-Jun-2005

- Months – In Terms of Months

Example: Value Date: 01-Jan-2005; Maturity Date: 01-Apr-2005; Tenor: 3 Months

New Rolled Maturity Date: 01-Jul-2005

- Quarters – In Terms of Quarters

Example: Value Date: 01-Jan-2005; Maturity Date: 01-Apr-2005; Tenor: 3 Months (1 Quarter)

New Rolled Maturity Date: 01-Jul-2005

- Semiannual – In Terms of Semi Annuals

Example: Value Date: 01-Jan-2005; Maturity Date: 01-Apr-2005; Tenor: 6 Months (Semi Annual)

New Rolled Maturity Date: 01-Oct-2005

- Year – In Terms of Years

Example: Value Date: 01-Jan-2005; Maturity Date: 01-Apr-2005; Tenor: 12 Months (Year)

New Rolled Maturity Date: 01-Apr-2006

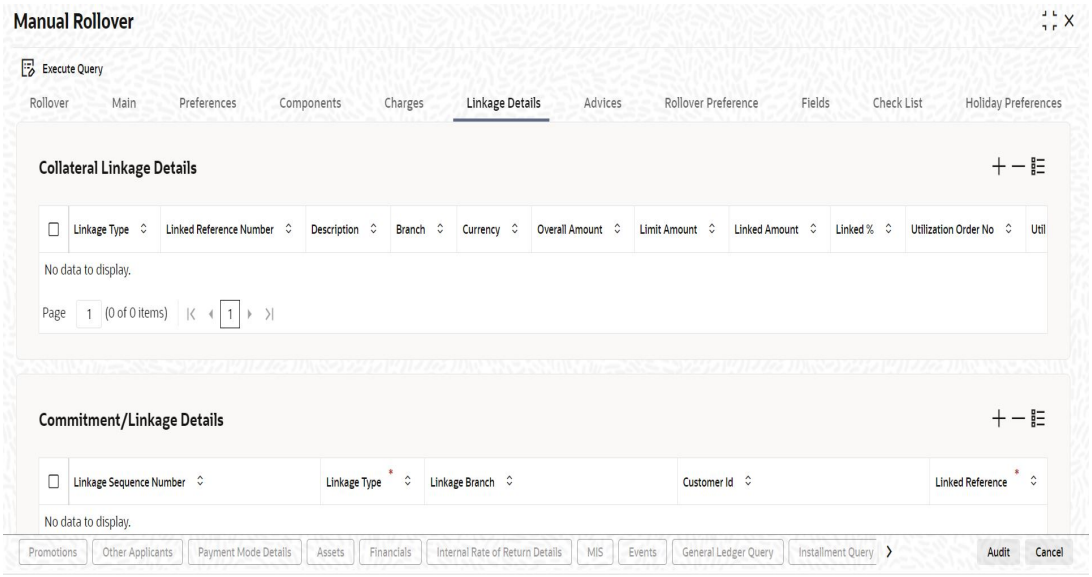
The same field is available on the Account screen and the values are defaulted from product. The defaulted values can be amended.

During rollover of an auto-disbursed loan, swift message is sent if the Principal increase through credit settlement happens. If the credit settlement mode is chosen as CASA, the settlement account, currency and branch along with the Swift message details are defaulted from the account.

In case you change the customer, currency or the product during rollover, system picks up the settlement details again from Settlement Instruction maintenance corresponding to the new parameters. The swift message, if applicable, is generated during authorization similar to manual disbursement.

8.7.4 Linkage Details Tab

Click the ‘Linkage Details’ tab to maintain the linkage details and remarks for the product. The screen is displayed below:



You can maintain the following parameters here:

Collateral Linkage Details

The following collateral details are maintained here:

Re-instatement Order no

Specify a valid order in which you need to re-instate the linkage linked to the account. The system re-instates the linkage in an ascending order.

Status

Status of the collateral is defaulted here.

Linkage/Commitment Details

You can maintain the following linkage details here:

Block Reference Number

The system defaults the reference number of the linkage type deposit.

For more details on field explanation, refer 'Account Creation' chapter of this User Manual.

Note

- You can delete linkage details and modify the linked amount or linked percentage, if the specified linked reference number is not utilized.
- During rollover, if the principal component increases, then the system will utilize the linked linkage amount for the increased amount based on the ascending order of utilization order number maintained in the linkage details section.
- During rollover, if the principal component decreases, then the system will re-instate the linked linkage amount for the decreased amount based on the based on the ascending order of re-instatement order number maintained in the linkage details section.
- During special rollover, if the customer is changed, then the system will reinstate the new collateral/local collateral/line of the old customer and utilizes the new collateral/

local collateral/line of the new customer, for the amount equivalent of the principal outstanding.

8.7.5 Saving and Authorizing Manual Rollover Details

After entering the details in the 'Manual Rollover' screen, click 'Save' icon to save the payment details. On saving the account, the system validates the value of the amount financed against the following:

- Product transaction limit
- User Input limit

If the transaction currency and the limit currency are different, then the system converts the amount financed to limit currency and checks if the same is in excess of the product transaction limit and user input limit. If this holds true, the system indicates the same with below override/error messages:

- Number of levels required for authorizing the transaction
- Transaction amount is in excess of the input limit of the user

You can authorize a manual rollover by clicking the 'Authorize' icon on the Application toolbar.

Note

You cannot authorise from the 'CL Payments' screen in the following cases:

- the contract has multilevel of authorization pending, the same will be done using the 'Multilevel Authorization Detailed' screen
- the level of authorization is greater than or equal to 'N'
- the 'Nth' or the final level of the users authorisation limit is less than the difference between amount financed and sum of the limits of all the users involved in authorizing a transaction, this case holds good when the 'Cumulative' field is checked in the 'Product Transaction Limits Maintenance' screen
- the transaction amount is greater than the authoriser's authorisation limit if the 'Cumulative' field is unchecked in the 'Product Transaction Limits Maintenance' screen

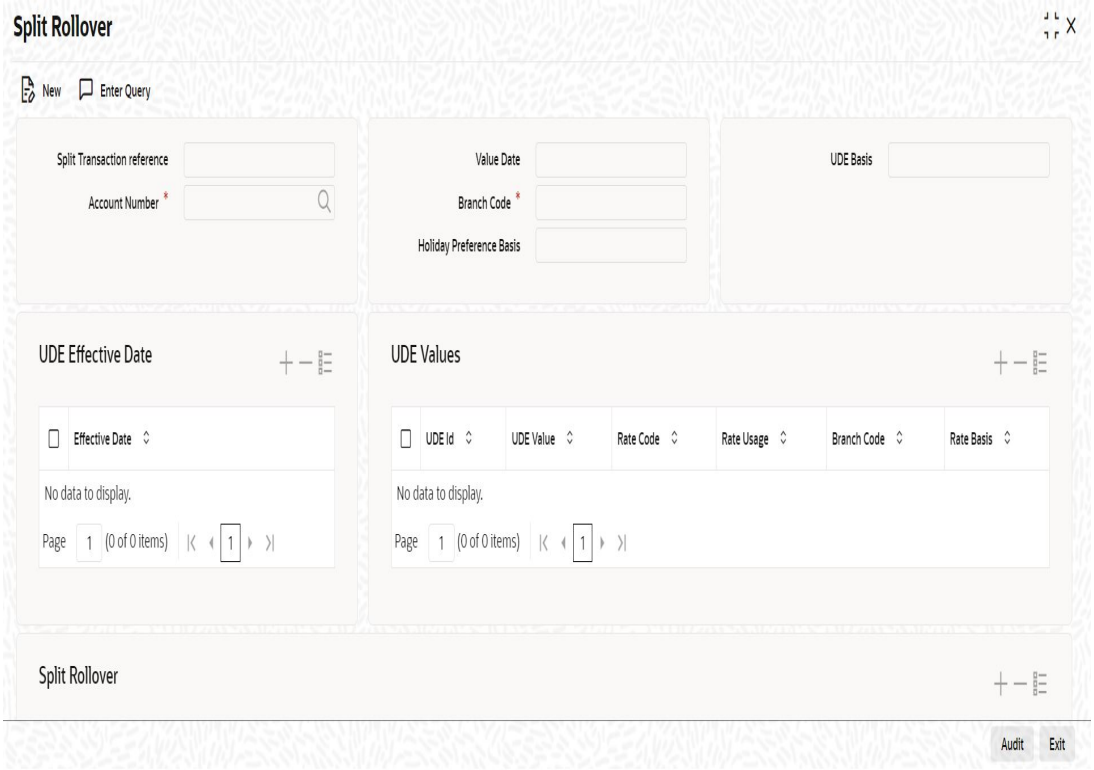
While saving the transaction, if you have modified the Rate Code or the UDE value, the system displays configurable override messages. These overrides are displayed during subsequent modifications of the interest rate. You can also configure overrides for Dual Authorization to be displayed at Contract and Maintenance level in the 'Override Maintenance' screen.

For more information about configuring overrides, refer to the section 'Override Maintenance' in the chapter 'Configuring Overrides' in the Core Services User Manual.

8.7.6 Capturing Split Rollover Details

You can create multiple draw down contracts out of the original draw down contract using the Split rollover method. For each rolled over contract, the system generates a split number. You must indicate preferences for these rolled over contracts in the 'Split Rollover' screen.

You can invoke this screen by typing ‘CLDSPROL’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You need to specify the following details here:

Split Ref No

A unique Split Transaction Reference number is generated by the system to identify the transaction uniquely whenever a new split preference is displayed here.

Account Number

Select a valid loan account for which the split rollover has to be done. All valid loan accounts created using the ‘Account Details’ screen will be available for selection in the option list.

Value Date

Select the value date for the split rollover operation.

Note

Value Date cannot be less than the date of 'ALIQ','MLIQ','REVN', 'VAMI', 'DSBR' events.

Branch Code

The branch code of the loan account for which the split rollover preference is maintained is displayed here.

UDE Basis

Select the UDE basis for the split loan accounts from the drop down list. The UDE for the split loans can be defaulted from the product, parent account or user defined maintenance.

Note

If you select user defined maintenance, then you need to specify the UDE details.

Holiday Preference Basis

Select the holiday preference basis for roll-over account from the drop down list. The list displays the following values:

- Product
- Account.

The default value selected is Account.

Effective Date

Select the effective date for UDE maintenance.

UDE Values

The following details are captured here:

UDE ID

Specify the UDE id here.

UDE Value

Specify the UDE rates here.

Rate Code

Select the rate code to be used for the UDE.

Note

Term deposit is attached to a rate code to link the term deposit interest rate with loan interest rate. When term deposit interest rate changes, the interest rate of the loan account also changes to same rate based on code usage defined for the account.

On save, the system validates summation of all the split account maximum rollover amount with the linked term deposit account available balance (term deposit principal amount - blocked amount (if any)). If the later is less than the former, then the system displays an error message.

On authorization, the system releases the lien on the old term deposit account (liquidated loan account) and marks a lien on the new term deposit account. This lean is marked by the summation of all the split account maximum rollover amount with 'Amount Block Type' as 'Loan'.

On authorization, under Linkage Details, the system defaults the block reference number as the amount block reference number of the term deposit account.

On the day of split rollover, the system populates the linkage details on each split account.

Rate Usage

Select whether the rate code should be periodic or automatic. If you select the rate code usage as periodic, the rate revision schedules will be defaulted from parent loan account. In case rate revision schedule is not maintained at the parent account, then rate revision schedules will be same as the payment schedules.

Split Details

The following details are captured here:

Sequence No

Specify a unique sequence number for each split record.

Split Account No

The split account no which is generated when split rollover operation is done is displayed here. This is generated by the system.

Max Roll Amount

Specify the maximum rollover amount applicable for a split loan account. Among all the splits, the last split sequence no. will have the max roll amount as Null, which is later considered as the remaining principal + interest of the parent loan.

Schedule Basis

Select whether the schedules of the new loan account should be defaulted from the product or the loan account.

Maturity date

Select the maturity date of the split loan account. You can calculate the maturity date using the 'Q' button.

On saving a split rollover the status of the rollover is marked as 'U'- unprocessed. This split operation is performed during authorization of split rollover or during CL batch.

In the parent account a new version is created and the account status is marked as Liquidated. For each of the split detail record, a new CL Loan account is created with the amount as the max rollover amount. The new account will have UDE values, Schedules and Maturity date as per the given preferences for each detail record. For the last split detail record, a new CL Loan account is created with the balance rollover amount.

In some cases due to some prepayment done in the parent account the total amount during rollover is exhausted before the last split account is created. In such a case the new loan account is created only for the available rollover amount. All the newly created Split loan accounts will be made active by the system. The new account numbers generated is updated and displayed in the 'Split Account No' field.

The following events are fired during the different stages:

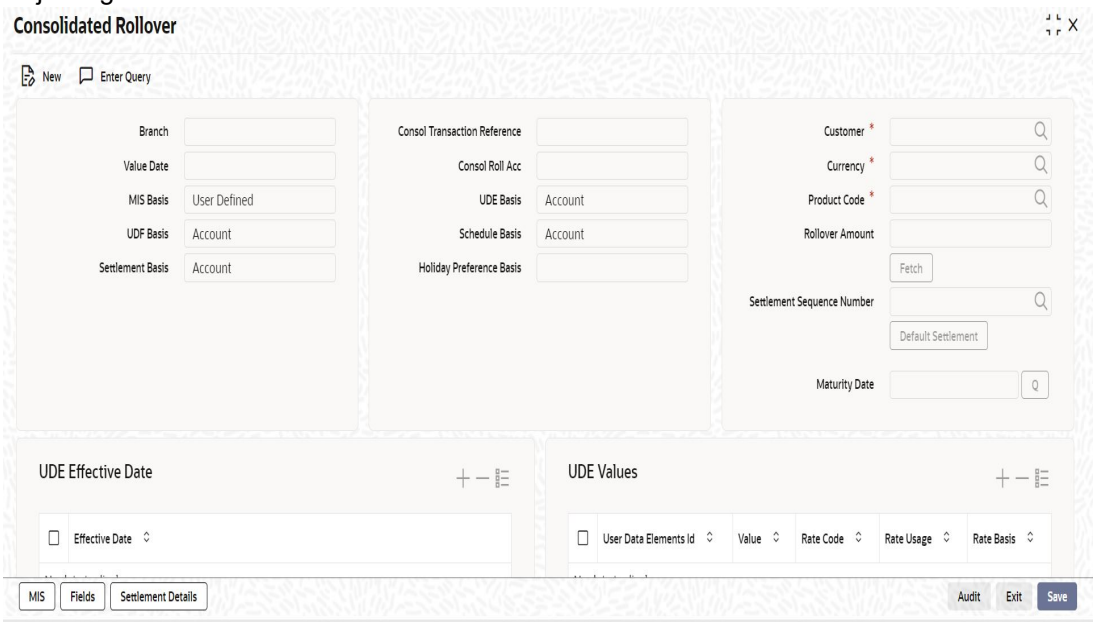
- ROBK event is fired in all the split accounts
- ROLL event is fired in the parent account to trigger the LIQD and ROLL accounting entries.
- ROSL (Rollover Split) event is fired in the parent loan at split rollover

For more information about configuring overrides, refer to the section 'Override Maintenance' in the chapter 'Configuring Overrides' in the Core Services User Manual.

8.7.7 Capturing Consolidated Rollover Details

You can consolidate several loan accounts into a single loan account as part of the rollover operation using the 'Consolidated Rollover' screen. You can invoke this screen by typing

'CLDCNROL' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You need to specify the following details here:

Branch

The branch code of the loan account for which the consolidated rollover preference is maintained is displayed here.

Value Date

Select the value date for the consolidation operation.

MIS Basis

Select the option from the drop-down list to indicate from where the MIS details of the consolidated account should be defaulted. The MIS details can be defaulted from the account or user defined maintenance.

If you select user defined maintenance, then you need to specify the MIS details by clicking the 'MIS' button.

UDF Basis

Select the option from the drop-down list to indicate from where the user defined fields of the consolidated account should be defaulted. The UDF can be defaulted from the product, account or user defined maintenance.

> **Note**
>
> If you select user defined maintenance, then you need to specify the UDF details by clicking the 'Fields' button.

Settlement Basis

Select the option from the drop-down list to indicate from where the settlement details of the consolidated account should be defaulted. The Settlement details can be defaulted from the account or product.

Note

If the Settlement Basis is selected as ‘Product’, you can change the message details if required.

Consol Txn Ref No

A unique system-generated consolidated Txn Reference number to identify the transaction is displayed here.

Consol Roll Acc

A system generated consolidated loan account number is displayed here after the rollover operation is done.

UDE Basis

Select the option from the drop-down list to indicate from where the UDE details of the consolidated account should be defaulted. The UDE details can be defaulted from the product, account or user defined maintenance.

Note

If you select user defined maintenance, then you need to specify the UDE details.

Schedule Basis

Select the option from the drop-down list to indicate from where the schedule details of the consolidated account should be defaulted. The schedule details can be defaulted from the product, account or user defined maintenance.

Note

If you select user defined maintenance, then you need to specify the schedule details.

Holiday Preference Basis

Select the holiday preference basis for roll-over account from the drop down list. The list displays the following values:

- Product
- Account.

The default value selected is Account.

Customer

Select the customer name whose multiple CL or LS loan accounts have to be consolidated from the option list.

Currency

Select a currency code for the consolidation operation from the option list. All participating loans should belong to the same currency.

Product Code

Select a valid CL or LS module product code from the option list. All the loan accounts that are chosen for rollover consolidation should belong to this product.

Note

If the product selected is different from the participating product, then the user will be prompted to select the option ‘Product’ or ‘User Defined’ for the fields, ‘UDE basis’ and ‘Settlement Basis’ The system will throw error if the option selected is ‘Account’..

Settlement Sequence Number

This field will be enabled when **Fetch Settlement** button is clicked. The ‘Settlement Basis’ should be Product.

Click on the **Default Settlement** button to populate messaging details. You can modify the sequence number and press the default button again to re-default the settlement accounts/ message details.

Rollover Amt

Specify the additional amount which would be added to the consolidated loan.

Maturity Date

Select the maturity date of the consolidated loan account. You can calculate the maturity date using the ‘Q’ button.

Effective Date

Select the effective date for UDE maintenance.

UDE Id

Specify the UDE ID here.

UDE Value

Specify the UDE rates here.

Rate Code

Specify the rate code to be used for the UDE. The system displays an error message if UDE Basis is Product.

Note

Term deposit is attached to a rate code in order to link the term deposit interest rate with the loan interest rate. When the term deposit interest rate changes, the interest rate of the loan account also changes to the same rate based on code usage defined for the account.

More than one loan accounts can be created with the rate code of term deposit account. In order to achieve this, as part of defining interest rate pick up -

- select primary account to use the linked term deposit account of primary account in the consolidated account

  OR

- define a new term deposit for the main interest UDE

On save, the system validates the consolidated account amount financed with the linked term deposit account available balance (term deposit principal amount - blocked amount if any). If the latter is less than the consolidated account amount financed, then the system displays an error message.

On authorization, the system releases lien on the old term deposit account (liquidated loan account) and marks a lien on the new term deposit account. This lean is marked by the consolidated account amount financed with 'Amount Block Type' as 'Loan’.

On authorization, under Linkage Details, the system defaults the block reference number as the amount block reference number of the term deposit account.'

Rate Usage

Select the rate code usage from the drop-down list. The rate code usage can be either periodic or automatic. If the rate code usage is periodic, the rate revision schedules will be defaulted from the driver loan account. In case the rate revision schedule is not maintained at the driver loan account, then rate revision schedules will be same as the payment schedules.

Product Code

Select the product code of the participating account from the drop down list.The list displays all products for which there are active accounts are for the customer, currency and branch combination.

Account Number

Select the loan account number for consolidation from the option list. The list displays all the active loan accounts with the product chosen available for the customer, branch and currency combination.

Rollover Amount Type

Select the amount which has to be rolled over from the drop-down list. You can choose to rollover the Principal or Principal + other components. If the rollover amount type is specified as the Principal, then all other components would be liquidated during the consolidation in respective loan accounts.

Driver Contract

Select 'Yes' from the drop-down to indicate that the selected account is a driver account. The details for the consolidated loan are defaulted from this driver account. There can be only one driver contract.

On saving a consolidated rollover the status of the rollover is marked as 'U'- Unprocessed.

This consolidation operation is performed during authorization of split rollover or during CL batch.

In the participant accounts a new version would be created and the account status of each loan would be marked as liquidated 'L'.

A new consolidated loan account is created by consolidating all the amount preferences specified for individual participant loans. The new account will have UDE values, settlement details and MIS basis as per the given preferences.

The newly created consolidated loan account will be active. The status of consolidated rollover record would then be marked as 'P' – Processed and the generated consolidated loan account number is updated in the consolidated 'Consol Roll Acc' field.

The following events are fired at different stages:

- ROLL event is fired in all the participant loan accounts to fire LIQD and ROLL accounting entries.
- ROCL event is fired in all the participant loan accounts which are selected for consolidation.
- ROBK event is fired in the consolidated account
- DSBR event is fired in the consolidated account if any special rollover amount is specified.
- New Account will be in NORM status irrespective of the status of the participating accounts.

While saving the transaction, if you have modified the Rate Code or the UDE value, the system displays configurable override messages. These overrides are displayed during

subsequent modifications of the interest rate. You can also configure overrides for Dual Authorization to be displayed at Contract and Maintenance level in the ‘Override Maintenance’ screen.

For more information about configuring overrides, refer to the section ‘Override Maintenance’ in the chapter ‘Configuring Overrides’ in the Core Services User Manual.

8.7.8 Capturing Inactive Rollover Details

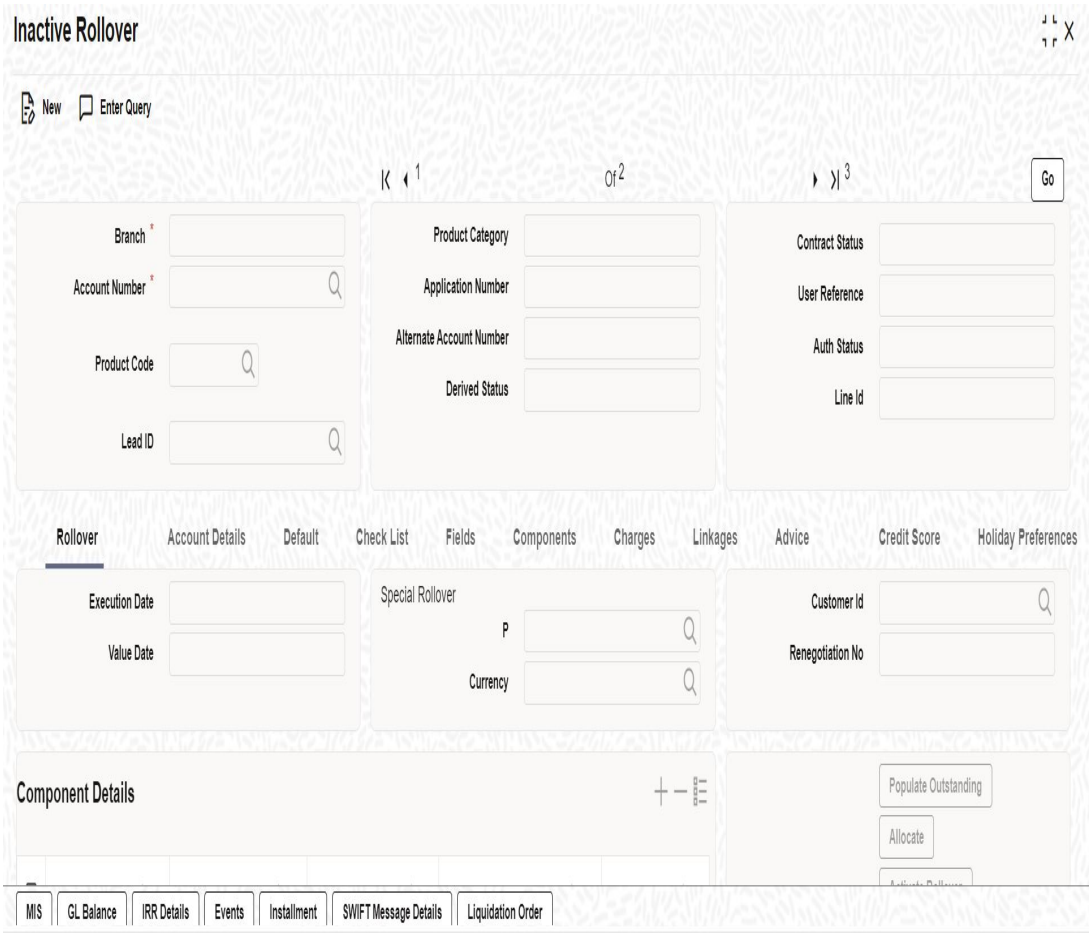
This function is provided to save Inactive rollover instructions. Click on the ‘Activate’ button on the Inactive Rollover screen to activate the inactive rollover instructions.

When an Inactive instruction is saved, no events are processed. And when activated, all the applicable events are fired.

This screen captures payment details such as Value date of the payment, Amount Settled, Payment Mode, Related Payment Products and Settlement Account. The payment is against any of the loan components such as principal, interest etc.

You can invoke this screen by typing ‘CLDIMROL’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The procedure to create an Inactive Rollover is similar to the Manual Rollover process. However, you have the additional facility to activate the rollover by clicking on the ‘Activate Rollover’ button.



The ‘Inactive Rollover’ screen is identical to the ‘Manual Rollover’ screen.

While saving the transaction, if you have modified the Rate Code or the UDE value, the system displays configurable override messages. These overrides are displayed during subsequent modifications of the interest rate. You can also configure overrides for Dual Authorization to be displayed at Contract and Maintenance level in the ‘Override Maintenance’ screen.

For more information about configuring overrides, refer to the section ‘Override Maintenance’ in the chapter ‘Configuring Overrides’ in the Core Services User Manual.

For more details on the field explanations refer section ‘Capturing Manual Rollover Details ‘in this chapter.

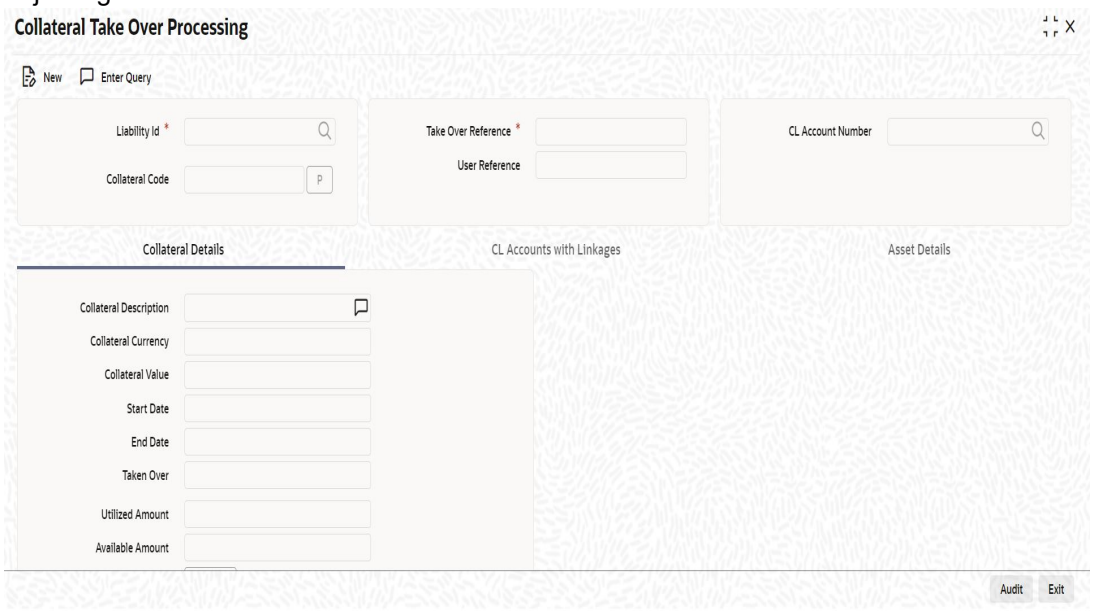
8.8 Collateral Take Over

This section contains the following topics:

- Section 8.8.1, "Processing Asset Take Over"
- Section 8.8.2, "Collateral Details Tab"
- Section 8.8.3, "CL Accounts with Linkage Tab"
- Section 8.8.4, "Asset Details Tab"
- Section 8.8.5, "Viewing Asset Take Over Processing Details"

8.8.1 Processing Asset Take Over

Oracle FLEXCUBE facilitates takeover of assets resulting in, liquidation of loan account and creation of fixed asset based on the details maintained for ‘Asset Category’, ‘Location Code’, and ‘Asset Product Code’. You can process take over of assets using ‘Collateral Take Over Processing’ screen. You can invoke the ‘Collateral Take Over Processing’ screen by typing ‘CLDASTOP’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Liability ID

Select the liability ID for which collateral is linked from the adjoining option list.

Collateral Code

Specify the Collateral Code here.

You cannot take over the collateral:

- if the collateral is shared by other liabilities. The system displays the message as ‘This collateral is shared by other liabilities’.
- if the collateral is part of any collateral pool. The system displays the message as ‘Collaterals that are part of a pool cannot be taken over’.
- if the contracts which have linkage with collateral code does not belong to same customer, then the system displays the message as ‘Collateral has linkages with contracts of more than one customer. Cannot proceed with takeover’.
- if the contracts which have linkage with collateral code does not belong to same branch, then the system displays the message as ‘Collateral has linkages with contracts of more than one branch. Cannot proceed with takeover’.
- if the collateral is attached to contracts from CI and CL module, then the system displays the message as ‘The collateral belongs to contracts other than CL module’.
- If the collateral is marked as ‘Mortgage Initiated’, then the system displays the message as ‘Collateral is mortgage initiated’.
- If the collateral have linkages with any active securitized contracts with status ‘SECR’ that had utilized the collateral, then the system displays the message as ‘Collateral belongs to contracts with status SECR, and also the collateral has been utilized’.

Take Over Reference

The system displays the Take Over Reference number on save of collateral takeover process.

User Reference

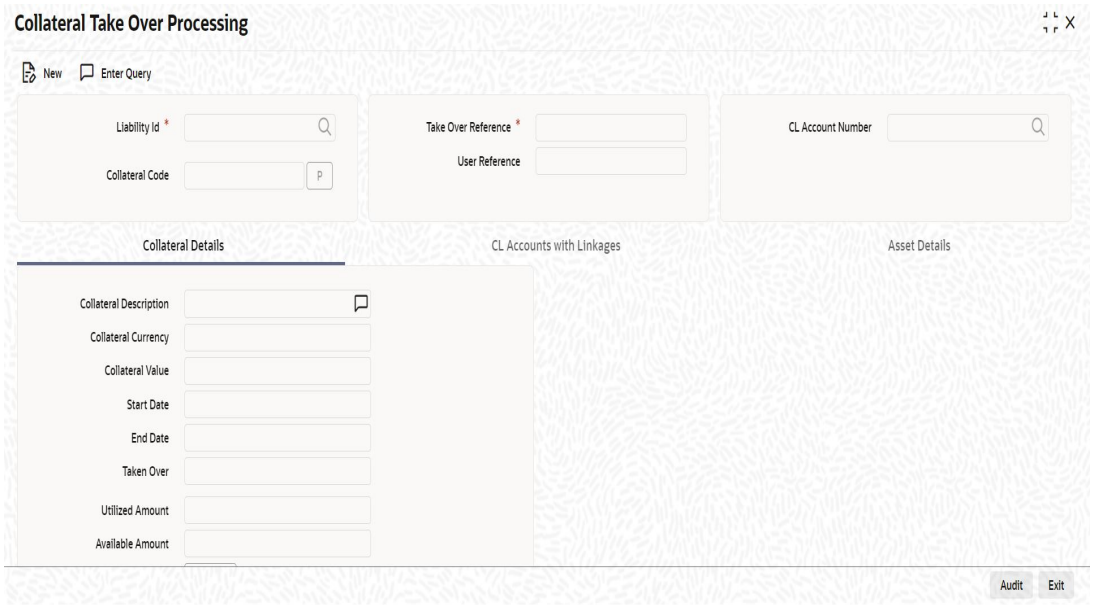
Specify the User Reference Number

CL Account Number

Select the CL Account Number from the adjoining option list.

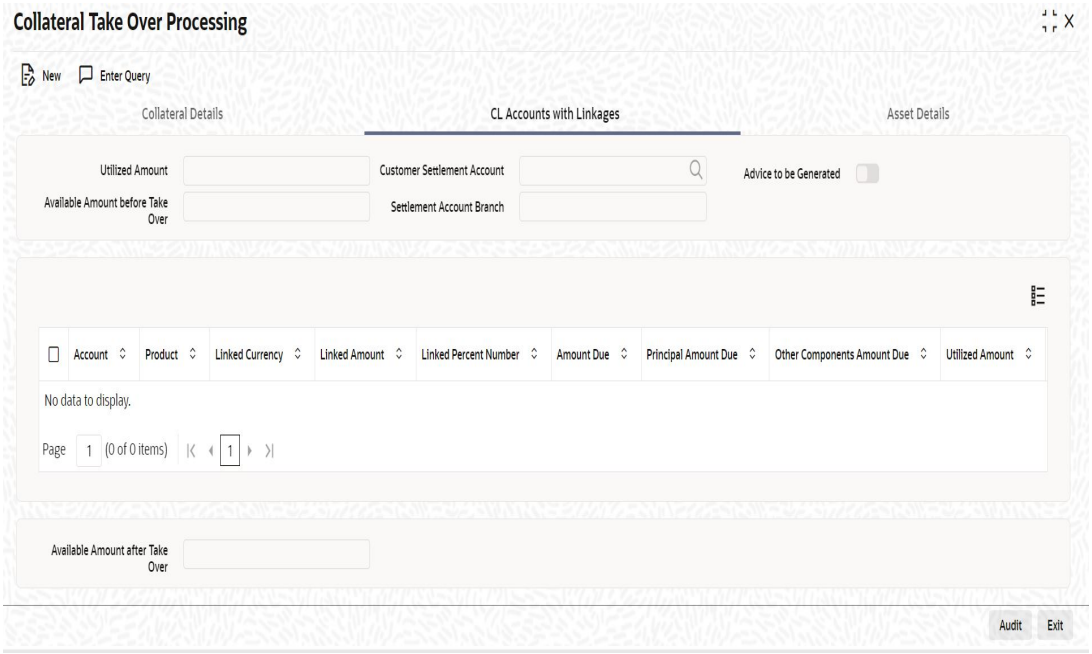
Collateral take over is triggered either by entering the collateral and liability code or Loan or Finance account number. If Account is entered, Collaterals linked to the account will be shown in Collateral code option list.

8.8.2 Collateral Details Tab



Collateral details get displayed based on the liability id selected.

8.8.3 CL Accounts with Linkage Tab



CL Account Number

The system displays the CL Account Number here.

Product Code of Account

The system displays the product code of the account.

Linked Percentage

Linked percentage is defaulted here.

Linked Currency

The system defaults the Linked Currency.

Linked Amount

The system displays the Linked Amount.

Account O/S

The system displays the Account O/S.

Amount Utilized

The Amount Utilized is defaulted here.

To be Settled

Select ‘Yes’ for the loan contract to be settled.

Amount Settled

Specify the amount to be settled.

The sum of the amount settled should not exceed the collateral available amount.

Customer Settlement Account

Select the customer settlement account from the adjoining option list.

Advice to be generated

Check this box to indicate whether advice is to be generated.

Available Amount after Take-Over

The system displays the available amount after take over.

On save of CL Account with Linkage screen a unique take over reference number is generated to keep track of the takeovers processed.

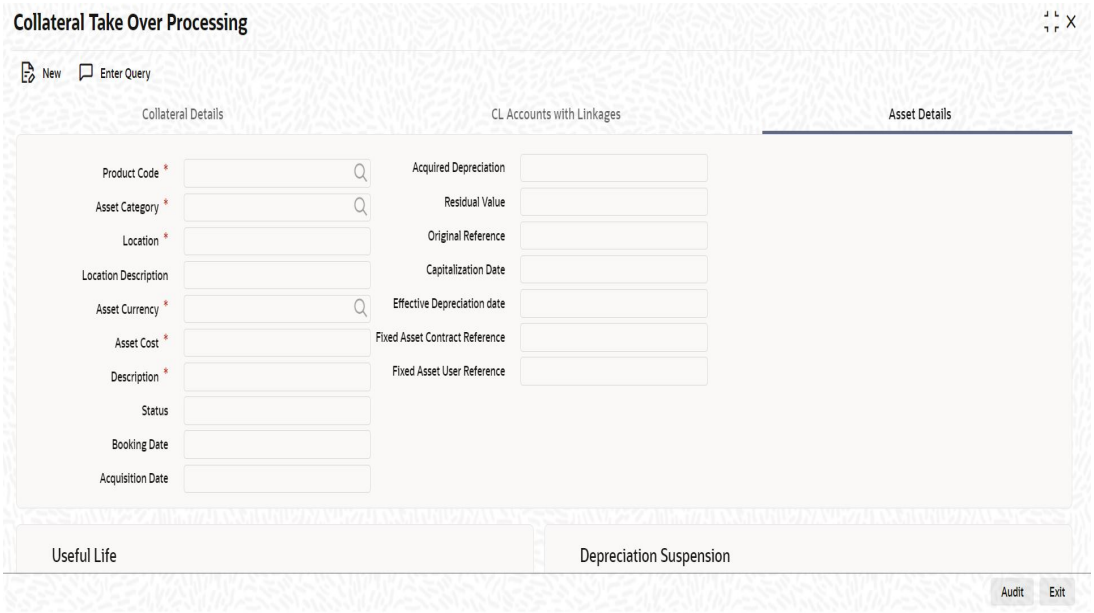
On Authorization:

- The CL contract is settled to maximum amount input in amount settled by invoking manual liquidation event.
- The linkage between the collateral and the linked contracts are removed.

Note

If you select a loan without any overdue to be settled, then the system displays the message as 'This Loan does not have any overdue. Still you want to takeover and settle the loan?'

8.8.4 Asset Details Tab



Product Code

Select product code from the adjoining option list.

Asset Category

Select Asset Category from the adjoining option list.

Location

Specify the location at which asset is stationed.

Location Description

Provide the description for the location.

Asset Currency

Select the Asset Currency from the adjoining option list.

Asset Cost

Specify the value of the asset here.

Description

Specify the description of the asset.

Status

Select the status of the asset from the drop down list.

Booking Date

Specify the booking date of the asset.

Acquisition Date

Specify the date on which the asset is acquired.

Acquired Depreciation

Specify the acquired depreciation of the asset.

Residual Value

Specify the residual value.

Original Reference

Specify the original reference number of the asset

Capitalization Date

Specify the date on which the asset was capitalized.

Effective Depreciation Date

Specify the date from which the depreciation should be charged for the asset.

Fixed Asset Contract Reference

Specify the contract reference number of the asset.

Fixed Asset User Reference

Specify the user reference of the fixed asset.

Useful Life

Useful Life Unit

Specify the useful life unit of the asset.

Useful life

Specify the useful life of the asset.

Depreciation Suspension

Suspend Depreciation

Check this box to stop the depreciation calculation for an asset.

Suspension Date

If you choose to suspend the depreciation then the system takes the application date as the suspension date.

The collateral is closed once the fixed asset is created with the details provided in asset details. You cannot reverse the fixed asset contract created through acquisition of collateral.

Fixed Asset contract reference number is generated on authorization of asset takeover process.

In the BOOK event of FA contract, the taken over GL is debited for the value of the collateral that is to be taken over and customer account is credited with the value of the collateral. The

FA contract is created with asset value as full collateral value without haircut percentage is applied.

Note

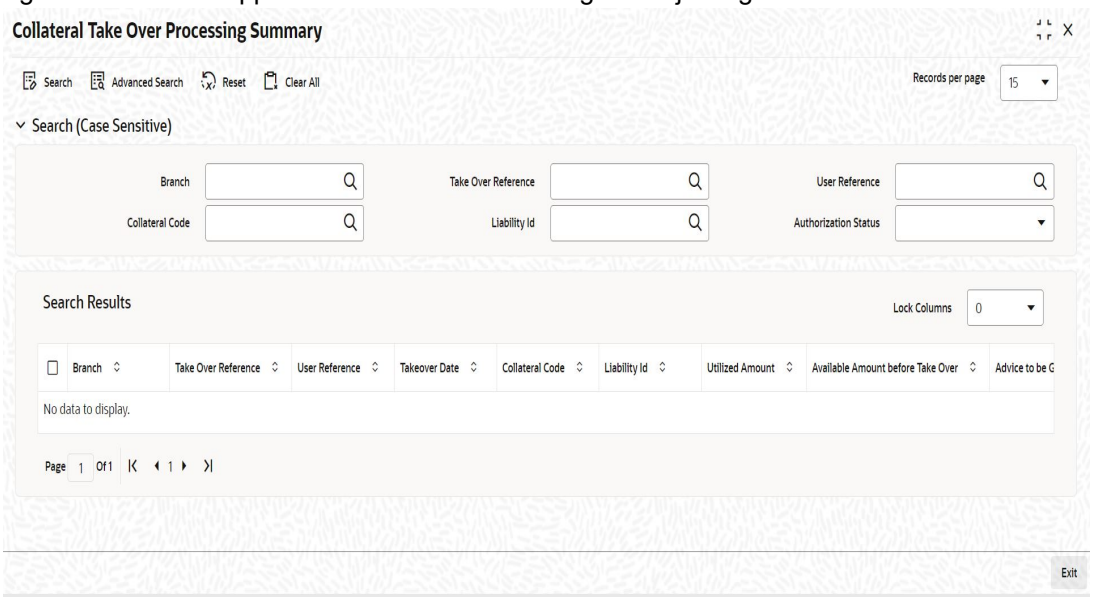
During sale of fixed asset, takeover GL is credited with the sale amount and customer account is debited with the same amount.

The loss that arises due to the sale of the asset would be debited from the loss GL.

The profit that arises due to the sale of the asset would be credited to the income GL.

8.8.5 Viewing Asset Take Over Processing Details

You can view the asset take over processing details in the ‘Asset take Over Processing Summary’ screen. You can invoke this screen by typing ‘CLSASTOP’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



In the above screen, you can base your queries on any or all of the following parameters and fetch records:

- Branch Code
- User Reference
- Collateral Code
- Take Over Reference
- Liability ID
- Authorization Status

Select any or all of the above parameters for a query and click ‘Search’ button. The records meeting the selected criteria are displayed.

If you are allowed to query details for the asset take over, then system displays the following details pertaining to the fetched records:

- Branch Code
- Take Over Reference
- User Reference

- Takeover Date
- Collateral Code
- Liability ID
- Utilized Amount
- Available Amount before Take Over
- Advice to be Generated
- Authorization Status

8.9 Multilevel Authorization of Loan Account

High value transactions may require multilevel of authorization. The levels of authorizations can be defined in the 'Product Transaction Limits' screen. You can use the 'Multilevel Authorization Detailed' screen for authoring a contract n-1 times. However, final authorization can take place only in the contract screen.

For more details, refer the 'Multilevel Authorization of Contract/Loan Account' section in the 'Procedures' User Manual.

8.10 Equated Monthly Installment Calculation

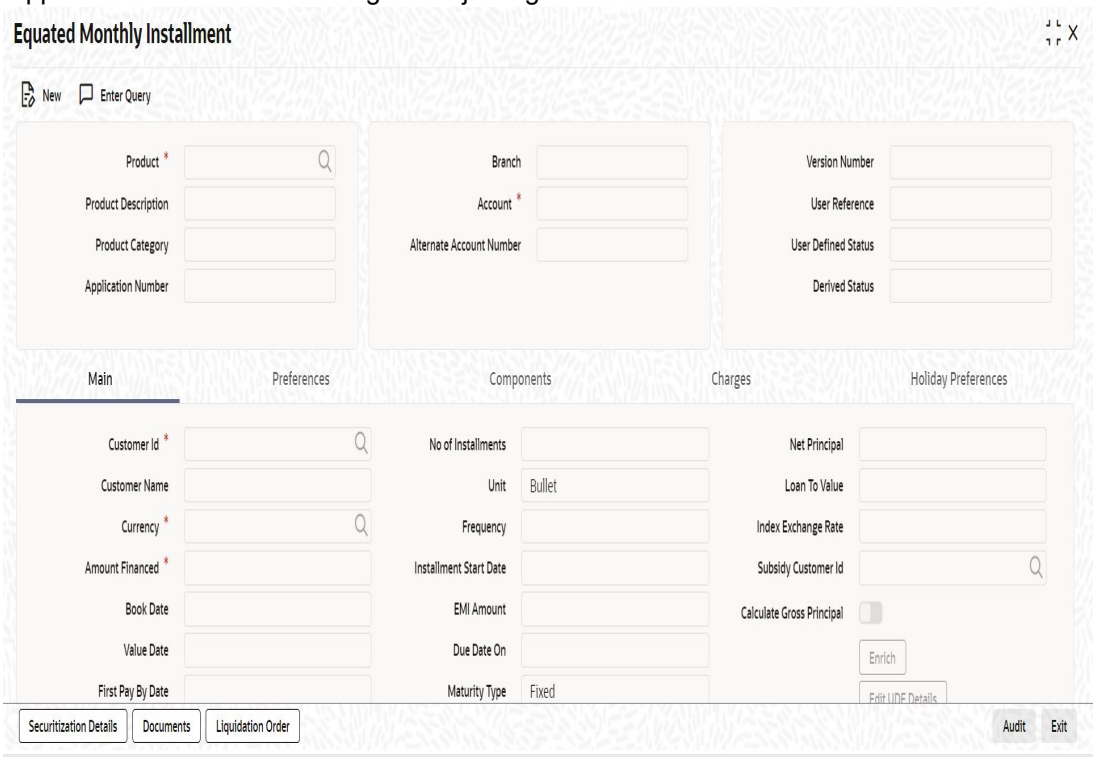
This section contains the following topics:

- Section 8.10.1, "Calculating EMI for Personal and Auto Loans"
- Section 8.10.2, "Main Tab"
- Section 8.10.3, "Preferences Tab"
- Section 8.10.4, "Components Tab"
- Section 8.10.5, "Charges Tab"

8.10.1 Calculating EMI for Personal and Auto Loans

You can calculate the EMI for amortized products in the 'Equated Monthly Installment' screen. Oracle FLEXCUBE simulates the loan creation in this screen and calculates the EMI. Oracle FLEXCUBE deletes the simulated loan during the batch process.

You can invoke this screen by typing ‘CLDEMINT’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



Here you can specify the following details:

Product

Specify the code of the product for which the EMI should be calculated. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Product Category

The system displays the product category of the selected product.

Application Number

Specify the application number.

Branch Code

The system displays the branch code.

Account

Specify the number of the account that should be linked with the specified product.

Alternate Account Number

Specify the alternate account number that should be used as the secondary account.

User Reference Number

Specify the reference number of the user who is included in this contract.

User Defined Status

Based on the product selected, the system defaults the user defined status.

Derived Status

Specify the derived status.

8.10.2 Main Tab

You can specify the following details:

Customer ID

Specify the unique identification of the customer. The adjoining option list displays all valid customers IDs maintained in the system. You can choose the appropriate one.

Customer Name

The system displays the name of the customer whose customer ID is specified above.

Currency

Specify the code of currency that should be maintained in the product. The adjoining option list displays all valid currencies maintained in the system. You can choose the appropriate one.

Amount Financed

Specify the amount that should be financed.

Book Date

Based on the product code selected, the system defaults the book date.

Value Date

Specify the value date. You can select the date from the adjoining calendar.

Salary Income of applicant

Specify the income of the loan applicant.

Insurance Financed

Check this box to indicate whether insurance finance is required.

Number of Installments

Specify the number of installments that should be allowed for the repayment of loan through EMI.

Unit

Select the unit from the adjoining drop-down list. The list displays the following values:

- Daily
- Weekly
- Monthly
- Quarterly
- Half Yearly
- Yearly
- Bullet

Frequency

Specify the frequency of the installment.

Installment Start Date

Specify the installment start date. You can select the appropriate date from the adjoining calendar.

Due Date On

Specify the date on which the installment should be on due.

Maturity Type

Select the type of the maturity from the adjoining drop-down list. The list displays the following values:

- Fixed
- Call

Maturity Date

Specify the date on which the installment should be matured. You can select the appropriate date from the adjoining calendar.

Net Principal

Specify the net principal amount of the loan.

Loan To Value

Specify the loan to value.

Index Exchange Rate

Specify the exchange rate of the index.

Subsidy Customer ID

Specify the unique ID of the subsidy customer.

Calculate Gross Principal

Check this box to indicate that the gross principal should be calculated.

Effective Date

Specify the effective date from the adjoining calendar.

8.10.2.1 Generating and Viewing Advices

The system will generate advices by clicking 'Generate Advice' button. The message type for the simulation advice is CL_LOAN_CLC_ADV. Similarly, you can also view advices by clicking the 'View Advice' button.

Specifying User Defined Element Values

You can specify the user defined element values details in the following fields:

User Defined Element ID

Specify the unique identification for the user defined element. The adjoining option list displays all valid IDs maintained in the system. You can choose the appropriate one.

User Defined Element Value

Specify the value for the user defined element.

Rate Code

Specify the rate code. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Code Usage

Select the type of code usage from the adjoining drop-down list. The list displays the following values:

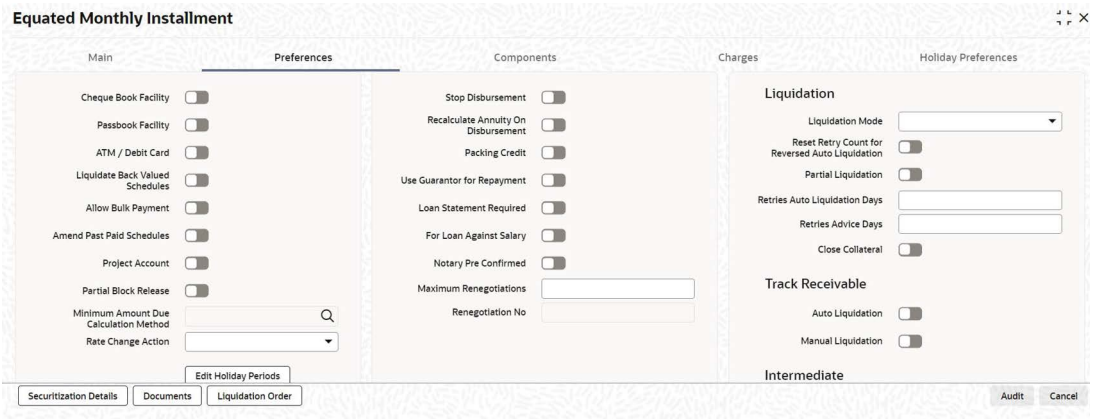
- Periodic
- Automatic

Resolved Value

When you click Enrich button, the system calculates the resolved value.

8.10.3 Preferences Tab

You can specify the preferences details in the ‘Preference’ tab in the ‘Equated Monthly Installment’ screen.



Here you can specify the following details:

Cheque Book Facility

Check this box to indicate that the cheque book facility should be allowed to loan account.

Passbook Facility

Check this box to indicate that the pass book facility should be allowed to loan account.

ATM/Debit Card

Check this box to indicate that the ATM/Debit card should be provided to the account holder.

Liquidate Back Valued Schedules

Check this box to indicate that the back valued schedules should be liquidated.

Allow Bulk Payment

Check this box to indicate that the bulk payment should be allowed.

Amend Past Paid Schedules

Check this box to indicate that the past paid schedules should be amended.

Stop Disbursement

Check this box to indicate that the disbursement should be stopped.

Recalc Annuity On Disbursement

Check this box to indicate that the annuity on disbursement should be recalculated.

Use Guarantor for Repayment

Check this box to indicate that the repayment should be done by the guarantor.

Loan Statement Required

Check this box to indicate that the loan statement should be generated.

Liquidation Details

You can specify the liquidation details in the following fields:

Auto Liquidation

Check this box to indicate that the liquidation should be automated.

Reset Retry Count For Reversed Auto Liquidation

Check this box to indicate that the retry count for reversed auto liquidation should be reset.

Partial Liquidation

Check this box to indicate that the partial liquidation should be allowed.

Retries Auto Liquidation Days

Check this box to indicate that the auto liquidation days should be retried.

Intermediate Details

You can specify the intermediate details in the following fields:

Intermediary Initiated

Check this box to indicate that the intermediary should be initiated.

Intermediary Code

Specify the unique code of intermediary. The adjoining option list displays all valid codes maintained in the system. You can choose the appropriate one.

Track Receivable Details

You can specify the track receivable details in the following fields:

Auto Liquidation

Check this box to indicate that the liquidation should be automated.

Manual Liquidation

Check this box to indicate that the liquidation should be done manually.

Holiday Periods

You can specify the holiday periods detail in the following field:

Period

Specify the period of the holiday. The adjoining option list displays all valid periods maintained in the system. You can choose the appropriate one.

UDE Rate Plan Details

You can specify the UDE rate plan details in the following fields:

Start Date

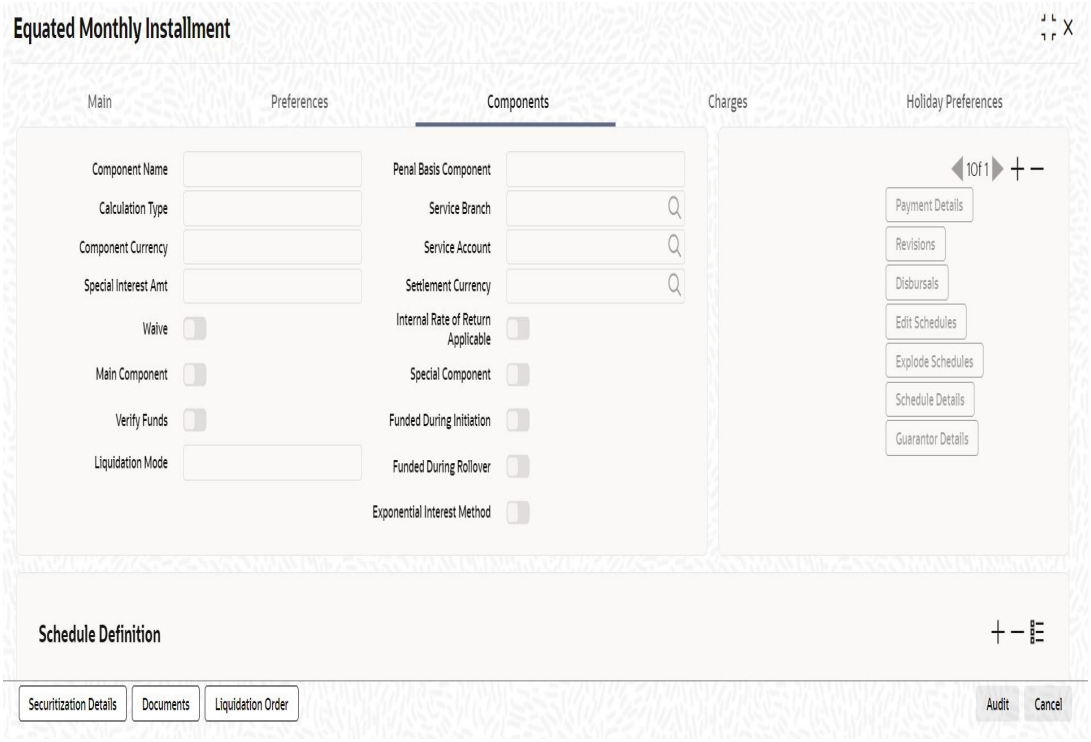
Select the start date using the adjoining calendar.

End Date

Select the end date using the adjoining calendar.

8.10.4 Components Tab

You can specify the component details in the ‘Components’ tab in the Equated Monthly Installment’ screen.



Here you can specify the following details:

Component Name

Specify the name of the component.

Calculation Type

The system displays the calculation type based on the component maintenance at the product level.

Component Currency

Specify the currency in which the component should be maintained.

Special Interest Amt

Specify the special interest amount for the component.

Waive

Check this box to indicate that the interest amount should be waived.

Main Component

Check this box to indicate that the specified component should be main component.

Verify Fund

Check this box to indicate that the fund should be verified.

Capitalized

Check this box to indicate that the component should be capitalized.

Penal Basis Component

Specify the penal basis component.

Service Branch

Specify the service branch of the component. The adjoining option list displays all valid service branches maintained in the system. You can choose the appropriate one.

Service Account

Specify the service account for the component. The adjoining option list displays all valid accounts maintained in the system. You can choose the appropriate one.

Settlement Currency

Specify the code of the currency that should be used for settlements. The adjoining option list displays all valid currencies maintained in the system. You can choose the appropriate one.

Internal Rate of Return Applicable

Check this box to indicate that the internal rate of return should be applicable for the component.

Special Component

Check this box to indicate that the component should be considered as special component.

Funded During Initiation

Check this box to indicate that the funding should be done during the initiation.

Funded During Rollover

Check this box to indicate that the funding should be done during the rollover.

Specifying Schedule Definition Details

You can specify the schedule definition details in the following fields:

Schedule Type

Select the type of the schedule from the adjoining drop-down list. The list displays the following values:

- Payment
- Revision
- Disbursement

Schedule Flag

Select the schedule flag from the adjoining drop-down list. The list displays the following values:

- Normal
- Moratorium

Formula

Specify the formula. The adjoining option list displays all valid formulae maintained in the system. You can choose the appropriate one.

First Due Date

Select the first due date from the adjoining calendar.

Number of Schedules

Specify the number of schedules.

Frequency

Specify the frequency of the schedule.

Units

Select the unit from the adjoining drop-down list. The list displays the following values:

- Daily
- Weekly
- Monthly
- Quarterly
- Half Yearly
- Yearly
- Bullet

Due Date On

Specify the due date of the schedule.

End Date

Specify the end date of the schedule.

Amount

Specify the schedule amount.

EMI Amount

Specify the EMI amount that should be paid during the schedule.

EMI Percentage of Salary

The system displays what percentage of salary the EMI constitutes of the loan applicant.

Compound Days

Specify the number of compound days.

Compound Months

Specify the number of compound months.

Compound Years

Specify the number of compound years.

Days in Month

Specify the number of days that would constitute a month for calculation. You can have 30 or 31 days in a month for this purpose.

Years

Specify the number of days that would constitute a year for calculation.

Capitalized

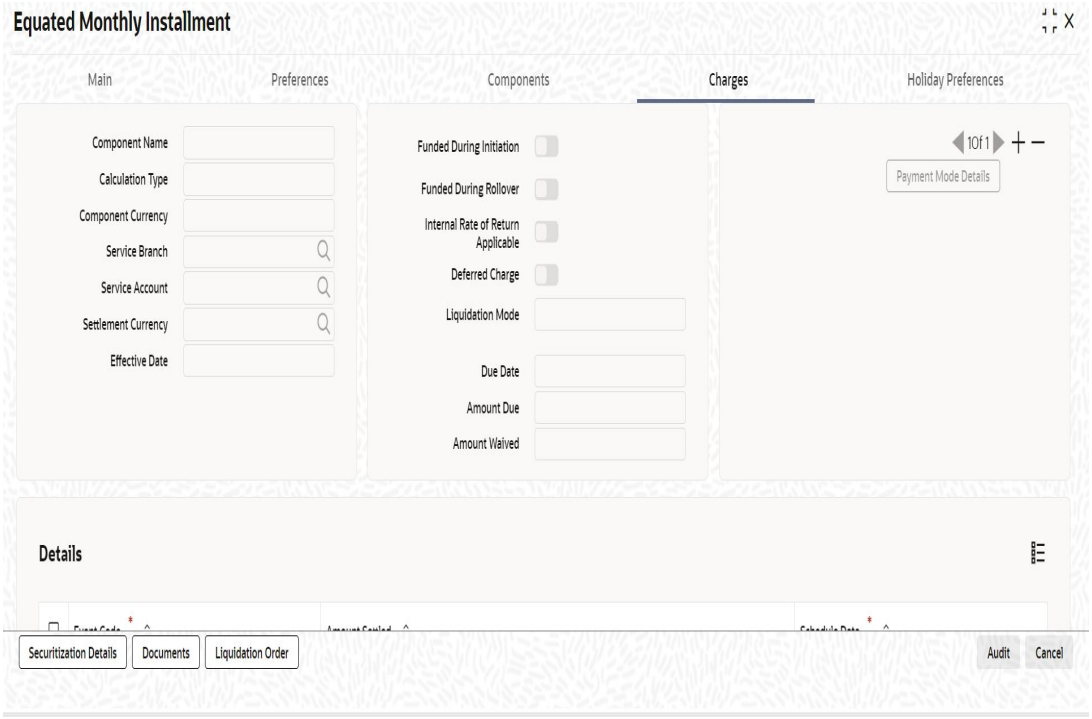
Check this box to indicate that the amount should be capitalized.

Waive

Check this option to indicate that the component needs to be waived off. This is applicable to those components which do not have any schedule.

8.10.5 Charges Tab

You can specify the charge details in the ‘Charges’ tab in the Equated Monthly Installment’ screen.



Here you can specify the following details:

Component Name

Specify the name of the component.

Calculation Type

The system displays the calculation type based on the component maintenance at the product level.

Component Currency

Specify the currency in which the component should be maintained.

Service Branch

Specify the service branch.

Service Account

Specify the service account.

Settlement Currency

Specify the currency in which the settlement should be done.

Effective Date

Specify the effective date.

Funded During Initiation

Check this box to indicate that the funding should be done during initiation.

Funded During Rollover

Check this box to indicate that the funding should be done during rollover.

Waive

Check this box to indicate that the charges should be waived.

Due Date

Specify the due date.

Amount Due

Specify the due amount.

Amount Waived

Specify the amount that should be waived.

Event Code

The system displays the event code.

Amount Settled

The system displays the settled amount.

Schedule Date

The system displays the schedule date.

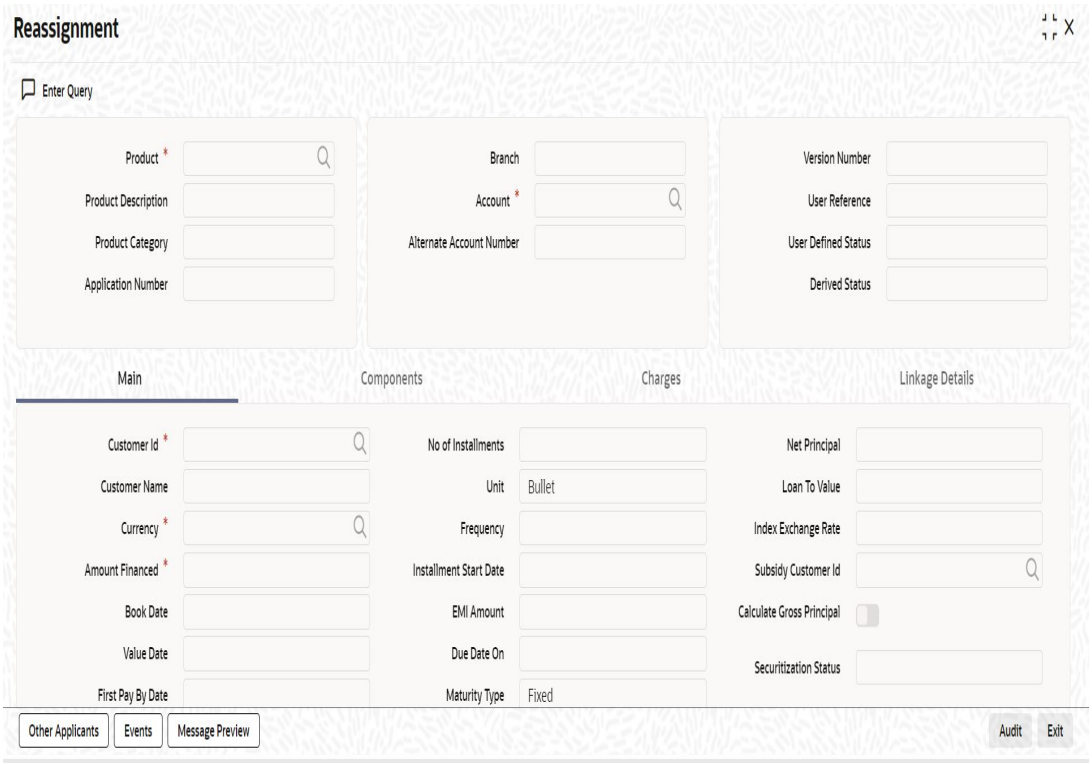
8.11 Loan Reassignment

This section contains the following topics:

- Section 8.11.1, "Reassigning Loans"
- Section 8.11.2, "Linkages Tab"

8.11.1 Reassigning Loans

Oracle FLEXCUBE allows you to change the main debtor of a loan through the process of reassignment. You can achieve this through the ‘Reassignment’ screen. This screen is similar to the ‘Account Details’ screen. To invoke the screen, type ‘CLDCRASG’ in the field at the top right corner of the Application tool bar and click the adjoining arrow button.



In this screen, you need to clear all details by pressing F7. Then you can specify the account number and click on F8. The system displays all the account details of the chosen account. You can change the Customer Id of the primary applicant.

Customer ID (Primary Applicant)

The CIF ID of the primary debtor of the mortgage account is displayed here. You can change it by selecting another CIF ID from the option list. This in effect means the debtor will be changed.

Customer ID (Other Applicants)

The CIF IDs of the co-applicants for the original mortgage are displayed here. You can change them by selecting other CIF IDs from the option list.

In the 'Reassignment – Linkages' screen, you can change the following details:

- Linkage Type
- Customer ID
- Linked Reference Number
- Linkage Amount
- Secured Portion

All these details get displayed in the corresponding fields. You can modify the same.

During Value Dated amendments, you can also change the following data:

- Maturity Date
- Interest Rate
- Installment Dates

However, you cannot change the Mortgage Account Number.

As a result of reassignment, limit utilizations against the old customer will be reduced and those towards the new customer will be increased by altering the utilizations.

On saving the transaction after entering all the required details in the system, the system validates the value of the transaction amount against the following:

- Product transaction limit
- User Input limit

If the transaction currency and the limit currency are different, then the system converts the amount financed to limit currency and checks if the same is in excess of the product transaction limit and user input limit. If this holds true, the system indicates the same with below override/error messages:

- Number of levels required for authorizing the transaction
- Transaction amount is in excess of the input limit of the user

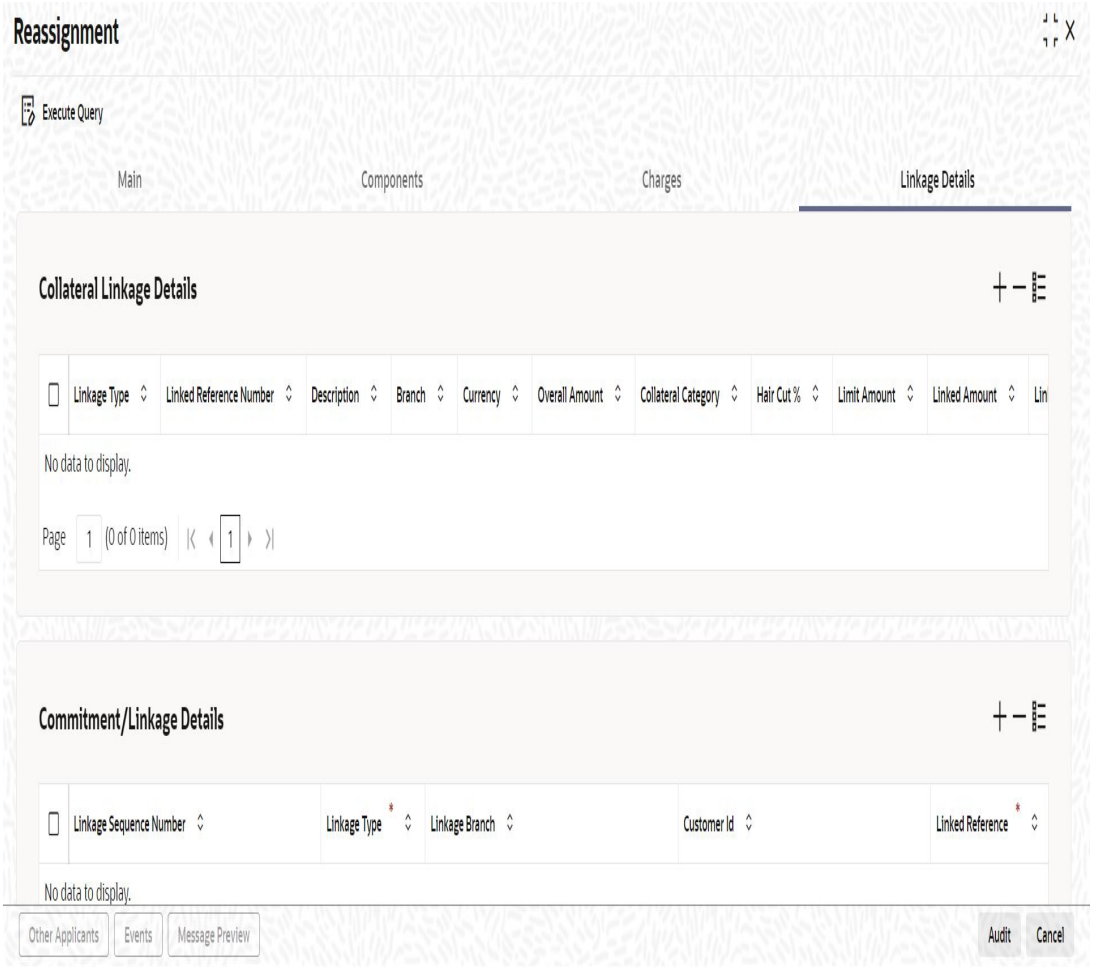
UDE Values (Account Details)

UDE section is enabled for the loan accounts created with term deposit linkages. You can change or remove the existing rate code. However, you cannot amend the UDE effective date.

Once you modify the UDE values, the system update the linkages details accordingly.

8.11.2 Linkages Tab

Click the 'Linkage Details' tab to maintain the linkage details and remarks for the product. The screen is displayed below:



You can maintain the following parameters here:

Collateral Linkage Details

The following collateral details are maintained here:

Re-instatement Order no

Specify a valid order in which you need to re-instate the linkage linked to the account. The system re-instates the linkage in an ascending order.

Status

Status of the collateral is defaulted here.

Commitment/Linkage Details

You can maintain the following linkage details here:

Block Reference Number

The system defaults the reference number for the linkage type deposit.

During reassignment, the system will reinstate the new collateral/local collateral/line of the old customer and utilizes the new collateral/local collateral/line of the new customer, for the amount equivalent of the principal outstanding.

Note

The system will validate if the linked collateral is related to new customer. If not, then the system displays the error message as 'The Collateral Linkage details of the Old customer should be removed and Collateral Linkage details of the new customer should be maintained'.

On save, the system validates the following details:

- If the new term deposit account available balance (term deposit principal amount - blocked amount if any). is less than the linkage amount, then the system displays an error message
- If the new term deposit account is not the same as the new customer for 'Term Deposit Linked Interest Rate' account, then the system displays an error message.
- The system releases the lien on the old term deposit account and marks a lien on the new term deposit account by the linkage amount with 'Amount Block Type' as 'Loan'.

On authorization, under Linkage Details, the system defaults block reference number as the amount block reference number of the term deposit account. The system also starts accruals based on the new interest rate.

For more details on the field explanation and validations in each tab, refer 'Account Creation' chapter of this User Manual.

8.12 Loan Renegotiation

This section contains the following topics:

- Section 8.12.1, "Renegotiating Loans"
- Section 8.12.2, "Linkage Details Tab"

8.12.1 Renegotiating Loans

The customer can ask for re-negotiation of the written-off loan. Or when an account becomes delinquent, the bank may negotiate with the customer. Negotiation may result in any of the following:

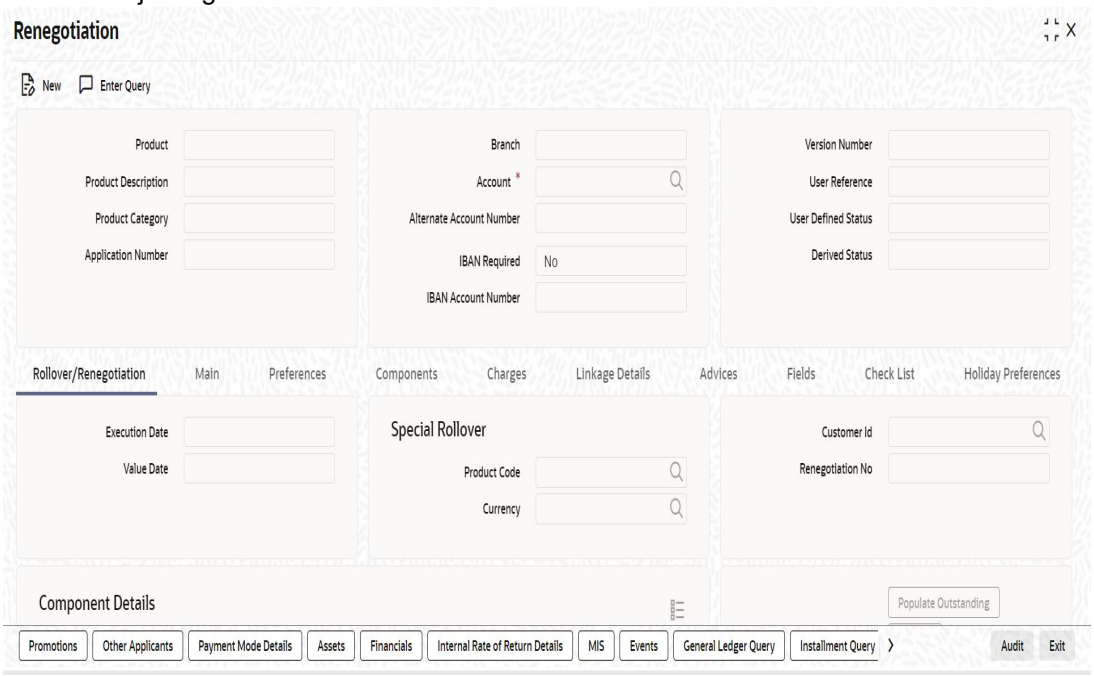
- The customer may repay the mortgage.
- The mortgage is negotiated completely. In this case a new loan may be opened.
- The customer may pay the partial loan amount and the bank may condone the rest.
- The customer and bank may renegotiate part of the loan and the rest may be condoned.
- In the worst case scenario, if the customer is unable to pay back any portion the loan amount, the bank may consider it as condonation and close off the mortgage.

In Oracle FLEXCUBE, renegotiation is treated as a separate manual operation. Whenever a loan is renegotiated, it results in the creation of a new version of the existing loan. The contract's value date is same as the last version value date. The system then recalculates the schedules. If the customer makes any payment towards the written-off loan, they are also considered.

Once the loan gets transformed into a new loan, it is affected by maintaining Bridge GLs.

Renegotiation can result in just varying interest rates or maturity dates of the original loan along with capitalization of the outstanding interest.

You can perform loan renegotiation through the ‘Re-Negotiation’ screen. To invoke the screen, type ‘CLDRENGT’ in the field at the top right corner of the Application tool bar and click the adjoining arrow button.



Lead ID

Select the lead ID from the adjoining option list if the principal increase is done to process an associated top up lead. The system displays all the lead IDs in which the ‘Top up Lead’ option is checked in the prospect details screen (ORLEADM).

On saving the transaction after entering all the required details in the system, the system validates the value of the transaction amount against the following:

- Product transaction limit
- User Input limit

If the transaction currency and the limit currency are different, then the system converts the amount financed to limit currency and checks if the same is in excess of the product transaction limit and user input limit. If this holds true, the system indicates the same with below override/error messages:

- Number of levels required for authorizing the transaction
- Transaction amount is in excess of the input limit of the user

Renegotiation No

The system displays the number of renegotiations which have been already performed for the loan account.

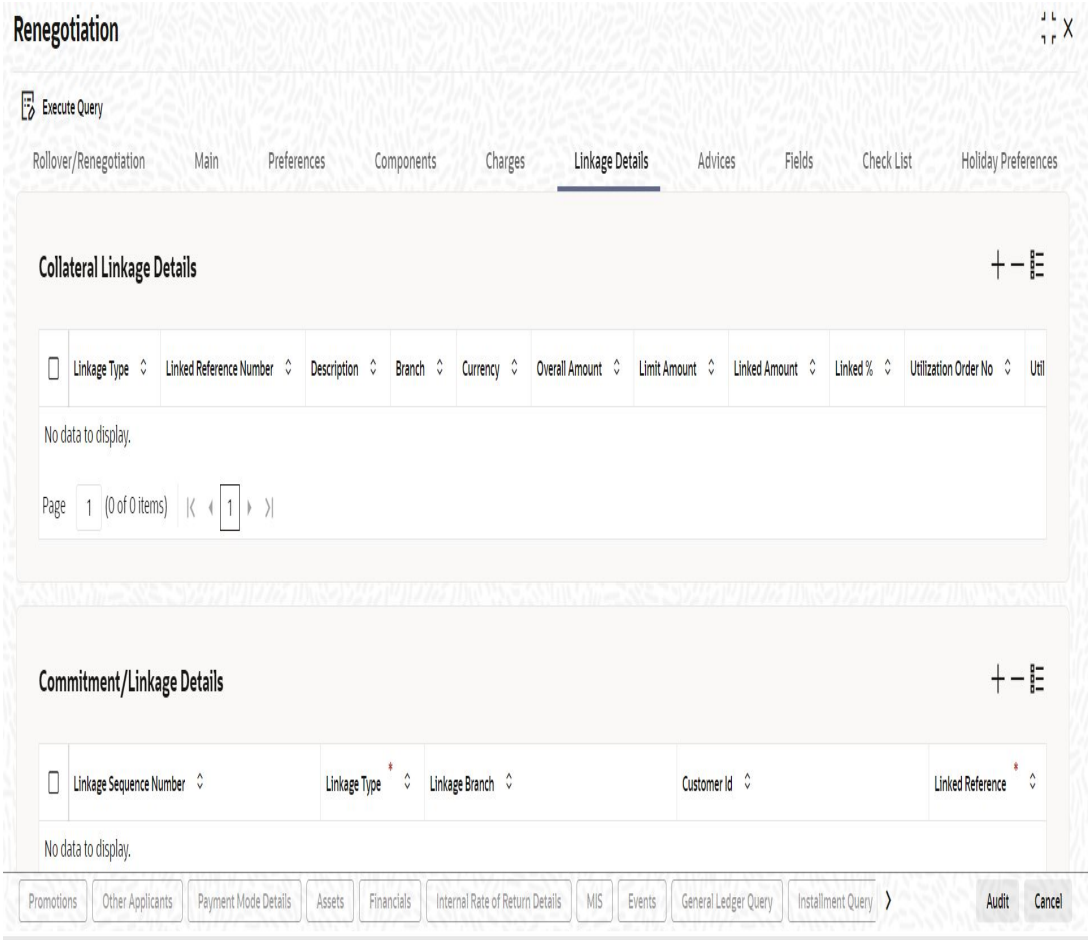
The system will validate for the maximum limit of renegotiation as follows, before saving the renegotiation:

- Collect the data for maximum Limit supported and the renegotiation count, for the corresponding account.
- If the maximum limit exceeds, then the system raises the override message as ‘Renegotiation Limit is exceeded’.

  You can however save the renegotiation request with override.
- If maximum limit is not maintained, then the system will suppress the validation and performs the renegotiation without any limitation.

8.12.2 Linkage Details Tab

Click the 'Linkage Details' tab to maintain the linkage details and remarks for the product. The screen is displayed below:



You can maintain the following parameters here:

Collateral Linkage Details

The following collateral details are maintained here:

Re-instatement Order no

Specify a valid order in which you need to re-instate the linkage linked to the account. The system re-instates the linkage in an ascending order.

Status

Status of the collateral is defaulted here.

Commitment/Linkage Details

You can maintain the following linkage details here:

Block Reference Number

The system defaults the reference number of the linkage type deposit.

Note

On save, the system validates the following details:

- If the new term deposit account available balance (term deposit principal amount - blocked amount if any). is less than the linkage amount, then the system displays an error message
- If the new term deposit account is not the same as the new customer for 'Term Deposit Linked Interest Rate' account, then the system displays an error message.
- The system releases the lien on the old term deposit account and marks a lien on the new term deposit account by the linkage amount with 'Amount Block Type' as 'Loan'.

On authorization, under Linkage Details, the system defaults block reference number as the amount block reference number of the term deposit account. The system also starts accruals based on the new interest rate.

While saving the transaction, if you have modified the Rate Code or the UDE value, the system displays configurable override messages. These overrides are displayed during subsequent modifications of the interest rate. You can also configure overrides for Dual Authorization to be displayed at Contract and Maintenance level in the 'Override Maintenance' screen.

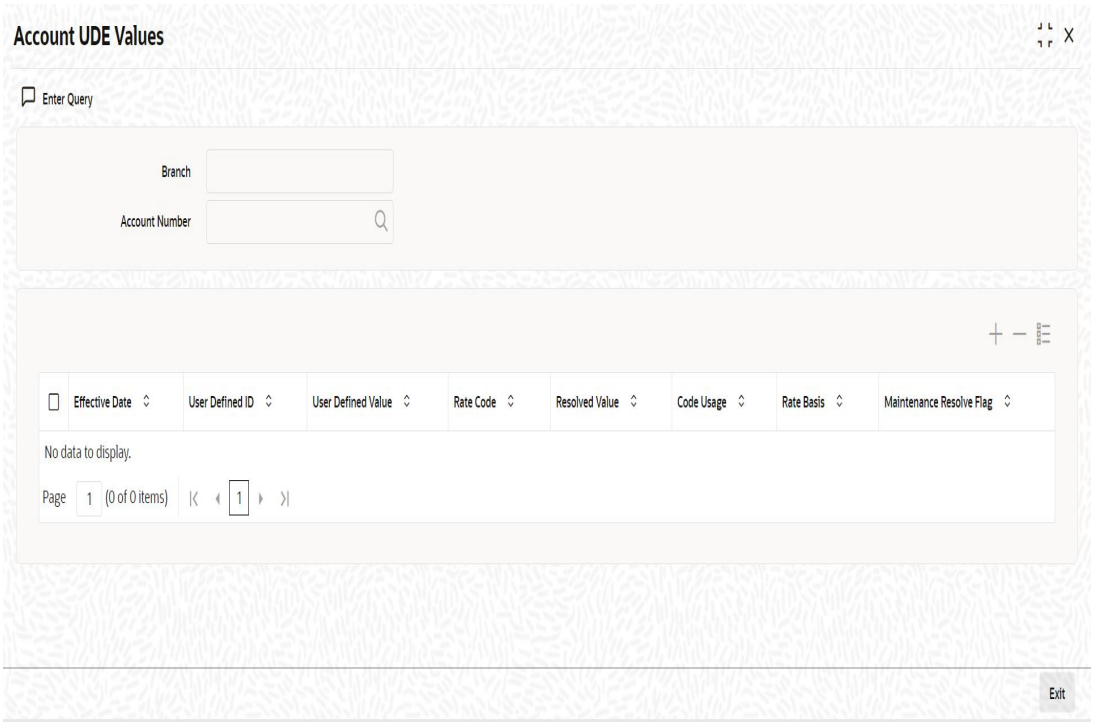
For more information about configuring overrides, refer to the section 'Override Maintenance' in the chapter 'Configuring Overrides' in the Core Services User Manual.

For more details on the field explanation of each tab, refer 'Capturing Manual Rollover Details' section of this User Manual.

8.13 Account UDE Values Query

You can query the account UDE values using the 'Account UDE Values' screen. You can invoke this screen by typing 'CLDCCUDE' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The 'Account UDE Values' screen is shown below:



Click the Enter Query button to enter the following query criteria.

Branch

The system displays the branch code.

Account Number

Specify the account number.

Click the Execute Query button.

The system displays the following Account UDE Values.

- Effective Date
- User Defined ID
- User Defined Value
- Rate Code
- Resolved Value
- Code Usage
- Maintenance Resolve Flag

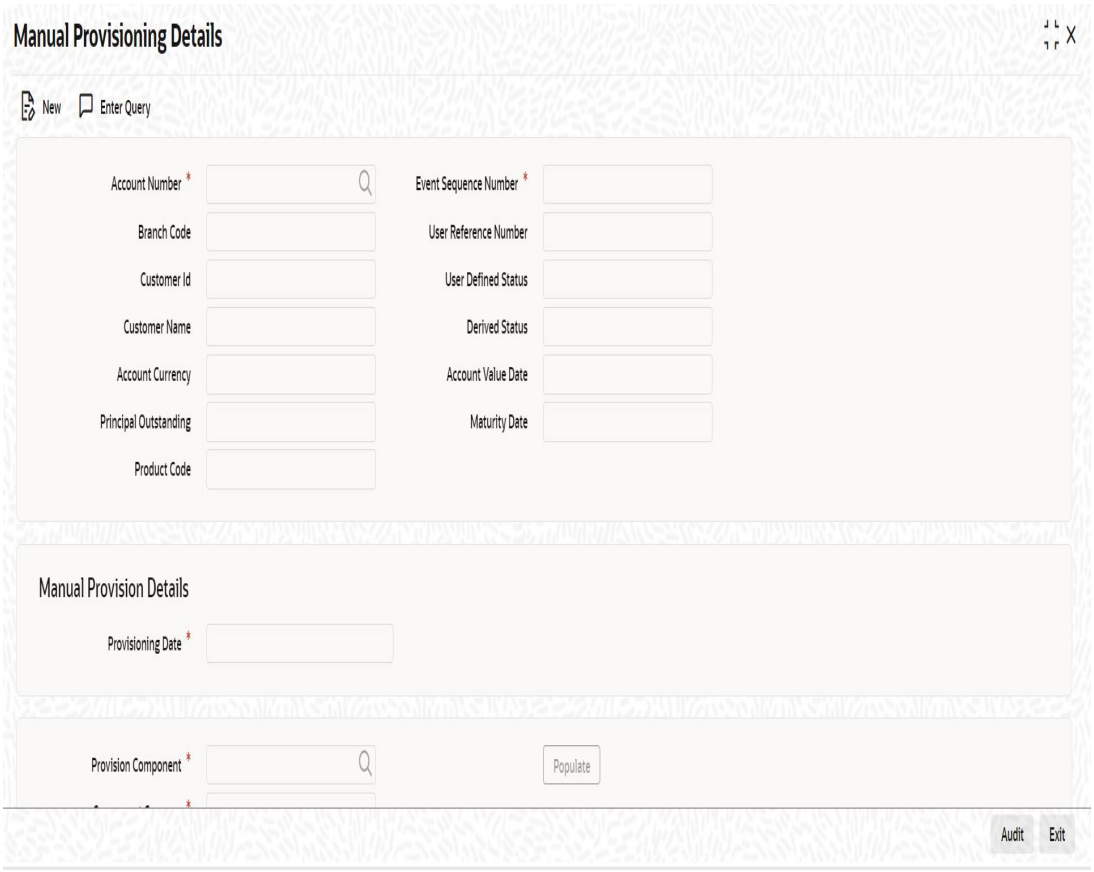
8.14 Manual Provisioning of Loan Accounts

You can manually schedule the provisioning of a loan account by defining the required parameters using the ‘Manual Provisioning Details’ screen.

For a particular loan account you can create a manual provisioning record by selecting the required provisioning component and system calculates the new provisioning details and populates them in ‘Provision Calculated’ and ‘Provision to be applied’ fields.

You can invoke the ‘Manual Provisioning Details’ screen by typing ‘CLDMNPRV’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

:



The following details are captured here:

Account Number

Select the loan account number for which you want to schedule manual provisioning from the adjoining option list. The list displays all active loan accounts for which provisioning is applicable and are enabled for manual provisioning.

On selecting the Account Number, the other field details are auto populated. Clicking on **Populate** button will update the value in 'Event Sequence Number' field.

Branch Code

The system displays the branch code of the loan account in this field.

Customer ID

The system displays the customer ID defined for the loan account in this field.

Customer Name

The system displays the name of the customer in this field.

Account Currency

The system displays the currency in which the loan account is operated in this field.

Principal Outstanding

The system displays the principal outstanding in the loan account in this field.

Product Code

The system displays the product code in this field.

Event Sequence Number

The system displays the event sequence number in this field.

User Reference Number

The system displays the user reference number of the loan account in this field.

User Defined Status

The system displays the user defined status of the loan account in this field.

Derived Status

The system displays the derived status of the loan account in this field.

Account Value Date

The system displays the account value date in this field.

Maturity Date

The system displays the maturity date of the loan in this field.

Manual Provision Details

Provisioning Date

The system displays the current date as the provisioning date in this field.

Provision Component

Select the provision component from the adjoining option list. The list displays all the components of the account which are marked with the component type as 'Provision' for selection.

Component Currency

The system display the component currency based on the component selected.

Applied Till Date

The system displays the Existing Provision Amount or Last provision applied amount in this field.

Provision Calculated

The system displays the new calculated provision amount based on the provision formula and rate maintenance, as per the provisioning date.

Provision to be Applied

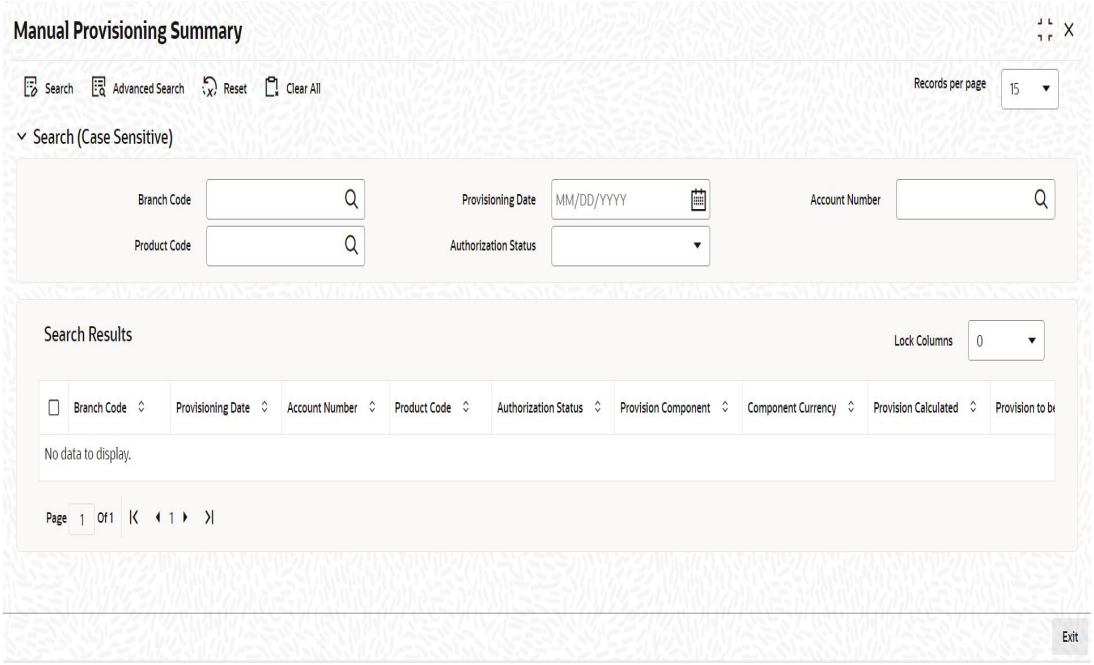
The system displays the new calculated provision amount. The same can be updated with the required amount.

Internal Remarks

Specify additional details of the provisioning, if any.

8.15 Viewing Manual Provisioning Details

You can view the manual provisioning details maintained in the ‘Manual Provisioning Details’ screen. You can invoke this screen by typing ‘CLSMNPRV’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.:



In the above screen, you can base your queries on any or all of the following parameters and fetch records:

- Branch Code
- Account Number
- Authorization Status
- Provisioning Date
- Product Code

Select any or all of the above parameters for a query and click ‘Search’ button. The system displays the following records based on the selected criteria:

- Branch Code
- Provisioning Date
- Account Number
- Product Code
- Authorization Status
- Provision Component
- Component Currency
- Provision Calculated
- Provision to be Applied
- Event Sequence Number

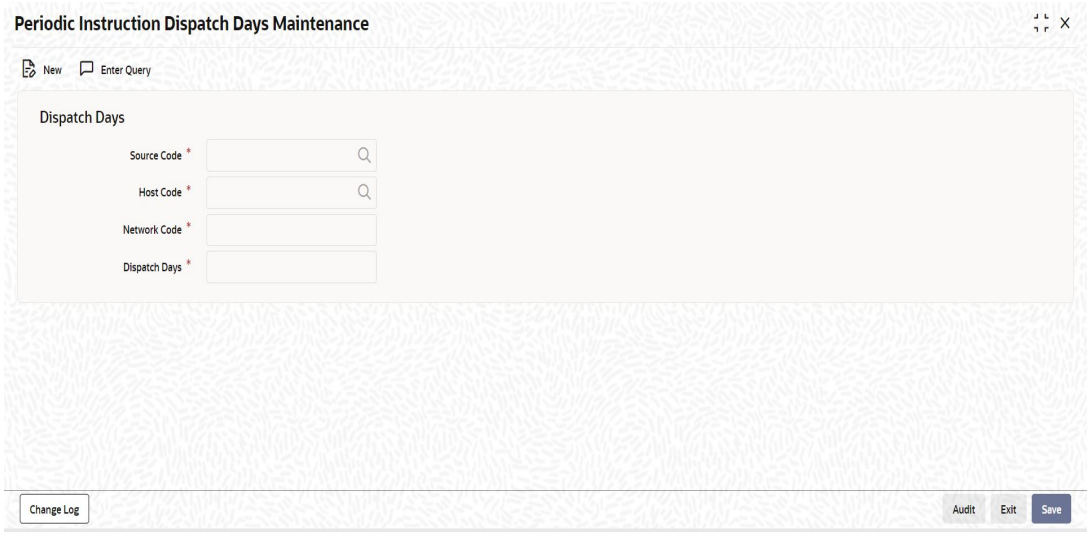
8.16 Periodic Instruction Execution Batch

Periodic Instruction Execution batch (PINS) can be invoked during EOD for periodic instruction execution for CL. During execution of the periodic instruction batch, accounts

scheduled for processing are picked up and a record is inserted into queue table with process status as U.

Details required for the payment contract such as transaction amount, currency, customer details, counterparty details etc., are made available. Only the records with transaction amount greater than zero are processed. On successful insertion of record in the queue table for the current schedule, next generation date and the next transaction amount are updated in the periodic instruction maintenance as part of the batch.

You can maintain the periodic instruction dispatch days details in 'Periodic Instruction Dispatch Days Maintenance' screen. You can invoke this screen by typing 'CLDPINDD' in the top right corner of the Application toolbar and clicking adjoining arrow button.



You can maintain the following details here:

Source Code

Specify the source code. Alternatively, you can select the source code from the option list. The list displays all valid source codes maintained in the system.

Host Code

Specify the host code maintained for current branch. Alternatively, you can select the host code from the option list. The list displays all valid host codes maintained in the system.

Network Code

Specify the network code.

Dispatch Days

Specify the dispatch days.

8.17 Periodic Instruction Maintenance

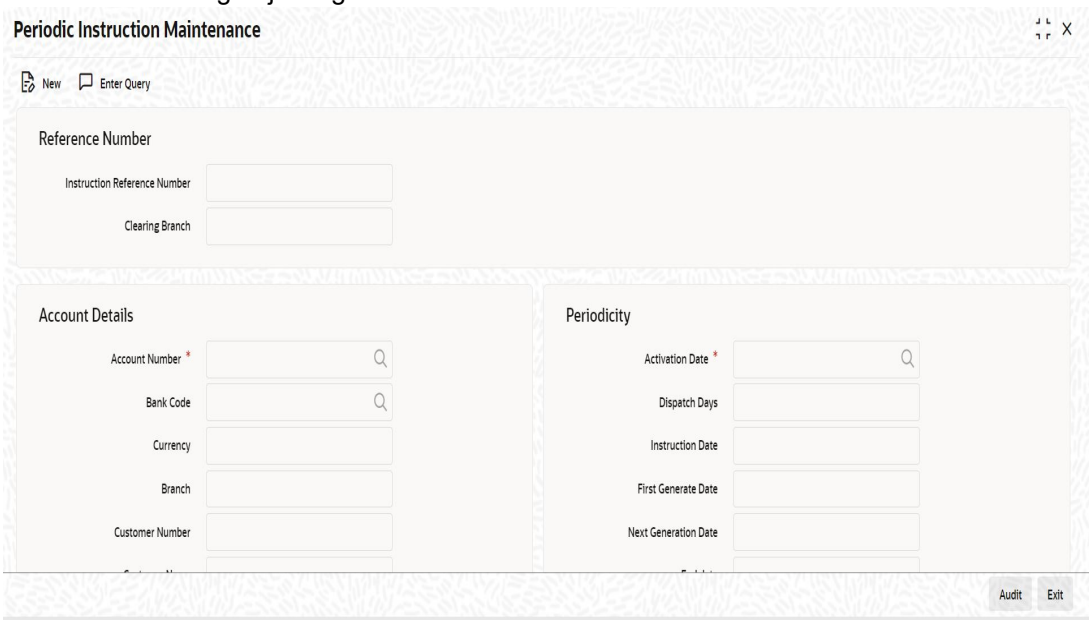
This section contains the following topic:

- Section 8.17.1, "Maintaining Periodic Instructions"

8.17.1 Maintaining Periodic Instructions

The system integrates with external payment processor for retail lending loan account collections. You can maintain periodic instructions for such loan accounts in the 'Periodic Instruction Maintenance' screen.

You can invoke this screen by typing ‘CLDPINSM’ in the top right corner of the Application toolbar and clicking adjoining arrow button.



Specify the following here:

Reference Number

Instruction Reference Number

The system displays the instruction reference number.

Clearing Branch

The system displays the clearing branch. It should be equal to the transaction branch of OBPM.

Account Details

Account Number

Specify the account number. Alternatively, you can select the account number from the option list. The list displays all valid values maintained in the system.

Bank Code

Specify the bank code. Alternatively, you can select the bank code from the option list. The list displays all valid bank codes maintained in the system.

The system displays the following based on the account number selected:

- Currency
- Branch
- Customer Number
- Customer Name
- IBAN Account Number
- Due Amount

Periodicity

Activation Date

Specify the activation date. Alternatively, you can select the activation date from the option list. The list displays all valid values.

Based on the activation date, the system will transmit the information to OBPM.

Dispatch Days

The system displays the 'Dispatch Days' based on the maintenance in Periodic Instruction Dispatch Days Maintenance screen.

Instruction Date

The system displays the instruction date based on the activation date and the dispatch days (Instruction date = Activation date - dispatch days).

First Generate Date

The system displays instruction date as the first generate date.

Next Generation Date

The system displays the next generation date.

End Date

Specify the end date for periodic instruction generation against the account number.

Remarks

Specify remarks, if any.

Customer Details

Source Code

Specify the source code of the transaction. Alternatively, you can select the source code from the option list. The list displays all valid values.

The system displays the following based on the Source Code selected:

- Host Code
- Network Code
- Dispatch Days

Creditor ID

Specify the creditor ID. The Creditor ID corresponds to the Mandate ID of the creditor available in OBPM.

Counterparty Details

Account Number

Specify the account number of the counterparty.

Bank code

Specify the bank code of the counterparty.

Branch

Specify the counterparty branch details.

Counterparty Name

Specify the counterparty name.

Debtor IBAN

Specify the debtor IBAN of the counterparty.

The job ‘CLPAYINTEGRATION’ will pick up the Periodic Instructions from the Queue table and send it to external payment system like Oracle Banking Payments (OBPM) for DD contract creation. The request will be sent in the XML format using the Payments Web Service 'CreateDDOutService'. On receiving the response, the status will be updated in the Queue table and the request and response xml will be logged in Queue Log table.

Note

- If there is amendment on loan account, then the Periodic instruction has to be updated manually.
- The Periodic Instruction will be restricted for closure if the close operation is initiated between the Instruction date and the Activation Date.
- If there is amendment of CL contract, manual payment towards CL contract or reversal of CL contract before the Periodic instruction is sent to the Payments system, then an override message will be displayed.
- In between sending and processing of periodic instruction, if a loan account is reversed, amended or pre-paid, then the system displays an override message.
- During sending and processing of periodic instruction, the payment for the periodic instruction amount will be restricted.

8.18 Indirect Payment Maintenance

This section contains the following topic:

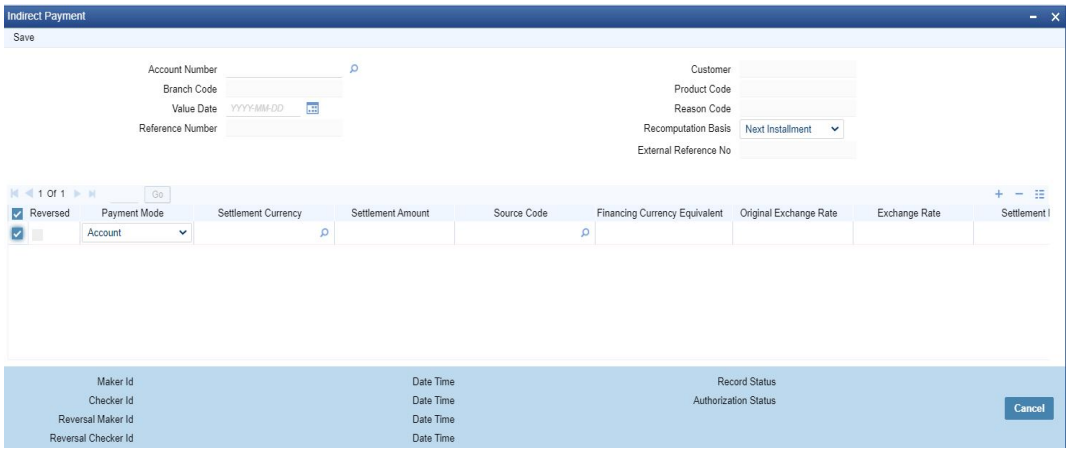
- Section 8.18.1, "Maintaining Indirect Payments"

8.18.1 Maintaining Indirect Payments

If the account is in special condition which has ALIQ/MLIQ as restricted events and the payment is through gateway interface, then the payment will be directed through the indirect payment.

For such payments, you can initiate the payment through the ‘Indirect Payments’ screen. You can invoke this screen by typing ‘CLDIDPMT’ in the top right corner of the Application toolbar and clicking adjoining arrow button

.



Specify the following details:

Account Number

Specify the account number for which wish to initiate the indirect payment. The adjoining option list displays all valid account numbers maintained in the system. You can select the appropriate one.

Branch Code

The system displays the branch code based on the account number selected.

Value Date

Specify the value date.

Reference Number

The system generates and displays the reference number.

Customer

The system displays the customer number based on the account number selected.

Product Code

The system displays the product code based on the account number selected.

Reason Code

The system displays the reason code.

Recomputation Basis

Select the required recomputation basis from the adjoining drop-down list. The list displays the following values:

- Next Installment
- Change Installment
- Reduce Tenor

External Reference No

The system generates and displays the external reference number.

Reversed

Check this box to indicate that this indirect payment should be reversed.

Payment Mode

Select the required payment mode from the adjoining drop-down list. The list displays the following values:

- Account
- Cash/Teller
- Clearing
- Instrument
- Electronic Pay Order
- Credit Card
- Debit Card
- External Account
- Internal Cheque
- External Cheque

Settlement Currency

Specify the settlement currency. The adjoining option list displays all valid currencies maintained in the system. You can select the appropriate one.

Settlement Amount

Specify the settlement amount.

Source Code

Specify the source code. The adjoining option list displays all valid codes maintained in the system. You can select the appropriate one.

Financing Currency Equivalent

Specify the equivalent financing currency.

Original Exchange Rate

Specify the original exchange rate.

Exchange Rate

Specify the exchange rate.

Settlement Branch

Specify the settlement branch. The adjoining option list displays all valid branches maintained in the system. You can select the appropriate one.

Settlement Account

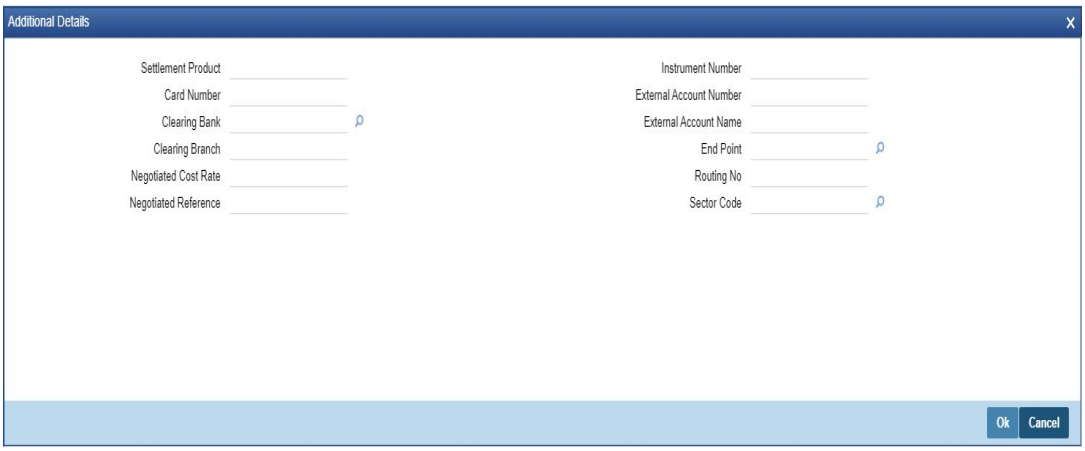
Specify the settlement account number. The adjoining option list displays all valid accounts maintained in the system. You can select the appropriate one.

Settlement Reference No

Specify the settlement reference number.

8.18.1.1 Additional Settlements Details

You can capture the additional settlement details by clicking the ‘Additional Settlement Details’ button.



Specify the following details:

Settlement Product

Specify the settlement product code.

Instrument Number

Specify the instrument number.

Card Number

Specify the card number.

Clearing Bank

Select the clearing bank code from the adjoining option list.

Clearing Branch

Specify the clearing through branch.

External Account Number

Specify the external account number.

External Account Name

Specify the external account name.

Negotiated Cost Rate

Specify the negotiated cost rate that should be used for foreign currency transactions between the treasury and the branch. You need to specify the rate only when the currencies involved in the transaction are different. Otherwise, it will be a normal transaction.

The system will display an override message if the negotiated rate is not within the exchange rate variance maintained at the product.

Negotiation Reference

Specify the reference number that should be used for negotiation of cost rate, in foreign currency transaction. If you have specified the negotiated cost rate, then you need to specify the negotiated reference number also.

Note

Oracle FLEXCUBE books the online revaluation entries based on the difference in exchange rate between the negotiated cost rate and transaction rate.

End Point

Specify the valid end point from the adjoining option list.

Routing No

Specify the routing number.

Sector Code

Specify the valid sector code from the adjoining option list.

8.19 Massive Payment Maintenance

This section contains the following topic:

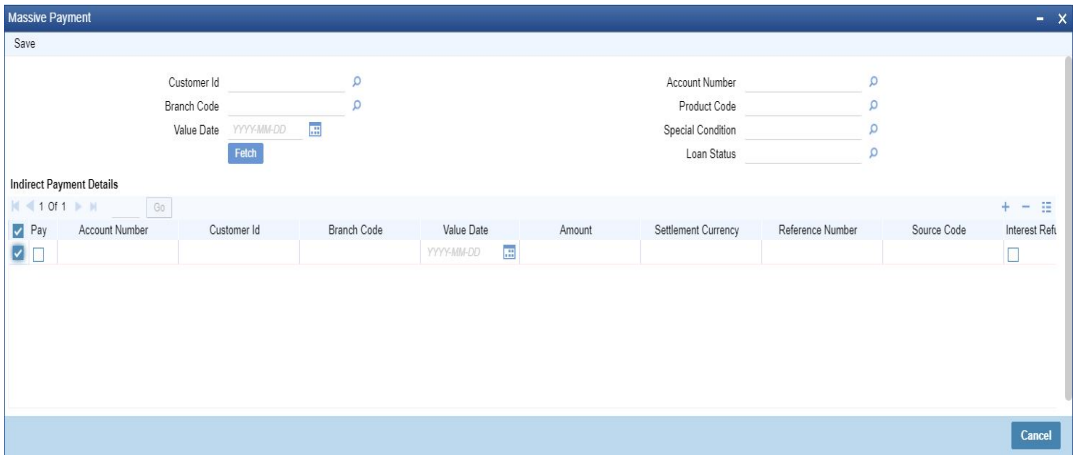
- Section 8.19.1, "Maintaining Massive Payments"

8.19.1 Maintaining Massive Payments

You can query and view the pending indirect payments through the 'Massive Payments' screen. In addition, you can process the unprocessed indirect payment for the account

You can invoke the 'Massive Payments' screen by typing 'CLDMSPMT' in the top right corner of the Application toolbar and clicking adjoining arrow button

.



Specify the following details:

Customer ID

Specify the customer number for which wish to initiate the massive payment. The adjoining option list displays all valid customer numbers maintained in the system. You can select the appropriate one.

Account Number

Specify the account number for which wish to initiate the massive payment. The adjoining option list displays all valid account numbers maintained in the system. You can select the appropriate one.

Branch Code

Specify the branch code for which wish to initiate the massive payment. The adjoining option list displays all valid branch codes maintained in the system. You can select the appropriate one.

Product Code

Specify the product code for which wish to initiate the massive payment. The adjoining option list displays all valid product codes maintained in the system. You can select the appropriate one.

Value Date

Specify the value date.

Special Condition

Specify the special condition from the adjoining option list.

Loan Status

Specify the loan status for which wish to initiate the massive payment. The adjoining option list displays all valid loan statuses maintained in the system. You can select the appropriate one.

On clicking Fetch button, the system displays the following details:

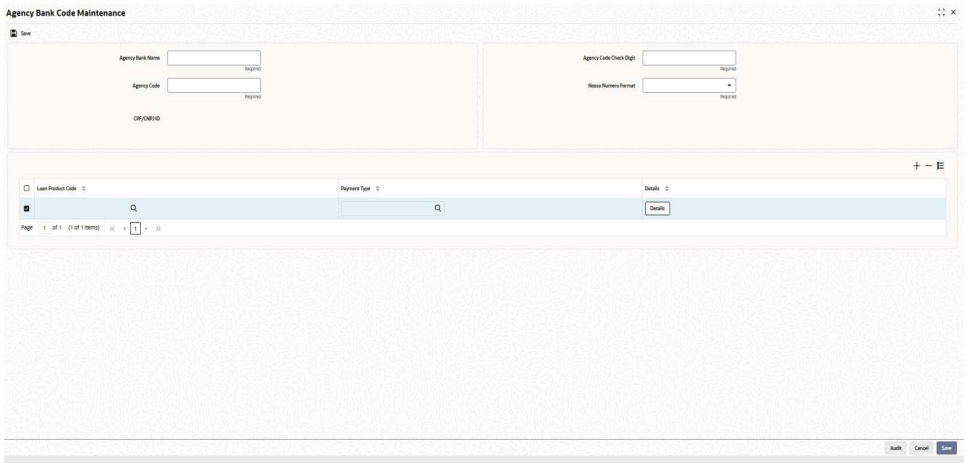
- Pay
- Account Number
- Customer Id
- Branch Code
- Value Date
- Amount
- Settlement Currency
- Reference Number
- Source Code
- Interest Refund
- Reason Code

On the last working day of the month, the system will execute the ‘CLMASPAY' batch to pick up all the pending indirect payments and process the actual loan payments. While applying such payments, the system will exclude the back value dated payment days option.

The system will not allow you to terminate the special condition till indirect payment is processed.

8.20 Agency Bank Code Maintenance

You can maintain the agency bank details during creation of new loan using the ‘Agency Bank Code Maintenance’ screen. You can invoke this screen by typing ‘CLDAGNBK’ in the top right corner of the Application toolbar and clicking adjoining arrow button.



Specify the following details:

Agency Bank Name

Specify the agency bank name.

Agency Code

Specify the agency code.

For one agency code, there can be multiple loan products and payment agreement type. Based on this the settlement details and other details will be derived from loan.

CPF/CNPJ ID

The system defaults the CPF/CNPJ ID

Agency Code Check Digit

Specify the agency code check digit.

Nosso Numero Format

Select the Nosso Numero Format from the adjoining drop-down list.

Nosso numero number will be unique for the bank. Each agency code can have different predefined nosso numero formats.

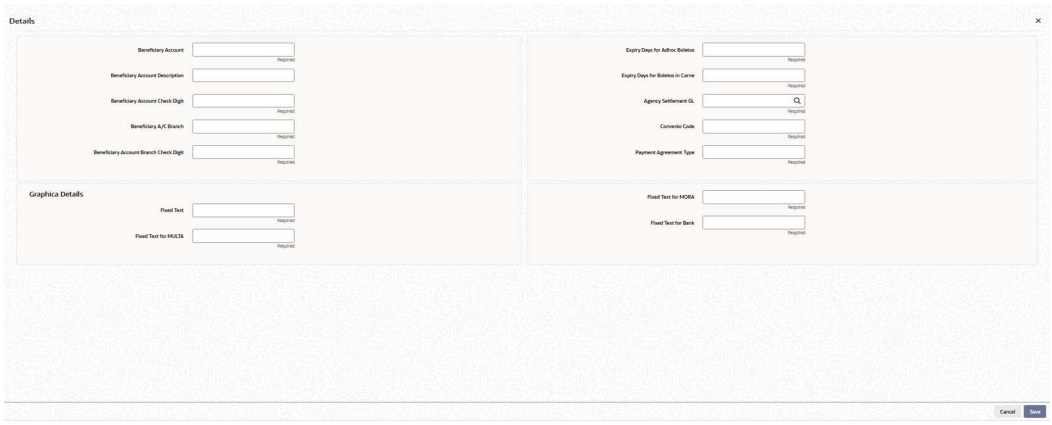
Loan Product Code

Specify the loan product code from the adjoining option list. The list displays all valid product codes maintained in the system. You can choose the appropriate one.

Payment Type

Specify the payment type from the adjoining option list. The list displays all valid payment types maintained in the system. You can choose the appropriate one.

Click ‘Details’ button to capture the details to be used in boletos based on the field ‘Agency Code’ selected during loan creation:



Specify the following details:

Beneficiary Account

Specify the Beneficiary Account.

Beneficiary Account Description

Specify the description of the Beneficiary Account.

Beneficiary Account Check Digit

Specify the check digit of the Beneficiary Account.

Beneficiary A/C Branch

Specify the Beneficiary Branch

Beneficiary Account Branch Check Digit

Specify the check digit of the Beneficiary Account Branch.

Expiry Days for Adhoc Boletos

Specify the expiry days for Adhoc Boletos.

Expiry Days for Boletos in Carne

Specify the expiry days for Boletos in Carne.

Agency Settlement GL

Specify the agency settlement GL from the adjoining option list. The list displays all valid GLs maintained in the system. You can choose the appropriate one.

Convenio Code

Specify the Convenio code.

Payment Agreement Type

Specify the payment agreement type.

Graphica Details

Fixed Text

Specify the fixed text.

Fixed Text for MULTA

Specify the fixed text for MULTA.

Fixed Text for MORA

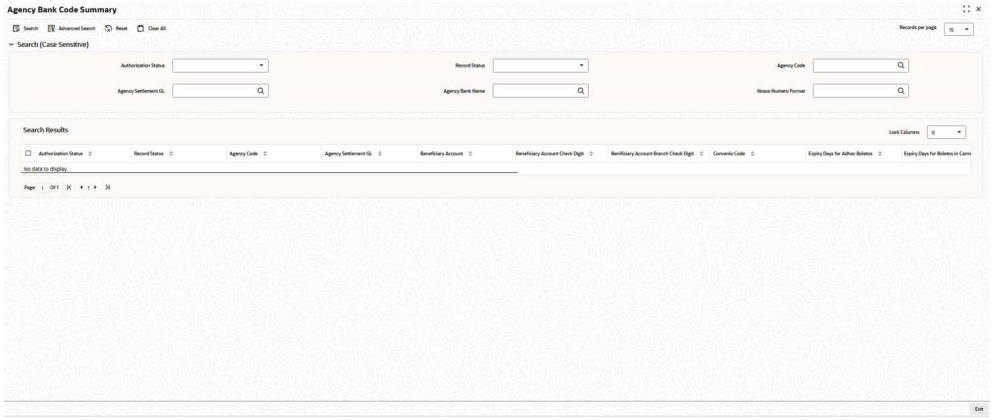
Specify the fixed text for MORA.

Fixed Text for Bank

Specify the fixed text for Bank.

8.20.1 Agency Bank Code Summary

You can view the agency bank details during creation of new loan using the ‘Agency Bank Code Summary’ screen. You can invoke this screen by typing ‘CLSAGNBK’ in the top right corner of the Application toolbar and clicking adjoining arrow button.



In the above screen, you can base your queries on any or all of the following parameters and fetch records:

- Authorization Status
- Agency Settlement GL
- Record Status
- Agency Bank Name
- Agency Code
- Nosso Numero Format

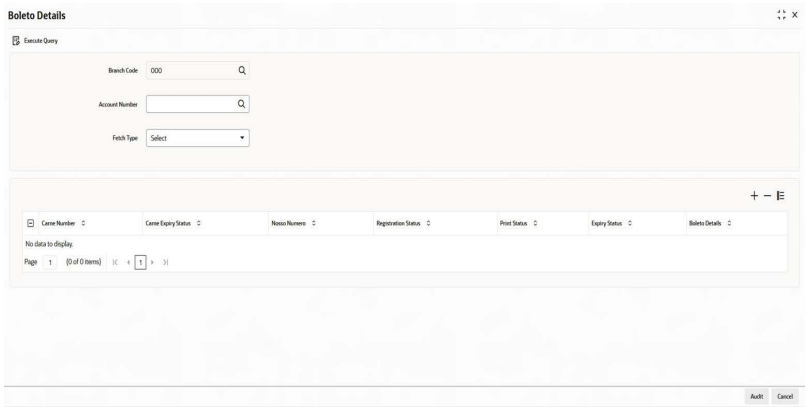
Select any or all of the above parameters for a query and click ‘Search’ button. The system displays the following records based on the selected criteria:

- Authorization Status
- Record Status
- Agency Code
- Agency Settlement GL
- Beneficiary Account
- Beneficiary Account Check Digit
- Beneficiary Account Branch Check Digit
- Convenio Code
- Expiry Days for Adhoc Boletos
- Expiry Days for Boletos in Carne
- Fixed Text

- Fixed Text for Bank
- Fixed Text for Mora
- Fixed Text for MULTA
- Agency Code Check Digit
- Agency Bank Name
- Nosso Numero Format

8.21 Boleto Details

You can query and view the Boleto details using the ‘Boleto Details’ screen. You can invoke this screen by typing ‘CLDBOLET’ in the top right corner of the Application toolbar and clicking adjoining arrow button.



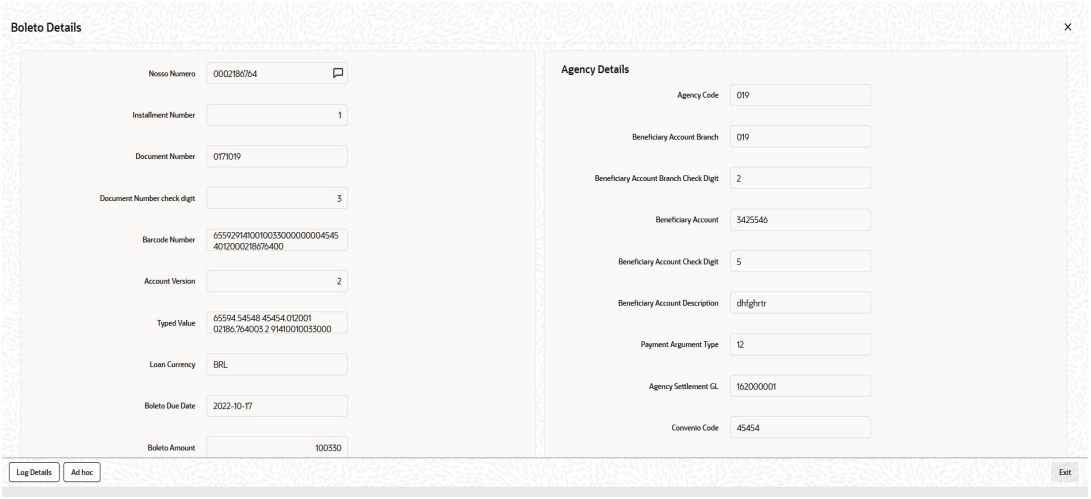
Click ‘Enter Query’ and specify the following details:

- Branch Code
- Account Number
- Fetch Type

On clicking ‘Execute Query’ button, the system will displays the following details:

- Carne Number
- Carne Expiry Status
- Nosso Numero
- Registration Status
- Print Status
- Expiry Status
- Boleto Details

Click ‘Boleto Details’ button to view the Boleto Details of the account.



In this screen, you can view the following details:

- Nosso Numero
- Installment Number
- Document Number
- Document Number check digit
- Barcode Number
- Account Version
- Typed Value
- Loan Currency
- Boleto Due Date
- Boleto Amount
- Mora for a day
- Multa for a day
- Registration Failure Reason Code
- Registration Failure Reason
- Temporary Registration reason
- Reprint Reason
- Reprint Count
- Latest Print Through
- CNPJ ID of Bank

Agency Details

- Agency Code
- Beneficiary Account Branch
- Beneficiary Account Branch Check Digit
- Beneficiary Account
- Beneficiary Account Check Digit
- Beneficiary Account Description
- Payment Argument Type
- Agency Settlement GL
- Convenio Code

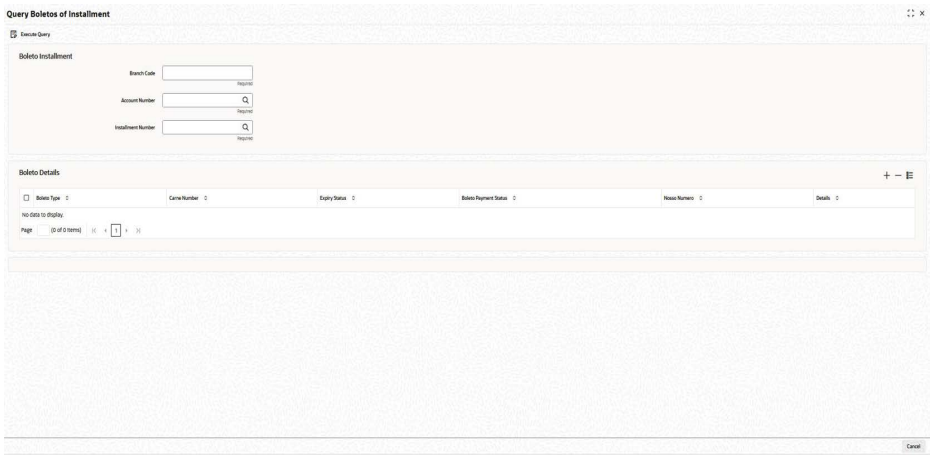
- Account Version
- Expiry Days

Customer Details

- CPF/CNPJ of customer
- Customer Name
- Address 1
- Address 2
- Address 3
- Address 4
- Pincode
- City
- State

8.22 Query Boletos of Installment

You can query and view the boleto status for an Installment using the 'Query Boletos of Installment' screen. You can invoke this screen by typing 'CLDQRBIN' in the top right corner of the Application toolbar and clicking adjoining arrow button.



You can query based on the following details:

- Branch Code
- Account Number
- Installment Number

On clicking 'Execute Query', the system displays the boleto details of the Installment:

- Boleto Type
- Carne Number
- Expiry Status
- Boleto Payment Status
- Nosso Numero

8.22.1 Details Boletos Generation

During Disbursement or Re-negotiation of loan, payment slip also known as Boletos will be generated for each installment in a booklet or Carne.

Boletos includes following two types:

- Boletos in Carne: These are installment based boletos which is generated as part of disbursement or re-negotiation of loan and such boletos which are generated as part of loan will be in a booklet called Carne.
- Boletos for Ad-hoc payment: These Boletos are based on any requested ad-hoc payment.

If a carne is existing for an account and re-negotiation happens for the account, the boletos in existing carne will be updated with expiry date as the date of re-negotiation authorization, and new carne will be generated

Operations which will be supported in this screen for Boletos in Carne are the following

Query:

Boletos can be queried for an account number and Carne or Account number, Carne and Nosso numero (Boleto) or a combination of Account Number, Carne and Registration status or Account Number, nosso numero and registration status

Boletos can be queried for branch and account number along with fetch type drop down value. If fetch type drop down is chosen, other drop down values like Carne, Nosso numero, registration status will be disabled.

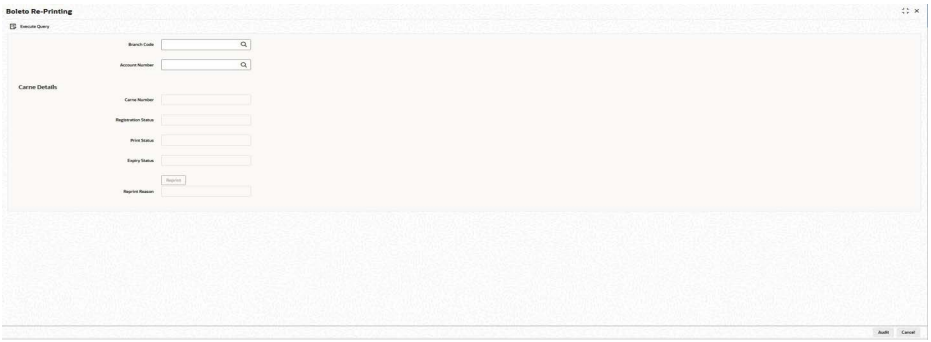
Fetch Type drop down will have the following values:

- In Progress (IP): If this option is selected details of carne with one or more boletos which is not yet registered and the carne which is not expired will be displayed in the screen, depending on if such carne is available for the account at that point in time.
- Active (AC): If this option is selected details of carne with all boletos in registered or temporarily registered status and which is printed or not printed will be displayed in the screen depending on if such carne is available for the account at that point in time.
- Inactive (IN): If this option is selected details of all inactive boletos i.e. expired boletos/ carnes will be displayed if such boletos/carne are available for the account at that point in time.
- Ad-hoc (AD): If this option is selected details for boletos generated for ad-hoc payments which is not yet expired

Result will display the details of Carne with all boletos of the carne or a boleto.

8.23 Boleto Re-Printing

You can perform a temporary registration of a Boleto using the ‘Boleto Re-Printing’ screen. This screen will be a Dual Authorization screen. You can invoke this screen by typing ‘CLDBOLRP’ in the top right corner of the Application toolbar and clicking adjoining arrow button.



In the above screen, you can base your queries on any or all of the following parameters and fetch records:

- Branch Code
- Account Number

On clicking ‘Execute Query’ button, the system displays the following details:

- Carne Number
- Registration Status
- Print Status
- Expiry Status
- Reprint Reason

You can perform the Temporary registration for Boletos which are failed as part of a chosen CNAB file generation date for a particular error code. This will not be done in bulk. This will be one by one and authorization should be done by a different checker.

CNAB file processed date should be chosen and for that CNAB file processed date, distinct error codes for Boletos which is still in failed status should be picked up and of this the Boleto which needs to be marked for re-registration should be selected and queried. Based on the details obtained, temporary registration reason should be selected and this record will be allowed to be saved. Irrespective of whether you have auto authorization privilege, auto authorization will not happen from this screen

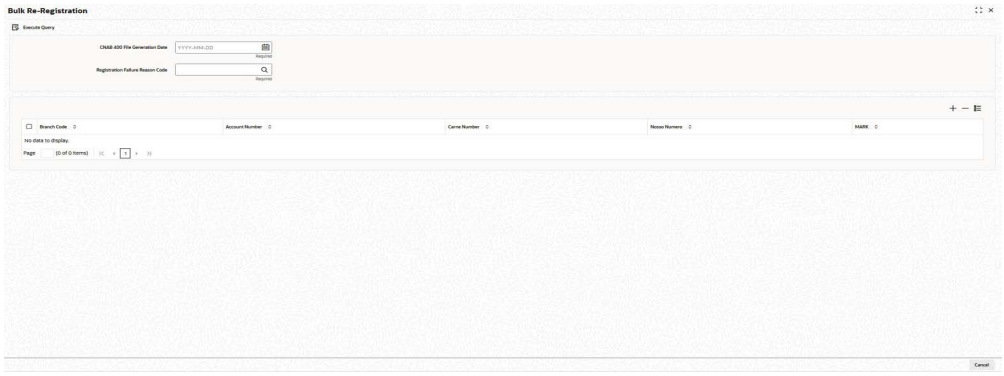
The system will allow you to perform the following operations in this screen:

- Query
- Modify
- Delete
- Authorize

8.24 Bulk Re-Registration

You can mark Boletos which has failed as part of CNAB 400 incoming file as ‘Failed’ using the ‘Bulk Re-Registration’ screen. This screen will be a Dual Authorization screen. You can invoke this screen by typing ‘CLDBLREG’ in the top right corner of the Application toolbar and clicking adjoining arrow button.

Note: This screen will be an auto auth screen, Non-auto auth users will not be allowed to do Bulk Re-registration



In the above screen, you can base your queries on any or all of the following parameters and fetch records:

- CNAB 400 File Generation Date
- Registration Failure Reason Code

Based on the CNAB 400 file generation selected, if there are any boletos marked as failed for this date, distinct error codes which has come in for these failed boletos will be provided in the Error Code LOV. Based on the error code and the date, then on clicking ‘Execute Query’, the system displays the following details:

- Branch Code
- Account Number
- Carne Number
- Nosso Numero
- MARK

Such boletos can be selectively marked for re-registration from the screen. Based on the boletos selected for re-registration, registration status of these boletos will be updated as ‘REREG’

The system will allow you to perform the following operations in this screen:

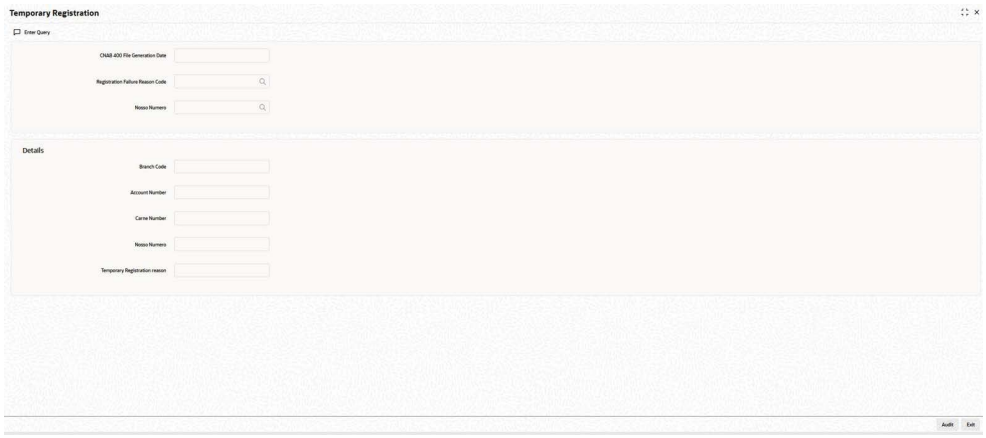
- Query
- Modify
- Authorize

8.25 Temporary Registration

You can perform the temporary registration of a boleto using the ‘Temporary Registration’ screen. This screen will be a Dual authorization screen.

You can invoke this screen by typing ‘CLDBLTMP’ in the top right corner of the Application toolbar and clicking adjoining arrow button.

Note: Temporary registration will be allowed to be done for boletos which are failed as part of a chosen CNAB file generation date for a particular error code. This will not be done in bulk. This will be one by one and authorization should be done by a different checker.



In the above screen, you can base your queries on any or all of the following parameters and fetch records:

- CNAB 400 File Generation Date
- Registration Failure Reason Code
- Nosso Numero

On clicking ‘Execute Query’ button, the system displays the following details:

- Branch Code
- Account Number
- Carne Number
- Nosso Numero
- Temporary Registration reason

Irrespective of whether you have auto authorization privilege, auto authorization will not happen from this screen

The system will allow you to perform the following operations in this screen:

- Query
- Modify
- Delete
- Authorize

8.26 Payment Simulation

You can generate NPV based boleto payment details for Adhoc payment using the ‘Payment Simulation’ screen. You can invoke this screen by typing ‘CLDSIMBL’ in the top right corner of the Application toolbar and clicking adjoining arrow button.

Note: This screen will be an auto- authorized screen.



You can query based on any of the following details to simulate the payment:

- Branch Code
- Account Number
- Payment Type
- Payment Value Date
- Total prepayment Amount
- Nosso Numero

On clicking ‘Execute Query’ button, the system will fetch net present value of the installment along with penal charges if any (mora, multa) as on the inputted payment value date for all unpaid installments based on the payment type selected as follows:

Installment Details

- Schedule Due Date
- Schedule Start Date
- Schedule Number
- EMI Amount
- NPV Amount
- Amount Overdue
- Discount Amount
- Waiver Details
- Excess/Partial
- Mark

In Ad-hoc Boleto Payment, the payment value date can be current date or future date. This cannot be backdated

On clicking ‘Generate Boleto’ button, the system will generate a new Nosso numero with boleto details for the payment. This button will be enabled for payment simulation.

Operations Allowed

The system allows you to perform the following operations in this screen:

- Query

- Unlock
- Save

8.26.1 Processing

The system will perform certain process based on the selected payment types:

Ad-hoc Payment

- If Adhoc Payment option is selected from the dropdown list, the system will display all unpaid installment details of the loan - schedule number, schedule start date, schedule end date, EMI amount, NPV, amount overdue.
- Waiver functionality will be provided only for overdue payment. If waiver needs to be provided for that installment, then click on Waiver Details button to input the amount to be waived across each component. All components cannot be waived completely i.e. zero payment with full waiver will not be allowed. Waiving will be based on the NPV of the component. Amount waived for the component cannot exceed the component NPV.
- Mark the installments and click on button ‘Generate Boleto’ to generate boleto details for adhoc payment request.
- Ad-hoc payment option can be used to choose one or more installments. The boleto generated will have the boleto due date as the payment value date for which simulation is done. Expiry date of these kinds of boletos will be same as the boleto due date. Also boleto will display the total amount to be collected from the customer for the multiple installments as a consolidated amount

Total Prepayment

- If Total Prepayment option is selected from the dropdown list, the system will display total prepayment amount for the loan based on principal NPV for the loan and accrued interest NPV if any till the payment value date.
- Click on button ‘Generate Boleto’ to generate one single boleto for total prepayment.
- If total prepayment boleto is created and is not yet presented and if any other ad-hoc or normal boleto is paid total prepayment boleto generated will be invalidated (expiry status will be marked as Y).

Partial Installment Payment

- This will be the partial installment payment. This will be applicable only for the current schedule, it won’t be applicable for overdue or future schedules at any point in time
- Click 'Ok' and save the payment simulation screen to generate the new nosso numero with boleto details for Adhoc payment.
- Click on button ‘Generate Boleto’ and save the payment simulation screen to generate the new nosso numero with boleto details for Adhoc payment.
- A Notification will be sent to the queue for handling registration of boletos to Central payment system. Once registration is successful or failed, status of the adhoc boletos will be updated in Flexcube using webservice.
- Payments will be received in FLEXCUBE via CNAB400 input file. Such payments which are received will be validated against the chosen payment value date and will be processed as part of the file.
- Payments for ad-hoc boletos will not be accepted with payment value date as future date. It should be received either on the payment value date or as a back dated payment.

Payment processing

- Payments will be NPV based for the products supporting boletos with both normal and ad-hoc In-sequential payments.
- If for an installment, more than one boleto is available and if payment is coming for one such boletos or a manual payment is coming involving an instalment, all other boletos which contains this same installment will be updated as Expired. These boletos will not be available for use after this.
- NPV Payments can be classified as
  - Normal installment payments: Installment payments which is paid on due date
  - Overdue installment payments: Installment payments which is paid as overdue (before the boleto expiry date in case of normal boleto and as on payment value date chosen in case of ad-hoc boleto)
  - Ad-hoc in-sequential payments: NPV based installment payment which may include overdue, normal installment and future installments. Such payments can have multiple or single installments to pay.
  - Total Prepayment: This payment will settle all the outstanding installments based on principal NPV and any unsettled accrued interest NPV/ Penalties and liquidate the loan

NPV Calculation Logic

Net present value of an installment will be derived based on IRR rate derived for the loan.

Formula used to calculate NPV for a schedule is:

$$NPV\ Factor\ for\ a\ Schedule = \frac{1}{(1+IRR)^{\frac{Cumulative_Days}{Year_basis}}}$$

$$NPV\ of\ Installment = NPV\ Factor * EMI\ Amount$$

$$NPV\ of\ a\ component = Component\ amount\ due\ for\ the\ installment * NPV\ Factor$$

where,

IRR - This is the internal rate of return derived based on inflow for the loan.

Cumulative_Days - This is the number of days from payment value date to the due date of the installment. If the installment due date is less than the payment value date, this cumulative days will be derived as zero.

Year_basis - This will be the year basis for the loan (payment method)

IRR for the in-sequential payments will not be changed during payments as this will paid as on current NPV.

Normal installment payments

- This will be usually the payments done with boletos in carne.

- This will include the payment of all the amount dues of the installments which is due as on the installment due date. Payment's value date will be same as installment due date.
- In this case, the NPV amount of the installment will match with the EMI, hence no discount.

Overdue installment payments

- Overdue Installment payments can be received from normal boleto in carne after the boleto due date and before boleto expiry date.
- These payments will be allowed only if the payment amount matches with installment amount plus overdue amount, otherwise payment will be rejected.
- Overdue installment payments can be received from ad-hoc boletos or manual payments also. In this case, payment should be done as on the boleto due date mentioned in the boleto.
- Payment of this type also will include total amount due of the installment and the overdue charges.
- If overdue payment is coming via ad-hoc boletos or waivers can be provided for principal or penal components. This feature will not be applicable for boletos in carne.

Ad-hoc Insequential payments

This will be usually the ad-hoc payments generated as part of the payment simulation screen. Types of payment available are Single and Multiple.

Single Instalment Discount Ad-hoc Payment

- This payment can be a single instalment discount payment which is getting settled before the Installment due date.
- Customer will pay the NPV value as on the payment value date simulated.
- The amount which is given as discount (Installment amount - NPV) will be marked as discounted amount and Installment will be marked as paid.
- Due to delay in registration process, there is a probability that payment comes in CNAB400 file which can be later than payment value date, in this case it is treated as back-valued dated payment.
- In case of back-valued dated payment, accrual (YACR) will be adjusted from the payment value date.

Single Installment Overdue Ad-hoc Payment

This payment can be a single Installment overdue payment which is gettingsettled after the Installment due date.

- This payment can come with waivers for principal and penal components.
- Due to delay in registration process, there is a probability that payment comes in CNAB400 file which can be later than payment value date, in this case it is treated as back-valued dated payment.
- In case of back-valued dated overdue payment, status change if any which has happened after the payment value date for the account will be reversed , penalty will be recalculated from the payment value date and accrual (YACR) will be adjusted from the payment value date.
- Single Installment ad-hoc payment can be a normal Installment payment also. In this case it works as a normal Installment payment.

Multiple Installment Ad-hoc Payment

- This payment can be a multiple Installment payment which may not be in sequence and can be a combination of discount payment (current and future date), normal Installment payment, and overdue payment.
- Customer should pay the NPV value as on the payment value date simulated along with the overdue if any,
- The amount which is given as discount (Installment amount - NPV) will be accounted in discount expense and Installment will be marked as paid (both current and future Installments).
- Due to delay in registration process, there is a probability that payment comes in CNAB400 file which can be later than payment value date, in this case it is treated as back-valued dated payment.
- In case of back-valued dated payment, status change if any will be reversed, penalty if any will be recalculated from the payment value date and accrual (YACR) will be adjusted from the payment value date.

Total prepayment

- This will be the total prepayment of the loan based on principal NPV and unsettled accrued interest NPV/penalties if any using a single boleto.
- Total prepayment amount will be derived as sum of principal NPV of all outstanding Installments and unsettled accrued interest NPV till payment value date and penalties if any.
- Due to delay in registration process, there is a probability that payment comes in CNAB400 file which can be later than payment value date , in this case it is treated as back-valued dated payment. Penal, status change and accrual (YACR) needs to be adjusted.

Excess Amount Payment

- This will be the excess amount payment of a schedule if the schedule is paid before the boleto due date of the boleto with the full boleto amount. This will be allowed from boleto in carne and from Manual Payment screen.
- This kind of payment will not be allowed on the last open schedule of the loan.
- When a payment comes in above mentioned mode, the excess amount will be passed into a suspense GL.
- Excess amount will be calculated as EMI for the schedule-Installment NPV. (In case of manual payment this amount can be settlement amount for the schedule –installment NPV as on payment value date. Settlement amount can be greater than installment NPV and less than or equal to EMI amount of the schedule)
- System will select the next available open schedule in the loan to include the excess amount thus received.
- System will create a new ad-hoc boleto for this schedule with boleto due date as Schedule due date with boleto amount as EMI amount for the schedule (settlement amount in case if from manual payment screen) –NPV of Excess amount as part of the current payment till the schedule due date of this schedule chosen.
- NPV of the excess amount will be calculated as Excess amount * (1+irr%)^(days/year basis)
- If you wish for a discount payment of the installment for which the excess amount needs to be included, NPV for the excess amount passed on will be calculated from the Payment value date on which the excess amount payment was done till the payment value date for current payment or schedule due date of current schedule whichever is the earliest.

- The amount which is the difference of this calculated excess amount and actual excess amount will be the excess amount discount and this will be debited from Excess discount expense GL during the payment.
- SDE 'TOTAL_REDSCHODUE' is created which should be used for penal calculation. This SDE will be derived as EMI amount for the schedule –sum of Excess amount and partial amount NPVS if any available for the schedule).
- When Back dated payment comes, there should not be any payments on a date later than this back value date for the loan, which is not yet reversed.
- Reversal of the payment for the schedule which has resulted in excess amount will again result in invalidation of boleto for the next open schedule which was chosen to include this excess amount.

Partial Installment Payment

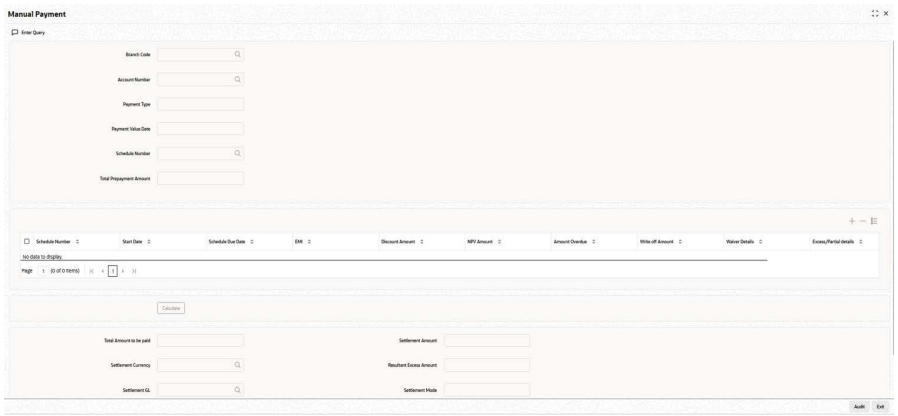
- This will be the partial installment payment. This will be applicable only for the current schedule, it won't be applicable for overdue or future schedules at any point in time.
- Partial installment payment amount should be less than the total installment NPV as on the payment value date for the schedule- (if any other partial installment payment amounts for the schedule and if any excess amounts to be applied)
- Partial installment option will be available from manual payment screen and payment simulation screen. This will not result in any boleto creation.
- Waiver will not be allowed for partial installment payments
- More than one partial installment payment can come for the schedule with payment value date in between schedule start and due date
- Partial installment payments will not be allowed as part of multiple installment ad-hoc payments. For partial payment to execute, payment mode should be chosen as partial installment payment in manual payment screen. As a result current running schedule as per application date will be displayed in the screen and settlement amount should be chosen as an amount less than the derived total amount to be paid.
- Boletos involving corresponding installment will be invalidated as the total amount to be paid for the schedule will be changed now.
- Amount which is paid as partial amount will then be kept in a suspense GL, till the schedule is getting paid completely.
- At the time of payment of the schedule, NPV of all the partial payment amounts for the schedule will be found out from the payment value date for each of these partial installment payments till the payment value date of the actual schedule payment or schedule due date whichever is the earliest. Sum of this amount along with excess amount NPV if any for the schedule will be subtracted from payment value dates NPV for the installment to derive the actual payment amount.
- NPV of partial installment payment will be calculated as Partial Inst. Payment amount *(1+irr%)^(cumulative days/years basis)
- SDE 'TOTAL_REDSCHODUE' is created which should be used for penal calculation. This SDE will be derived as EMI amount for the schedule –sum of Excess amount and partial amount NPVS if any available for the schedule). This SDE should be used for penal calculation in case if In-sequential payment required flag is checked for the underlying product for an account.
- When Back dated payment comes, there should not be any payments on a date later than this back value date for the loan, which is not yet reversed.
- Partial installment payment will result in movement of the partially paid amount into a suspense GL. Actual settlement of the installment happens when a schedule payment resulting the remaining amount to be paid for the schedule is done.

8.27 Manual Payment

You can perform the manual payment for the accounts with product marked with the 'In-sequential Payment Required' checkbox using the 'Manual Payment' screen. You can invoke this screen by typing 'CLDMPNPV' in the top right corner of the Application toolbar and clicking adjoining arrow button.

Note the following:

- This screen will be an auto- authorized screen.
- This screen will not be available for the accounts for which product is having In-sequential Payment Required checkbox unchecked.



You can query based on the following details:

- Branch - This indicates the branch code
- Account Number - This indicates the account number
- Payment Type - This indicates the payment types Ad-hoc Payment, Total Prepayment, Partial Installment Payment and Excess Amount Payment.
  - If Ad-hoc payment is selected, all open schedules will be displayed in the screen. One or more schedules can be marked to process payment. Settlement amount will be derived as the sum of installment NPVS for the marked schedules.
  - If payment type is selected as 'Excess Amount Payment', you need to specify the Schedule number. This LOV will fetch all unpaid schedules in the past and current schedule i.e. overdue and current schedules.
- Payment Value Date - Payment value date should fall in between the schedule start date and due date of the selected schedule.

On clicking 'Execute Query' button, the system displays the following details:

- Schedule Number - This indicates the schedule number
- Start Date - This indicates the start date
- Schedule Due Date - This indicates the schedule due date
- EMI - This indicates the EMI
- Discount Amount - This indicates the Discount Amount
- NPV Amount - This indicates the NPV Amount
- Amount Overdue - This indicates the amount overdue

- Write off Amount - This indicates the write off amount schedule-wise for an account
- Waiver Details - This indicates the waiver details
- Excess/Partial Details - This indicates the excess or partial details

The amount paid will be derived as EMI amount. Settlement amount can be passed as an amount less than the EMI amount for the schedule or the maximum as the EMI amount. If the amount passed is equal to the NPV as on the payment value date or less, payment will be rejected from this payment mode.

On clicking ‘Save’, the system will perform the payment processing and corresponding accounting entries will be passed.

Back dated payments will be allowed from ‘Manual Payment’ screen. Back dated payment will not be accepted beyond an existing payment date. i.e. if there is an existing payment on a previous date and if trying to do a payment beyond this date. This will be possible if the payment till back value date chosen is reversed.

Waiver will be allowed for all types of payments except for partial installment payments from Manual Payment screen.

On clicking ‘Calculate’ button, the total amount to be paid will be populated. Post this the settlement amount should be specified. This should be the same as total amount to be paid which is derived.

When the total amount to be paid is less than settlement value, then the system will display the ‘Write Off Loss’ amount.

Operations Allowed

The system allows you to perform the following operations in this screen:

- Query
- Unlock
- Save

Validations

The system will perform the following validations and displays an appropriate error message

- If schedule number is not selected and if the payment value date is not falling in the chosen schedule duration.
- If there is any payment done for the loan in a payment value date which is later than the selected payment value date.
- Click ‘Calculate’ button after choosing the schedules as part of the payment mode chosen before save of the payment.
- The total amount to be paid should be same as the Settlement Amount.
- Waiver is not allowed for write off payments and will be validated by the system.
- Boleto payments and Ad-hoc boleto generation will not be allowed for the accounts in write off
- Back dated payment for account in write off will not be allowed before the latest write off status movement date
- Payment reversal of the accounts in write off will be allowed only for the payments which is done after the latest write off status movement date.
- In write off payment, customer can pay either the write off amount or an amount which is high or low. In all these cases the schedule will be fully settled.

- In payment screen, Component amount due and component NPV will remain AS-IS. The system will display an appropriate error message if amount waiver is chosen.
- Excess/partial amount will not be considered in write off balance and in write off payment.
- No catchup accruals for interest/penalty will be done in write off payment.
- Settlement amount cannot be negative for write off accounts.
- Reversal of payments before write-off status change is not allowed.
- Backward status change is not allowed for write off accounts.
- If an account is in write off status, then it cannot move to a status with lesser adversity level as maintained in the Product Maintenance screen.

Processing of GL Balance Transfer

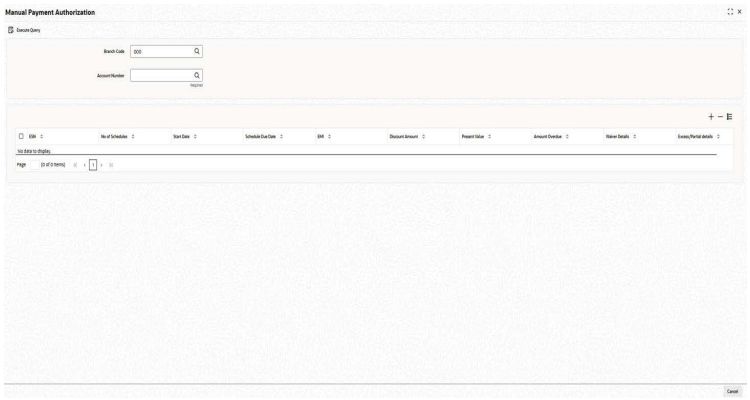
- If the payment for a schedule is due for an account with In-sequential payment mode and the total days in status 'H' is higher than 180 (parameterizable), then the account is moved to write off status.
- The flag is present for each account status at product level to identify the write off status. If the flag is checked, then the status will be treated as write off status.
- Once the account is moved to write off status, the GL balance amount for the account are moved to different GL
- The total write off balance amount will include the outstanding principal, the total interest amount accrued, the total penal interest amount accrued and the total penal charge due.
- The interest will be accrued till the account reaches stop accrual status before the account enters the write off status.
- The outstanding Principal amount, the accrued interest amount, the accrued penal interest amount and the penal charge due amount balances are moved to different GL.
- New amount tags are defined at the product level to fetch the account balances in the GL for the account when the account status changes.
- The accounting entries with specific accounting role for transfer of the GL balance are maintained at the product level in the 'Account Status' screen.
- When the account status is changed to write off status, the balances are transferred as per the accounting entries maintained.
- There could be more than one write off statuses for a loan. This can be set at product level
- Once account reaches write off status, transfer of account status from write off status to any other non-write off account status due to installment payment is not allowed
- VAMI is not allowed for the account, when the account is in write off status.

Processing of Installment Payment in Write-off Status

- The accounting entries along with the specific accounting roles for payment of the account in write off status needs to be maintained separately at the product level based on existing SDE for LOAN_STATUS.
- The SDE LOAN_STATUS will be used to identify the write off status of the loan and will be used as a condition at the product level to maintain the accounting entries separately.
- Partial payment is not allowed.
- You need to specify the installment amount to be paid.
- You need to specify the amount to be settled during the payment. If any amount needs to be waived for the installment, you need to specify the amount for the installment.
- Reversal of this installment payment in write-off status is allowed.

8.27.1 Manual Payment Authorization

You can perform the authorization and deletion of the unauthorized payments performed using the Manual Payment screen using the ‘Manual Payment Authorization’ screen. You can invoke this screen by typing ‘CLDMPNAU’ in the top right corner of the Application toolbar and clicking adjoining arrow button.



You can query based on the following details:

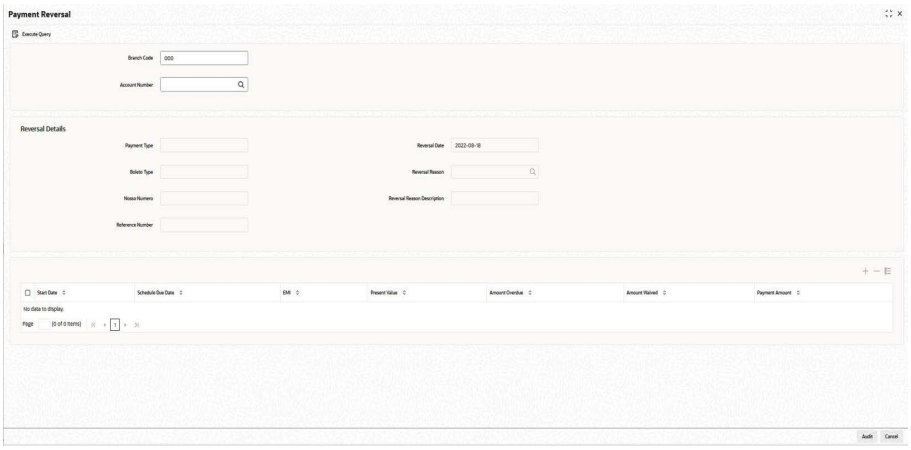
- Branch Code
- Account Number

On clicking ‘Execute Query’ button, the system displays the following details:

- ESN
- No of Schedules
- Start Date
- Schedule Due Date
- EMI
- Discount Amount
- Present Value
- Amount Overdue
- Waiver Details
- Excess/Partial Details

8.27.2 Payment Reversal

You can reverse the Adhoc payment using the ‘Payment Reversal’ screen. You can invoke this screen by typing ‘CLDAPREV’ in the top right corner of the Application toolbar and clicking adjoining arrow button.



You can query based on the following details:

- Branch Code
- Account Number

On clicking ‘Execute Query’ button, the system displays the last paid Boleto details:

- Payment Type
- Boleto Type
- Nosso Numero
- Reference Number
- Reversal Date
- Reversal Reason
- Reversal Reason Description
- Start Date
- Schedule Due Date
- EMI
- Present Value
- Amount Overdue
- Amount Waived
- Payment Amount

You need to select the reversal reason code to reverse the payment. This field will be a list of value field and will be populated based on static type maintenance (CODTYPES).

If last paid boleto was Adhoc payment, then one or more record based on the Installments available as part of this boleto will be displayed.

If last paid boleto is a boleto in carne only one record will be available. Also the boleto should not be in expired status for the payment to be reversed.

On clicking ‘Unlock’ button, you can mark the particular Installment to reverse the payment and save the record.

Re-calculation of penal will be done and accrual will be adjusted as part of payment reversal. Payment will be reversed for that particular Installment

Note the following:

- Reversal will not be allowed after the liquidation of loan
- Reversal of total prepayment will not be allowed post the loan liquidation.

9. Batch Processes

The events that are to take place automatically are triggered off during what is called the Batch Process. The batch process is an automatic function that is run as a mandatory Beginning of Day (BOD) and/or End of Day (EOD) process. During EOD, the batch process should be run after end-of-transaction-input (EOTI) has been marked for the day, and before end-of-financial-input (EOFI) has been marked for the day.

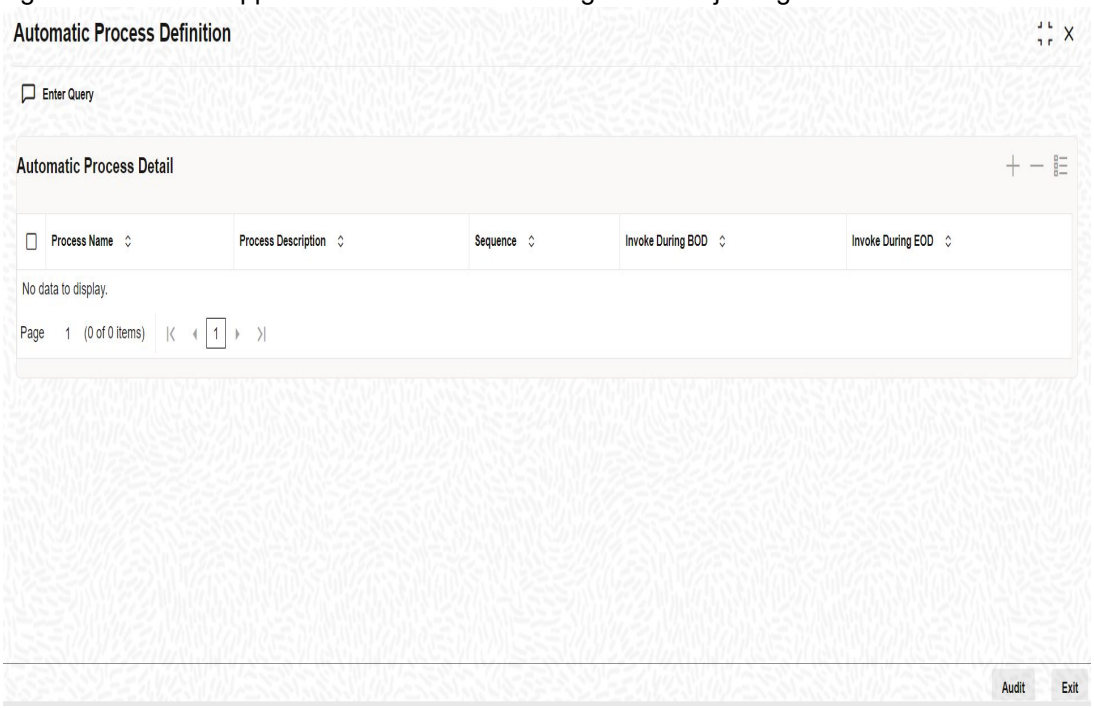
This chapter contains the following sections:

- Section 9.1, "Configuring CL Batch Processes"
- Section 9.2, "Initiating the Batch Process"
- Section 9.3, "Multi-threading of Batch Processes"
- Section 9.4, "Excess Amount Allocation Batch"
- Section 9.5, "Status Change Batch Processing (CSDSTBTC)"
- Section 9.6, "Group Status Change Across Branches Batch Processing (CSDCSTBT)"
- Section 9.7, "Interest Posting (INTP Event)"
- Section 9.8, "CL Batch Processing"
- Section 9.9, "Minimum Amount Due Batch Processing"
- Section 9.10, "EMI Change Batch (EMIC) Processing"
- Section 9.11, "User Defined Events Trigger for CL Accounts"
- Section 9.12, "Commission Processing"
- Section 9.13, "Stamp Duty Tax Processing"
- Section 9.14, "Intermediary Commission Batch Run "
- Section 9.15, "Interest Payback Batch"
- Section 9.16, "Periodic Instruction Queue Log"
- Section 9.17, "Processing Payment from Next Installment GL"
- Section 9.18, "Processing Actual Loan Payments"
- Section 9.19, "Processing Interest Accrual"

9.1 Configuring CL Batch Processes

You have the facility to configure the batch processes to be executed either at EOD or BOD or both, as per the bank’s requirement. This is achieved through the ‘Automatic Process

Definition' screen. You can invoke this screen by typing 'CLDTPROC' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



In this screen, you can amend the order of the various operations in the CL batch and choose to trigger them at EOD or BOD or both.

The default configuration is given below:

Batch Operation	**BOD/ EOD**
Forward Init of Loan Accounts	BOD
Calculation	EOD/ BOD
Accruals	EOD/ BOD
Minimum Amount Due	BOD
Auto Liquidations	EOD/ BOD
Auto Disbursements	BOD
Rate Revisions	BOD
UDE Cascade	EOD
Maturity processing – Rollovers , Auto Closures	BOD/ EOD
Automatic Status Change Processing	BOD
FEES	BOD

INTP (Interest Posting)	BOD
Billing & Payment Notices	BOD
Statements generation	EOD
Penalty Computation	BOD
Forward VAMIs	BOD
Revaluation	EOD
Readjustment	EOD

These batch processes are factory shipped for your bank. Note that you need to set the 'UDBATEVT' batch as a predecessor to the CL batch 'CLDBATCH'.

Defining Batch Processes

The CL batch processes are explained briefly:

Forward Init of Loan Accounts

Loan accounts maintained in the system are classified into two types:

- Active
- Inactive

When loan accounts become Active, the BOOK event is triggered for the Loan and you can specify a Value Date for the loan during this event.

This batch identifies all the accounts that are due for initiation on that day, at BOD and the INIT event is triggered for these accounts. The current system date will be taken as the value date for these accounts.

Re-Calculation

Loan parameter alterations directly affect the computation of accruals. This batch identifies such changes made to loan accounts, both at BOD and EOD. Further, it recalculates the accruals based on the altered loan components.

Accruals

This batch passes all the recalculated accrual changes required for the components. It is triggered, both at BOD and EOD.

Auto Liquidations

This batch processes the payments that are configured as auto payments and is triggered both at BOD and EOD.

Auto Disbursements

Disbursement schedules are maintained for products. As part of BOD process, the DSBR events for the accounts will be triggered.

This batch processes these schedules at BOD, which enables the DSBR events of the accounts to be initiated.

Rate Revision

As part of BOD program, this batch processes the Floating Rate revision schedules for products.

UDE Cascade

This batch is triggered at EOD in case of UDE value changes. The changes in UDE values are applied to all the affected accounts.

In case, a single account requires a UDE Change/Cascade, it can be performed online for that account alone. Such accounts are then excluded from this batch.

Maturity Processing

Maturity processing of loans is performed if the maturity date falls at BOD of a particular day. This results in either Auto Closure or Rollover of loans.

- Auto Closure: Loans that are liquidated on maturity are subject to Auto Closure, during maturity processing.
- Rollover: Loans that have auto rollover maintained are rolled over during maturity processing.

Status Change Processing

Certain accounts have automatic status changes, wherein the SDEs required for status change are evaluated. In such cases, this batch detects status changes at BOD. Once this is done, appropriate status change activities are triggered.

If you have selected the CIF/Group level status processing option (as part of the preferences for your branch), the status change batch picks up the worst status among all the loans and accounts (savings and current accounts) for a customer within the branch and updates this in all the customer's loans (in the 'User Defined Status' field).

Notice Generation – Billing, Payments

For each loan, the number of days prior to which a Notice is to be generated is evaluated. In case of loans that carry dues, the Notice is generated as specified in the notice days maintained for the product. This batch is processed at BOD.

Statement Generation

At EOD, the statement is generated depending on the statement frequency and other statement based maintenance actions specified.

Forward VAMI

At BOD, this batch processes all value dated amendments that are booked with the date as Value Date.

Penalty

Penalty computations are evaluated at BOD by this batch. Any grace period maintained will have to be considered during this calculation. On completion of the grace period, the penalty components are computed from the due date till the current date.

Revaluation

At EOD, revaluation of assets and liabilities to the LCY are carried out.

> **Note**
>
> During collateral revaluation, if the new collateral/local collateral amount falls below the linked amount of the account, then the system automatically takes appropriate action.

Readjustment

This batch is processed at EOD. It is triggered in the presence of Index currencies that are not treated as a part of revaluation. It handles readjustments based on new index rates.

Minimum Amount Due

At BOD, this batch will identify the Open Line Loans accounts whose MAIN_INT component due date is equal to the application date and then calculate the minimum amount due details.

9.2 Initiating the Batch Process

If you have opted to trigger the CL batch programs at EOD, the same will be executed as part of the 'End of Cycle Operations' after marking the 'EOTI' for the day. If the trigger is maintained as 'BOD', the programs will be executed before the start of 'Transaction Input'. However, the programs will be triggered both at EOD and BOD if you opt to trigger it at both the instances.

9.3 Multi-threading of Batch Processes

The CL Batch process handles multi threading. The number of parallel processes and the interval between processes is maintained as part of 'CL Branch Parameters'.

Refer the section titled 'Maintaining Branch Parameters' in the 'Maintenances and Operations' chapter of this User Manual for details.

The accounts are split into multiple groups which can be processed in parallel for a particular sub process. Hence, all non conflicting parallel groups will complete the sub process after which the next sub process is taken up and so on. There is also an option to run it purely sequentially as shown above.

9.4 Excess Amount Allocation Batch

The Excess Amount Allocation batch is run to allocate the transfer amount available for each member against the outstanding balance in the corresponding loan accounts.

A member account is owned by a single member, but a loan account can be co-owned by several members in a certain ratio. Each member could be a borrower in multiple loans. For these reasons the amount allocations are necessitated.

The allocation process considers the following important parameters:

- % liability of each member in each loan where he is the borrower
- Transfer amount available per member
- Amount due (based on % liability) per member

To enable this fund allocation the rebate batch is run at the bank level. Common Settlement Account maintained in 'Rebate Account Preferences' screen is used as the 'Common Bridge Account'. This will have the combined balance of all the member accounts, which can be utilized for loan re-payment. The Rebate account processing batch will provide the details like the member account number (CASA account), the member (CIF number) and the excess amount for the member. This data will act as the input for this batch program.

The batch does the following operations:

- It will get the due details for the next schedule of each loan, along with the Liability Split %. This will include the overdue amount, if any.
- Allocate the excess amount of each member to his loans, with the earliest unpaid schedule first.
- The due date of the schedule will be considered by the allocation batch for allocating the payments. The batch will ensure that the available amount is used to make advance payment for the immediate next component due before considering the next.

- While allocating the amount for the next schedule, the available amount will be available amount minus the amount already allocated against the previous schedule.
- With this info, CL payment will be triggered for each loan account. This will be an advance payment (not Pre payment) for an aggregate amount and will be initiated according to the liquidation order maintained for the components.
- On successful payment, process status will be changed to ‘P’ for all the records with this Loan account number.
- Status will be changed to ‘E’, in case of any error during the payment. As per the current functionality, the error details will be available in the exception table.
- After correcting the errors, you can re-initiate the process which will exclude the already processed loan accounts.
- Further generation of Payment advice will derive the amount after considering the amount paid through this batch process.

9.5 Status Change Batch Processing (CSDSTBTC)

For the CL module the Status change batch will be run along with the customer/Group and apply worst status change for the customer. This batch will use the status change events.

You can trigger the batches to run before the Common Status Change batch (CSDSTBTC). The following given batches can be run in any order:

- LCEOD
- BCAUSTCH
- CLBATCH
- ICEOD
- CIDBATCH
- MODBATCH
- CASABAT
- IAAUTDLY
- CSDSTBTC
- ICEOD
- CLDPROV
- MODPROV
- CIDPROV

The Process of Provisioning is handled by the following batches for CL, MO and CI modules respectively:

- CL provisioning batch (CLDPROV)
- Mortgage provisioning batch (MODPROV)
- Islamic loan provisioning batch (CIDPROV)

Note

The provisioning process is detached from the CLBATCH, MODBATCH and CIDBATCH.

If ‘Status Processing’ is at Individual Contract Level, then system will trigger status change based on the Customer Credit rating for the customer of the Contract /Account booked. The other contracts of the customers in the same Group will not be impacted. However if the ‘Status Processing’ is at CIF/Group level individual module (LC,CL, CI, MO, CA, IA and BC)

batches will be updating common storage with the derived status of each contract and CIF/ Group level status will be triggered by the common status change batch. The common status change batch will call the individual module function for status change processing.

9.6 Group Status Change Across Branches Batch Processing (CSDCSTBT)

On non-repayment of the installments, the loan account moves through a sequence of statuses until regularized. Based on the rules, the account moves from NORM to the next adversity status. When the account status of a customer changes, the group status iss also changed at the customer level and is updated to the worst status (such as DOUB) for the loan and over draft account of the customer, if any.

The batch CSDCSTBT performs the group account status change of all the OD and CL accounts of the same customer belonging to different branches. Group status change at the customer level, updates the worst status to other any accounts (OD and Loan) of the same customer. Any account getting defaulted in OD shall trigger the group status change for OD and Loan accounts and vice versa.·Bills and collections contracts for the customer is not a part of the group status change.

According to the requirement, either the batches CSDSTBTC or CSDCSTBT or both of them, can be maintained at branch level. When both the batches are maintained, the sequence of execution of batch should be configured as follows.

- CLBATCH
- CSDSTBTC
- CSDCSTBT

On EOD processing, the user defined status of all the related accounts of the customer of same branch is updated with the worst status. Derived status of the related accounts is the actual status of the accounts. On EOD processing of different branch, if there are any other account of the same customer in that branch, then the user defined status of those OD and CL accounts are also updated.

Movement type is maintained as ‘Both’ for all status codes in account status maintenance. The GL lines are maintained for INTR status in the Account Class Maintenance screen. The status INTR is only applicable for the batch CSDCSTBT which changes the group’s status across branches. The usage of the IINTR is status rule movement is optional.

9.7 Interest Posting (INTP Event)

You need to make a provision to post an income into a separate GL. This income is the interest which you pay to the customer who has a loan account. On the interest posting date, a transaction occurs to move the receivable and the income from one GL to another. This transaction distinguishes between receivables from the income which is due and not due. Also, this interest posting is applicable for the main interest component only.

The INTP event runs at the BOD for a loan product against which it has been defined.

The following points are noteworthy:

- You can pick the INTP event during the loan product definition and maintain the accounting entries against this event. To recall, you need to click on the ‘Events’ tab in the ‘Consumer Lending Product’ screen where you specify the various events which need to be run.

- At the time of loan account creation, Oracle FLEXCUBE populates the events diary with one record of the INTP event for each schedule due date. This has the status as ‘Unprocessed’. This is done for the main interest component schedule only.
- The system also creates a record for the end of each calendar quarter during the moratorium period in the case of amortized loan products.
- Any rebuilding of repayment schedules results in the rebuilding of records in the events diary.
- The batch process picks up all the unprocessed INTP records from the events diary having the execution date on or before the current application date. The process is limited to the active accounts belonging to the current branch.
- The amount and date of due for the main interest component is fetched from the component schedule due details.
- The accounting entries get passed on the schedule due date or the calendar quarter end, as defined for the event INTP through the ‘Consumer Lending Product’ screen under the ‘Events’ tab pertaining to a loan product maintenance.
- For term loans, the transaction posting date is the same as schedule due date of the main interest component. The same is followed for amortized loans also.
- For an amortized loan with a moratorium period, the transaction posting date is the end of the calendar quarter and the end of the moratorium period. If the moratorium period is different from the end of the calendar quarter, the entries passed will not tally with the actual amount due. This difference gets passed on the schedule due date of the moratorium period.
- There are no changes in the INTP event execution behaviour in case of a partial pre-payment.
- If a loan is getting pre-closed with a complete settlement, the system does not wait till the schedule due date or calendar quarter end for passing the INTP entries. It posts the interest accrued till the current date on the date of the pre-closure.
- In case of any failures during the INTP batch process, the system logs the error details for the account and processes the subsequent accounts.

9.8 CL Batch Processing

When prioritization rule is maintained for an L/C linked to the loan account, then bulk liquidation takes a different route during CL batch processing. Liquidation is triggered based on the preference rule defined for L/C. Preference with respect to ‘ALL’ is considered if a specific preference is not maintained for the corresponding L/C. This is treated as a normal payment once the respective component, schedule of the loan is identified for the payment. During the batch process prioritization for account liquidation takes place.

The batch process for liquidation takes place as follows

- Sub-process named as ‘BLIQ’ is used for Bulk Payment which runs before the ‘ALIQ’ Process. Event code used for this Prioritized liquidation is ALIQ.
- Accounts linked with L/C are grouped and liquidation process is done on the group.
- For the L/C linked to the loan account, if a prioritization rule is set, the same is considered for Bulk Payment. If prioritization rule is not maintained, the liquidation happens as part of ‘ALIQ’.
- When the bulk payment happens as part of batch, the prioritization rule determines which account is to be liquidated first. The account is attempted like any other ALIQ except for the component prioritization.
- Liquidation order is as per the prioritization rules defined for L/C.
- Verify funds facility is used as applied as part of loan processing.

- Missed or skipped schedules/accounts during Bulk liquidation due to specified preferences are picked up during ALIQ process and are allowed to succeed individually.
- The Accounts with ‘Liquidation Mode’ selected as ‘Component’ will be considered for auto liquidation.
- The system liquidates the component, for the accounts with the ‘Liquidation Mode’ selected as ‘Component’ and the ‘Liquidation Mode’ selected as ‘Auto’ at the component level.

Accounting entry netting is not available as part of Bulk Payment. There are multiple debits to the customer account for different CL account involved in the Bulk Payment.

For processing the daily Highest Outstanding balance for the entire active loan accounts, a process is maintained in auto CL automatic process table. This process runs as the last process in CL batch and invoked during EOD if it’s selected as ‘Y’.

Highest Outstanding Balance of an Account = Current Outstanding Balance of an Account. For month end HDB, system takes the highest debit balance during the month, which can be any day during that month.

9.9 Minimum Amount Due Batch Processing

The minimum amount due batch calculates the minimum amount due for open line loans. This batch will identify the OLL accounts whose MAIN_INT component due date is equal to the application date and compute minimum amount due details. The following details are available in the installment query details of a loan account:

- Billing date
- Min Amount due
- Pay by date
- Component details
  - Component name
  - Amount due
  - Settled sum of payments made in the billing period.

This batch will calculate the minimum amount due to be paid by the customer on pay by date as per the chosen formula. The system will generate the billing advice with the calculated values.

The system will generate the billing advice based on the billing notice product setup. This advice is generated before the pay by date and not schedule due date for open line loans. The system will also create the new advice format for billing advice for open line loans with the following details:

- Loan account number
- Next Billing Date
- Available Credit Limit
- Amount Utilized
- (Loan Limit)
- Billing Period From
- Billing Period To
- Billed Date
- Payment Date
- Amount Due

- Minimum Amount Due
- Excess Payment (Will show the excess amount paid within the billing cycle)
- List of billed transactions

9.10 EMI Change Batch (EMIC) Processing

The event EMI Change (EMIC) processes the changes on the Effective Date from which the EMI amount is applicable for the customer. Based on the parameters specified for EMI change, the EMIC event derives the new EMI amount for the customer. The new EMI amount is then compared with Minimum EMI and Maximum EMI amount maintained in the 'Account Details' screen. If the new EMI amount is beyond the minimum and maximum limits, it is set to the minimum or maximum limit amount, as applicable. The new EMI comes into effect only from the next schedule. The current schedule remains unaffected by the change in EMI. For a schedule, if the interest is greater than the EMI, the EMI is set to the interest amount and the principal amount is set to zero. With effective from the next schedule, the system sets the new EMI amount and calculates the future schedules.

9.11 User Defined Events Trigger for CL Accounts

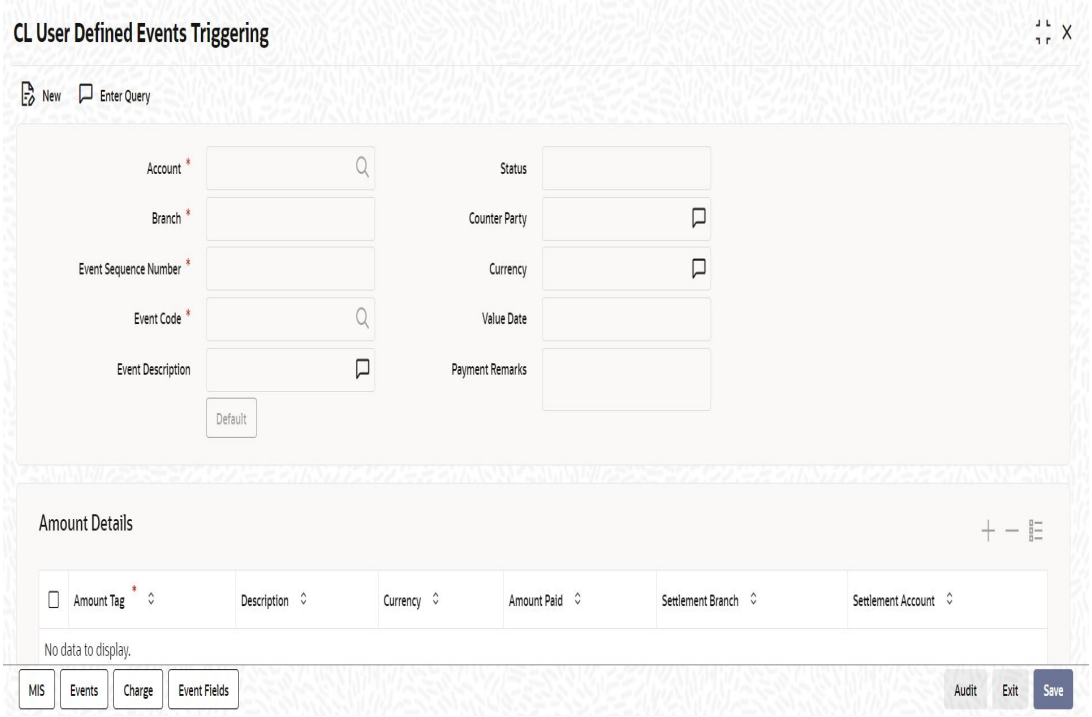
This section contains the following topics:

- Section 9.11.1, "Triggering User Defined Events"
- Section 9.11.2, "MIS Button"
- Section 9.11.2.1, "Refinance Rate Button"
- Section 9.11.3, "Charge Button"
- Section 9.11.4, "Events Button"
- Section 9.11.5, "Event Fields Button"

9.11.1 Triggering User Defined Events

You can use the 'CL User Defined Events Triggering' screen to manually trigger the user defined events for CL accounts. You can invoke this screen by typing 'UDDCLETR' in the

field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Here you need to specify the following details:

Account Number

Specify the account for which you want to trigger the user defined event. The adjoining option list displays all valid account numbers available in the system. You can select the appropriate one.

Branch Code

The system displays the code of the branch where the account resides.

Click ‘Default’ button. The system fetches values for the following fields based on the selected contract and displays them:

- Counter Party
- Currency
- Status

Event Sequence Number

The system displays the event sequence number.

Event Code

Specify the event that needs to be triggered for the selected account. The adjoining option list displays all events linked to the account. You can select the appropriate one.

A brief description of the event is displayed below.

Value Date

If the value date derivation rule has been maintained for the event code, the system will calculate the value date and display it here. However, you can change it.

Payment Remarks

Specify remarks pertaining to payment on the account.

Amount Details

Specify the following details.

Amount Tag

The amount tag is displayed based on the product-level maintenance of the specified account.

Description

The system displays a brief description of the amount tag.

Currency

If a derivation rule has been maintained for the event code, the system will derive the currency as per the rule and display it here. However, you can change it.

Amount Paid

If a derivation rule has been maintained for the event code, the system will derive the amount as per the rule and display it here.

Settlement Branch

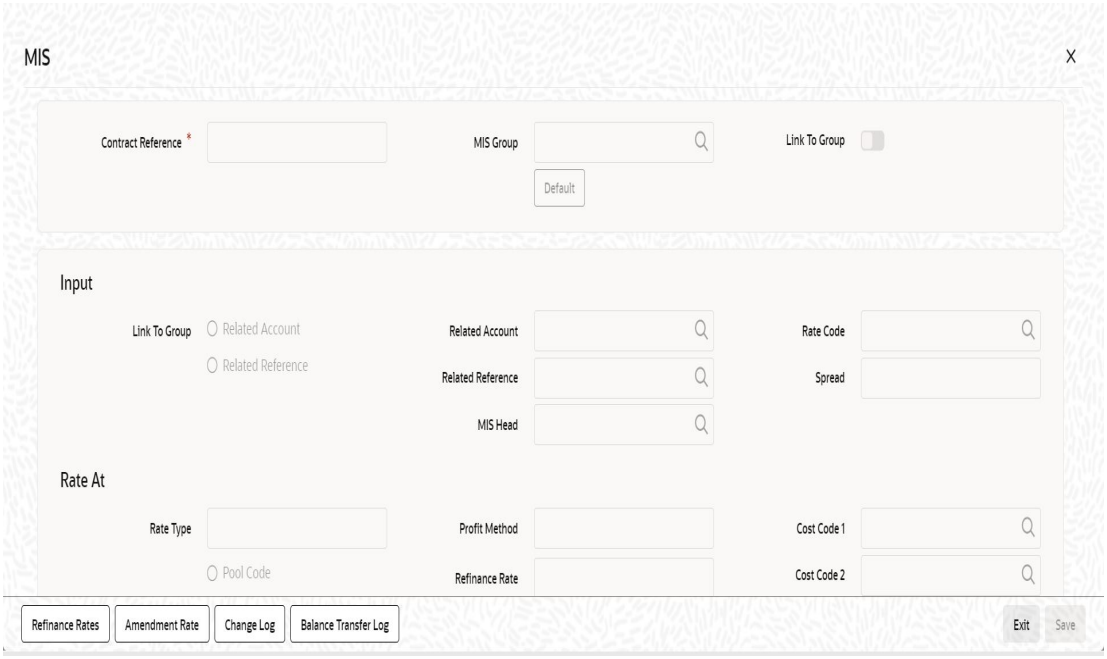
Specify the branch where the settlement account resides. The adjoining option list displays all valid branch codes maintained in the system. You can select the appropriate one. Alternatively, if you have specified the settlement account, the system will display the corresponding branch code here.

Settlement Account

Specify the account that should be debited or credited. The adjoining option list displays all valid accounts maintained in the system. If you have specified the settlement branch, the option list will display all accounts available in that branch. You can select the appropriate one.

9.11.2 MIS Button

Click ‘MIS’ button the screen and invoke the ‘MIS’ screen.



You can view the following details:

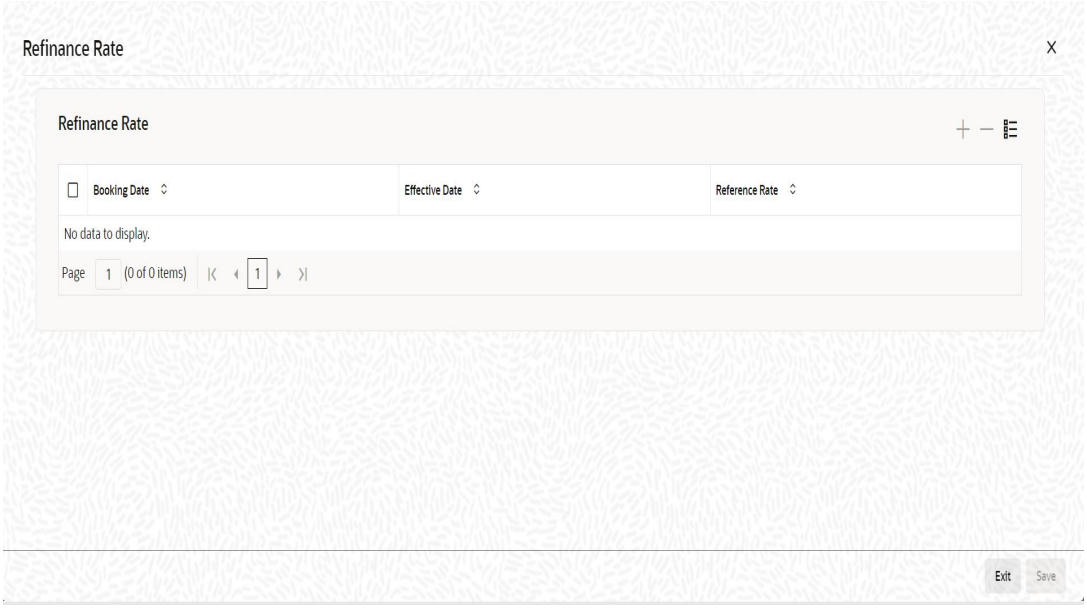
- Contract Reference

- MIS Group
- Link to Group
- Input preference - Related reference/Related Account
- Related Account Number
- Related Reference Number
- MIS Head
- Floating Rate Code
- Floating Rate Spread
- Rate Type
- Rate at Pool Code/Contract Level
- Interest method
- Pool Code
- Reference Rate
- Cost Codes

You can view Transaction MIS, Composite MIS and Fund MIS details in this screen.

9.11.2.1 Refinance Rate Button

Click ‘Refinance Rate’ button on the ‘MIS’ screen and invoke the ‘Refinance Rate’ screen.



Here you can view the following details:

- Contract Reference Number
- Booking Rate
- Effective Date
- Refinance Rate

9.11.2.2 Amendment Rate Button

Click ‘Amendment Rate’ button and invoke the ‘Rate Details’ screen.

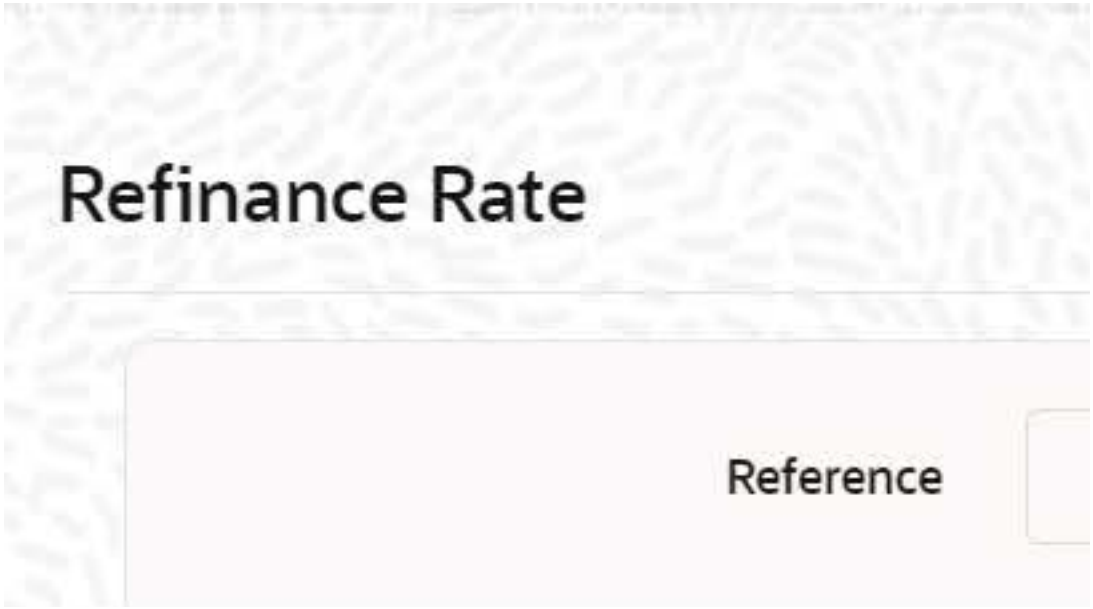


Here you can view the following details:

- Rate Type
- Rate Code
- Spread
- Contract Reference

9.11.2.3 Rate Button

Click ‘Rate’ button on the ‘Rate Details’ screen and invoke the ‘Rate Details’ screen.



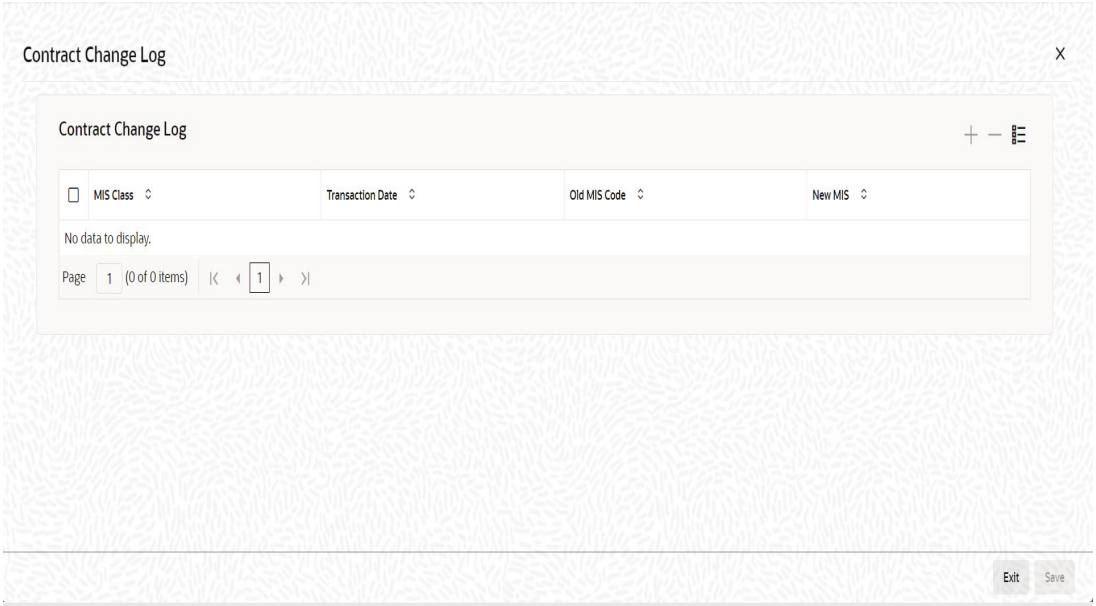
Here you can view the following details:

- Contract Reference Number
- Booking Rate

- Effective Date
- Refinance Rate

9.11.2.4 Change Log Button

Click ‘Change Log’ button on the ‘MIS’ screen and invoke the ‘Change Log’ screen.

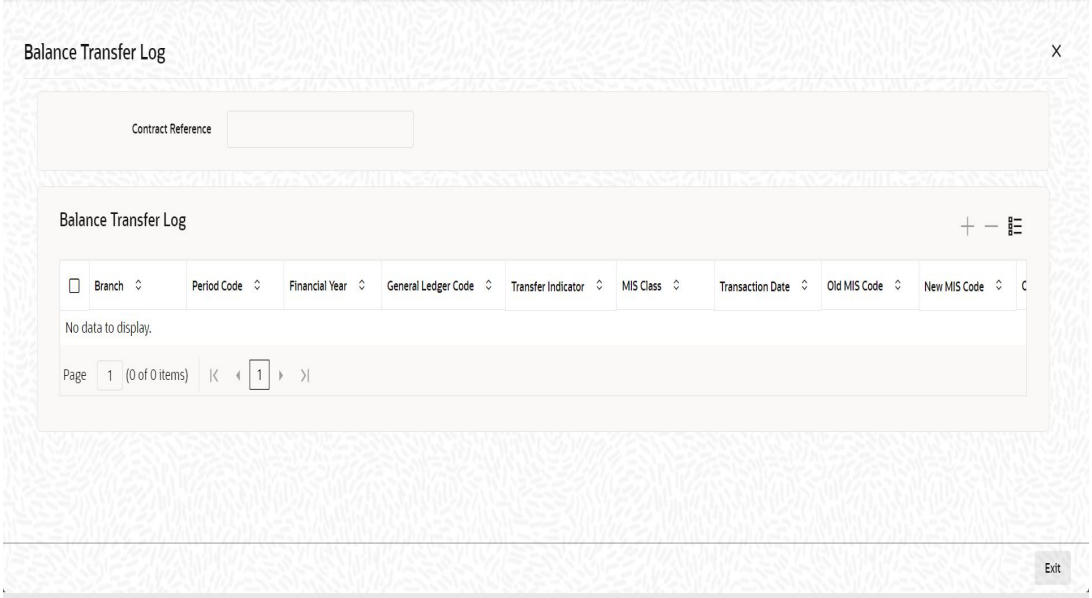


If MIS reclassification occurs, through changing the MIS codes for transaction or composite classes, the System stores the changes made, in a Contract MIS Change Log. The following details are stored in the Contract MIS Change Log for the contract in respect of which the MIS reclassification occurred:

- Contract Reference Number
- MIS Class that was changed
- Date on which the change was made.
- The old code for the changed MIS Class (this information is stored only for the first amendment during a day)
- The new MIS code for the changed MIS class.

9.11.2.5 Viewing Balance Transfer Log

Click ‘Balance Transfer Log’ button on the ‘MIS’ screen and invoke the ‘Balance Transfer Log’ screen.



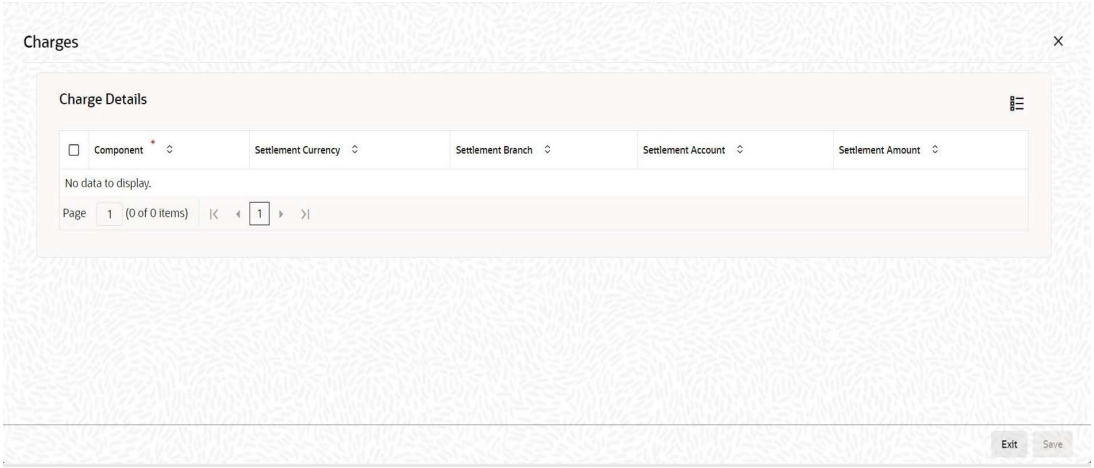
When an MIS reclassification occurs in respect of a the account, the balances in a GL associated with the old MIS code in each case are transferred to the GL for the new MIS code, if the option of transferring MIS balances upon reclassification has been set in the ‘Chart of Accounts’ screen for the GL.

You can view the following details:

- Contract Reference
- Branch
- Period
- Financial year
- Transfer Indicator
- MIS Class
- Transaction Date
- Old MIS
- New MIS
- Currency
- Amount
- Exchange Rate

9.11.3 Charge Button

Click ‘Charge’ button on the ‘CL User Defined Events Triggering’ screen and invoke the ‘Charges’ screen.

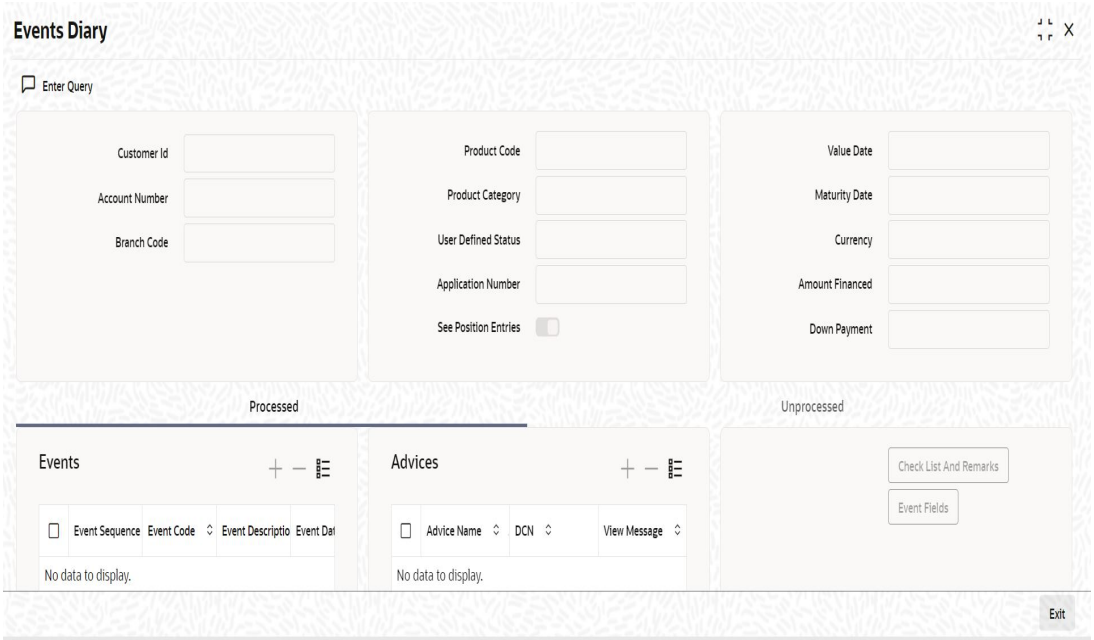


You can view the following details:

- Component Name
- Settlement Currency
- Settlement Branch
- Settlement Account
- Settlement Amount

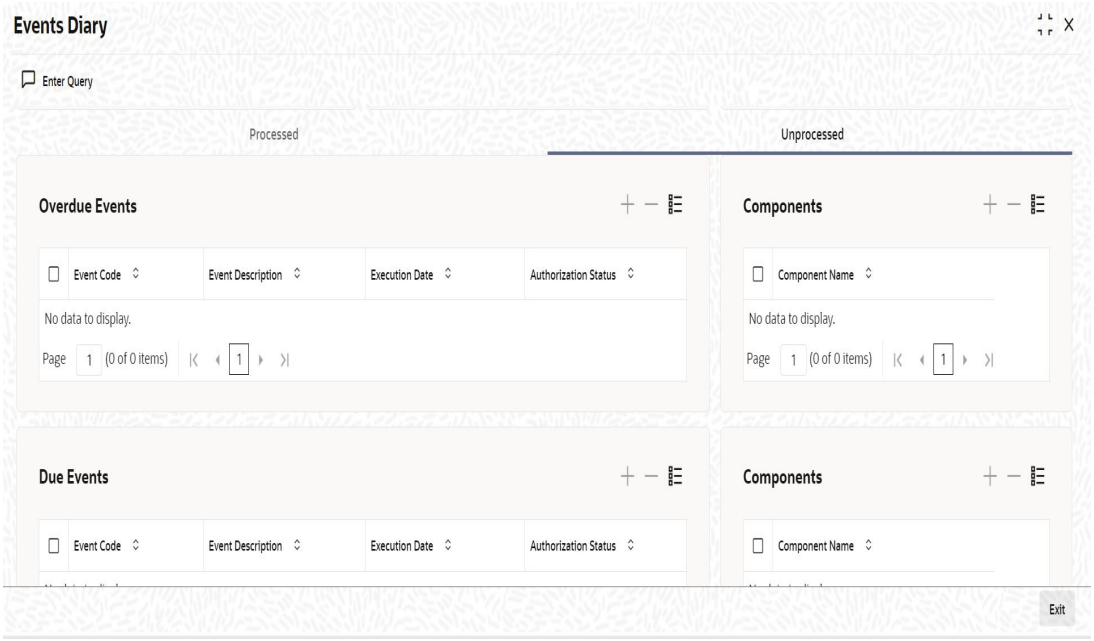
9.11.4 Events Button

Click ‘Events’ button on the ‘CL User Defined Events Triggering’ screen and invoke the ‘Events Diary’ screen.



9.11.4.1 Unprocessed Tab

Click this tab to view the unprocessed event details.



Refer the section 'Events Diary' in the chapter titled 'Account Creation' in this User Manual for details about the 'Events Diary' screen.

9.11.5 Event Fields Button

Click 'Event Fields' button on the 'CL User Defined Events Triggering' screen and invoke the 'Fields' screen.



Here you can view the UDFs and their values linked to the account.

Click save icon after specifying the details in order to trigger the event for the specified account. This record needs to be authorized for the event to be triggered.

Note that, you will not be able to perform any operation on the account on which there is an unauthorised event triggering record.

9.12 Commission Processing

This section contains the following topics:

- Section 9.12.1, "Processing Commission on Highest Debit Balance"
- Section 9.12.2, "Processing Commission Automatically at Month End"
- Section 9.12.3, "Processing Commission Automatically on Maturity"
- Section 9.12.4, "Processing Commission Manually"

9.12.1 Processing Commission on Highest Debit Balance

Oracle FLEXCUBE allows you to calculate commission for the Highest Debit Balance for a particular month from the customer. Bank debits commission from the customer account and credit the same on HDB GL. System collects the data for the Highest Outstanding Balance for loans and displayed in the account screen.

You need to maintain a User Data element in the product for the HDB commission rate which gets defaulted to the Account Screen and you can mention HDB commission rate. To waive the HDB commission for an account the Commission rate should be 0.

For calculating the commission on highest debit balance, you have to define a user defined event and Charge component with “HIGH_OUT_BAL” as basis element should be linked to the HDBC event. Accounting entries for the charges should also be defined in the HDBC event. The event trigger can be either auto or manual.

9.12.2 Processing Commission Automatically at Month End

During post-EOTI batch programs; HDBC event gets trigged which is run only on month-ends (last working day for the month).

Charge component is linked with HDBC event with formula as,

(HIGH_OUT_BAL* DR_COM_RATE)/(100)

But bank can define its own formula to calculate the commission on HDB using the SDE “HIGH_OUT_BAL”.

Note

During parameterization the HDB commission GL should be the same for all IC and Loan/ Mortgage products which system does not validate.

9.12.3 Processing Commission Automatically on Maturity

If the maturity date of the account is today, the commission on Highest Outstanding balance for that loan account is collected using another process in CL batch. You can maintain it in auto CL automatic process table. This process runs daily before the ALIQ process in CL batch. If the Automatic Liquidation (ALIQ) fails for an account, then the reversal of commission on Highest Outstanding balance should be done manually.

9.12.4 Processing Commission Manually

You can manually liquidate the commission for Highest Outstanding balance for a mortgage account using the ‘Event Triggering’ screen. Before doing a full liquidation, you have to manually trigger the HDBC event.

9.13 Stamp Duty Tax Processing

This section contains the following topics:

- Section 9.13.1, "Processing Stamp Duty/Tax"
- Section 9.13.2, "Processing Stamp Duty Tax Manually"
- Section 9.13.3, "Processing Stamp Duty Tax Automatically"

9.13.1 Processing Stamp Duty/Tax

Oracle FLEXCUBE allows you to process Stamp Duty taxation through SDTX event. This event is triggered as part of a process in the CL batch running during post-EOTI. The process runs only on calendar quarter end days (last working day of the quarter).

9.13.2 Processing Stamp Duty Tax Manually

You can manually liquidate the stamp duty tax using the 'User Defined Event Triggering' screen. Before doing a full liquidation, you have to manually trigger the STDX event.

9.13.3 Processing Stamp Duty Tax Automatically

If the maturity date of the account is today, the Stamp Duty Tax on the outstanding debit balance loan and mortgage accounts which are getting fully liquidated is collected using another process in CL batch. You can maintain it in auto CL automatic process table. This process runs daily before the ALIQ process in CL batch. If the Automatic Liquidation (ALIQ) fails for an account, then the reversal of stamp duty tax is done manually.

9.14 Intermediary Commission Batch Run

The Intermediary commission batch run process is run at EOD to compute the values of existing volume level SDEs based on the ratio maintained for intermediary at CL account level.

For details on generic attributes that you can define for liquidation of a CL product, please refer the 'Liquidation' User Manual under Modularity.

9.15 Interest Payback Batch

The Interest Payback batch is run during EOD to process the interest payback amount and credit to the customer account. If the interest payback frequency period does not fall on the maturity date of the account then the interest payback will not be processed for the last frequency period.

For example:

Account Opening Date - 1-January -2014

Maturity Date - 30-November-2014

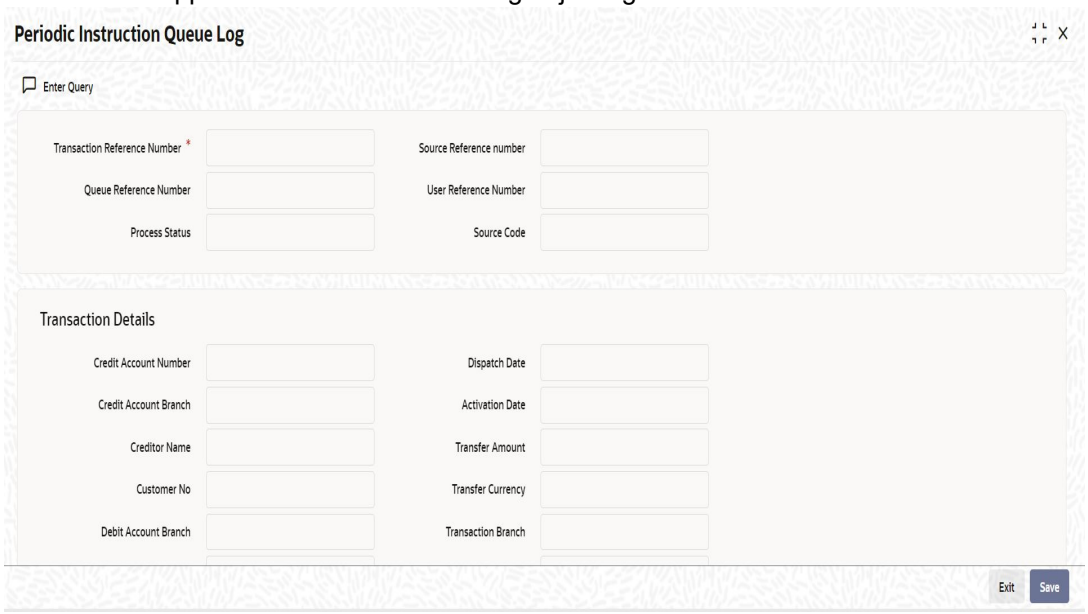
Interest Payback Frequency - Quarterly

For Interest payback frequency period 1-October-2014 to 31-December-2014, system will not process the Interest payback.

For details on Interest Payback, please refer 'Interest Payback' section of 'Defining Product Categories and Products' chapter in this User Manual.

9.16 Periodic Instruction Queue Log

You can view the ‘Periodic Instruction Queue Log’ by typing ‘CLDPIQUE’ in the top right corner of the Application toolbar and clicking adjoining arrow button.



Transaction Reference Number

Specify the transaction reference number.

Queue Reference Number

Specify the queue reference number.

Click ‘Execute Query’ to view the following details:

- Process Status
- Source Reference number
- User Reference Number
- Source Code

Transaction Details

- Credit Account Number
- Credit Account Branch
- Creditor Name
- Customer No
- Debit Account Branch
- Debit Account No
- Debtor Name
- Dispatch Date
- Activation Date
- Transfer Amount
- Transfer Currency
- Transaction Branch
- Mandate ID
- Remarks

Additional Details

- Incoming Transaction ID
- Incoming end to end
- Incoming Message ID
- Exception Type
- Exception Code
- Exception Date
- Exception Reason

9.17 Processing Payment from Next Installment GL

This batch must run prior to ALIQ/RESD of CL batch and it will be triggered on the due date of the loans with next installment payments.

In case of a new payment amount with any re-computation basis along with inclusion of Next installment GL balance doesn't liquidate the loan, then the system will apply the payment only for the new payment amount with its re-computation basis.

9.18 Processing Actual Loan Payments

The system will pick all pending indirect payments and process actual loan payments as a part of 'CLMASPAY' batch. This batch will executed last working day of the month.

While applying such payments, validation of 'Maximum Days For Back Value Dated Payments' will be excluded.

9.19 Processing Interest Accrual

The system will process 'DACR' batch after the normal YACR batch during BOD. Invoke during BOD flag for this process should be Y and invoke during EOD should be N.

If the 'Start Accrual from Value Date +1' checkbox is checked at product level, accounts belonging to this product will have the below features:

- Interest accrual will start from value date of the loan + 1. i.e. for value date of the loan accrual won't be passed
- If there are holidays in between , then accrual will be passed for the holidays on the next working day after the holidays
- If end of period falls on a holiday, then on the last working day of the month accrual till last day of the period will be accrued.
- If status change happens to an account resulting in stop accrual and if this condition is getting satisfied on a holiday, accrual for the date on which status change happens should be passed on the next working day.

10. Annexure A

This chapter contains the following sections:

- Section 10.1, "Accounting Entries for Consumer Lending"
- Section 10.2, "Events"
- Section 10.3, "Accounting Roles"
- Section 10.4, "Accounting Entries after Securitization"
- Section 10.6, "Amount Tags"
- Section 10.7, "Event-wise Advices"
- Section 10.7, "Event-wise Advices"
- Section 10.8, "Accounting Entries for Tax Calculation"
- Section 10.9, "Accounting Entries for Payments Towards Next Installment"
- Section 10.10, "Accounting Entries for Normal Payment"
- Section 10.11, "Accounting Entries for Overdue Payment"
- Section 10.12, "Accounting Entries for Overdue Payment Waived"
- Section 10.13, "Accounting Entries for Ad-hoc Discounted Payment"
- Section 10.14, "Accounting Entries for Total Prepayment"
- Section 10.15, "Accounting Entries for Excess Amount Payment"
- Section 10.16, "Accounting Entries for Partial Installment Payment"
- Section 10.17, "Accounting Entries for Reversal of Adhoc Payment"
- Section 10.18, "Accounting Entries for Reversal of Overdue Payment"
- Section 10.19, "Accounting Entries for Payments in Account Status"

10.1 Accounting Entries for Consumer Lending

This section contains details of the suggested accounting entries that can be set up, for the Consumer Lending module of Oracle FLEXCUBE. The details of the suggested accounting entries are given event-wise.

10.2 Events

The following is an exhaustive list of events that can take place during the lifecycle of a consumer lending contract. In the subsequent paragraphs we shall examine the accounting entries and advices for each of the events listed below.

Event Code	Event Description
ACCR	Accrual
ADCH	ADHOC charge application
ALIQ	Auto liquidation
ARVN	Automatic Rate Revision
BADJ	Back Dated Adjustment
BNTC	Billing Notice Event

BOOK	Booking Of Contract
CAMD	Contract Amendment
CLOS	Closure for off balance sheet comp
CLOC	Closure of Commitment
DLINK	Payment made against a loan linked to a revolving commitment contract
DNTC	Delinquency Notice Event
DSBR	Disbursement
INIT	Contract Initiation
ISTM	Interest Statement Event
LCYP	LCY update processing
LIQB	Liquidation Tanking
LSTM	Loan Statement Event
LINK	Linking a Commitment to a loan account
MLIQ	Manual Liquidation
NOVA	Novation
PROV	Provisioning
READ	Readjustment Processing
REOP	Reopen of loan account
REVC	Reversal Of Contract
REVD	Reversal Of Disbursement
REVN	Rate Revision
REVP	Reversal Of Payment
RNOG	Re-Negotiation
ROLB	Roll Over Booking
ROLL	Roll Over Of Contract
REVL	Reversal of Linked Loan Account
SROL	Special Roll over
STSH	Installment Status Change
TAXC	Specific Tax Calculation

UDCN	UDE Cascade Change
USGR	Un-Secured GL Transfer Reversal
USGT	Unsecured GL Transfer
VAMB	Value Dated Amendment Booking
VAMI	Value Dated Amendment Initiation
YACR	Yield to Maturity based Discount Accrual
INLQ	Intermediary Liquidation
IMST	Intermediary Statement
PWOF	Partial Write Off
TRFR	Transfer
INPL	Interest Payback Liquidation
RINP	Interest Payback Reversal
NLIQ	Insequential Payments Liquidation
NREV	Insequential Payments Reversal

10.3 Accounting Roles

In this section we have provided a list of sample accounting roles.

Accounting Role	**Description**
ASSETGL	The Customer GL to which the Loan Account movements are reported.
PRINCIPAL_LIQD	Principal Liquidated
PRINCIPAL_INCR	Principal Increased
COMPONENT _INC	Component Income
COMPONENT EXP	Component Expense
COMPONENT RIA	Component Received in Advance
COMPONENT PAY	Component Payable
COMPONENT REC	Component Receivable
COMPONENT PIA	Component Paid in Advance
BRIDGE GL	Intersystem Bridge GL

SETTLEMENT ACCOUNT	Customer Account Settled From / To
FEES_REC	Fees Receivable
CHARGES_REC	Adhoc Charges Receivable
IN_INTER_STMT	Intermediary Statement
PRINCIPAL_EXP_D	Principal Expense Doubt
LOAN_AC_DOUB	Loan Account Doubt
CONT_W_DOUB	Contingent Write Off Doubt
CONT_SUBS	Contingent Substandard
MAIN_INTEXP_DOUB	Maintenance Interest Expense Doubt
MAIN_INTREC_DOUB	Maintenance Interest Receivable Doubt
MIN_AMT_SCHODUE	Minimum Amount Due Amount for the latest billing period
PAY_BY_SCHODUE	Outstanding amount as of a particular date for the latest billing period
MIN_AMT_OVR_DAYS	Minimum Amount Due that has not been fully paid from a pay by date
SERVICE_ACCOUNT	Service Account
<Main component>_NEG_<Status>	Negative Interest amount posting for status

The following accounting entries for passed for DSBR event:

Accounting Role	**Amount Tag**	**Dr/Cr**
Asset	PRINCIPAL	Dr
CR_SETTLEMENT_BRIDGE	PRINCIPAL	Cr

Accounting Roles for the YACR Event

Sl No	Accounting Role	Acquisition Type	Role Type
1.	EIMDISCRIA	Discount	Asset
2.	EIMDISCINC	Discount	Asset
3.	EIMPREMPIA	Premium	Asset
4.	EIMPREMEXP	Premium	Asset
5.	EIMINTADJREC	Par	Asset
6.	EIMINTADJINC	Par	Asset

10.4 Accounting Entries after Securitization

The following entries are applicable only for securitization supporting products.

Event: DSBR

Amount Tag	GL Description	Debit/Credit
PRINCIPAL	SPV_SETTL_BRIDGE_DR	Dr
PRINCIPAL	CR_SETTL_BRIDGE	Cr
MAIN_INTRIA	DR_SETTL_BRIDGE	Dr
MAIN_INTRIA	SPV_SETTL_BRIDGE_CR	Cr

EVENT: STCH - STATUS CHANGE: NORM - SECR (SECURITIZATION EVENT)

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_OUTSTAND	SPV_SETTL_BRIDGE_DR	Dr
PRINCIPAL_OUTSTAND	LOAN_ACCOUNT	Cr
MAIN_INT_ACCRUED	SPV_SETTL_BRIDGE_DR	Dr
MAIN_INT_ACCRUED	MAIN_INTREC	Cr
MAIN_INT_OD	SPV_SETTL_BRIDGE_DR	Dr
MAIN_INT_OD	MAIN_INTINC	Cr
ODPR_PNLTY_OD	SPV_SETTL_BRIDGE_DR	Dr
ODPR_PNLTY_OD	ODPR_PNLTY_INC	Cr
ODIN_PNLTY_OD	SPV_SETTL_BRIDGE_DR	Dr
ODIN_PNLTY_OD	ODIN_PNLTY_INC	Cr
MAIN_INT_RIABAL	MAININT_RIA	Dr
MAIN_INT_RIABAL	SPV_SETTL_BRIDGE_CR	Cr

EVENT: STCH -STATUS CHANGE:SECR- NORM (DE-SECURITIZATION/PURCHASE EVENT)

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_OUTSTAND	LOAN_ACCOUNT	Dr
PRINCIPAL_OUTSTAND	SPV_SETTL_BRIDGE_CR	Cr
MAIN_INT_ACCRUED	MAIN_INTREC	Dr
MAIN_INT_ACCRUED	SPV_SETTL_BRIDGE_CR	Cr
MAIN_INT_OD	MAIN_INTREC	Dr
MAIN_INT_OD	SPV_SETTL_BRIDGE_CR	Cr

ODPR_PNLTY_OD	ODPR_PNLTYREC	Dr
ODPR_PNLTY_OD	SPV_SETTL_BRIDGE_CR	Cr
ODIN_PNLTY_OD	ODIN_PNLTYREC	Dr
ODIN_PNLTY_OD	SPV_SETTL_BRIDGE_CR	Cr
MAIN_INT_RIAEXP	SPV_SETTL_BRIDGE_DR	Dr
MAIN_INT_RIAEXP	MAININT_RIA	Cr

EVENT: LIQD (INTEREST) - IF SALE IS HAPPENED IN THE ACCRUAL PERIOD

When Interest is capitalized:

Amount Tag	GL Description	Debit/Credit
MAIN_INT_CAP	SPV_SETTL_BRIDGE_DR	Dr
MAIN_INT_CAP	MAIN_INTREC	Cr

When Interest is liquidated:

Amount Tag	GL Description	Debit/Credit
MAIN_INT_LIQD	SPV_SETTL_BRIDGE_DR	Dr
MAIN_INT_LIQD	SPV_SETTL_BRIDGE	Cr

When Interest is waived:

Amount Tag	GL Description	Debit/Credit
MAIN_INT_WAVD	SPV_EXPENSE	Dr
MAIN_INT_WAVD	SPV_SETTL_BRIDGE_CR	Cr

When Principal is liquidated:

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_LIQD	DR_SETTL_BRIDGE	Dr
PRINCIPAL_LIQD	SPV_SETTL_BRIDGE_CR	Cr

When Principal is waived:

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_WAVD	SPV_EXPENSE	Dr
PRINCIPAL_WAVD	SPV_SETTL_BRIDGE_CR	Cr

EVENT: ACCR

Amount Tag	GL Description	Debit/Credit
MAIN_INT_ACCR	SPV_ACCR	Dr
MAIN_INT_ACCR	SPV_ACCR	Cr

EVENT: ADCH

Amount Tag	GL Description	Debit/Credit
ADCH_CHG_ADCH	DR_SETTL_BRIDGE	Dr
ADCH_CHG_ADCH	SPV_SETTL_BRIDGE_CR	Cr

EVENT: VAMB

Amount Tag	GL Description	Debit/Credit
HANDLNG_CHG_LIQD	DR_SETTL_BRIDGE	Dr
HANDLNG_CHG_LIQD	SPV_SETTL_BRIDGE_CR	Cr

EVENT: VAMI

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_INCR	SPV_SETTL_BRIDGE_CR	Dr
PRINCIPAL_INCR	CR_SETTL_BRIDGE	Cr

EVENT: ROLL

When Principal is increased:

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_INCR	SPV_SETTL_BRIDGE_DR	Dr
PRINCIPAL_INCR	CR_SETTL_BRIDGE	Cr

When Interest is liquidated:

Amount Tag	GL Description	Debit/Credit
MAIN_INT_LIQD	DR_SETTL_BRIDGE	Dr
MAIN_INT_LIQD	SPV_SETTL_BRIDGE_CR	Cr

When Principal is liquidated:

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_LIQD	DR_SETTL_BRIDGE	Dr
PRINCIPAL_LIQD	SPV_SETTL_BRIDGE_CR	Cr

During Interest rollover:

Amount Tag	GL Description	Debit/Credit
MAIN_INT_ROLL	LOAN_ACCOUNT	Cr
MAIN_INT_ROLL	SPV_SETTL_BRIDGE_DR	Dr

When Principal is waived:

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_WAVD	SPV_EXPENSE	Dr
PRINCIPAL_WAVD	SPV_SETTL_BRIDGE_CR	Cr

When Interest is waived:

Amount Tag	GL Description	Debit/Credit
MAIN_INT_WAVD	SPV_EXPENSE	Dr
MAIN_INT_WAVD	SPV_SETTL_BRIDGE_CR	Cr

EVENT-RNOG

When Principal is liquidated:

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_LIQD	DR_SETTL_BRIDGE	Dr
PRINCIPAL_LIQD	SPV_SETTL_BRIDGE_CR	Cr

When Interest is liquidated:

Amount Tag	GL Description	Debit/Credit
MAIN_INT_LIQD	DR_SETTL_BRIDGE	Dr
MAIN_INT_LIQD	SPV_SETTL_BRIDGE_CR	Cr

When Principal is waived:

Amount Tag	GL Description	Debit/Credit
PRINCIPAL_WAVD	SPV_EXPENSE	Dr
PRINCIPAL_WAVD	SPV_SETTL_BRIDGE_CR	Cr

When Interest is waived:

Amount Tag	GL Description	Debit/Credit
MAIN_INT_WAVD	SPV_EXPENSE	Dr
MAIN_INT_WAVD	SPV_SETTL_BRIDGE_CR	Cr

10.5 Accounting Entries for Residual Installment

The following entries are applicable for Residual Installment:

MLIQ Accounting entries when RESD_INSTALLMENT_PMT = 'N' are as given below:

Accounting Role	Amount Tag	Dr/Cr Indicator
DR_SET-TLE_BRIDGE	<COMPO-NENT>_LIQD	Dr
<COMPO-NENT>REC	<COMPO-NENT>_LIQD	Cr
DR_SET-TLE_BRIDGE	PRINCIPAL _LIQD	Dr
LOAN_ACCOUNT	PRINCIPAL _LIQD	Cr

MLIQ Accounting entries when RESD_INSTALLMENT_PMT <> 'N' are as given below:

Accounting Role	Amount Tag	Dr/Cr Indicator
DR_SETTLE_BRIDGE	<COMPONENT-1>_RESD	Dr
<COMPONENT-1>REC	<COMPONENT-1>_RESD	Cr
DR_SETTLE_BRIDGE	<COMPONENT-N>_RESD	Dr
<COMPONENT-N>REC	<COMPONENT-N>_RESD	Cr
DR_SETTLE_BRIDGE	PRINCIPAL _RESD	Dr
LOAN_ACCOUNT	PRINCIPAL _RESD	Cr

ALIQ Accounting entries are as given below:

Accounting Role	Amount Tag	Dr/Cr Indicator	Remarks

DR_SET-TLE_BRIDGE	<COMPO-NENT>_LIQD	Dr	Normal Interest/ Charge/Penal compo-nent
<COMPONENT>REC	<COMPO-NENT>_LIQD	Cr	
DR_SET-TLE_BRIDGE	<COMPO-NENT>_LIQD	Dr	Residual charge com-ponent
<COMPONENT>REC	<COMPO-NENT>_LIQD	Cr	
DR_SET-TLE_BRIDGE	PRINCIPAL _LIQD	Dr	Principal component
LOAN_ACCOUNT	PRINCIPAL _LIQD	Cr	

10.6 Amount Tags

The following entries are applicable only for securitization supporting products.

Amount Tag	Description
PRINCIPAL_OUTSTAND	Sum of principal overdue and Principal outstanding
MAIN_INT_OD	Sum of Main interest over due
ODPR_PNLTY_OD	Sum of overdue principal penalty component
ODIN_PNLTY_OD	Sum of overdue interest penalty component
MAIN_INT_RIABAL	Balance of RIA (RIA - sum of interest paid previous months + occurred till date)
MAIN_INT_RIAEXP	RIA expected from SPV during Buyback
TOTAL_WOFF_AMOUNT_FV	Sum of EMIs of all open installments
TOTAL_WOFF_ACCR	Total Interest pending to accrue for the full loan (Projected Interest –Accrued Interest). Accrued interest will not include any discount impacts in case of any existing advance payments.
DBSR - Account Creation	
MAIN_INT_TOTAL_-COST	NET PRINCIPAL + EXPENSES + INTEREST
MAIN_INT_TOTAL_NET	NET PRINCIPAL + EXPENSES + INTEREST (Commission is not included)
MAIN_INT_FULL	Total Interest for the loan period
MAIN_INT_EMI	Total EMI
REVC - Contract Reversal /Account Cancellation	

MAIN_INT_TOTAL_NET	NET PRINCIPAL + EXPENSES + INTEREST (Commission is not included)
PRINCIPAL_NPV	Principal outstanding as on that date
MAIN_INT_NPV	Interest accrued as on that date
MAIN_INT_FULL	Total Interest for the loan period
MLIQ - Payment	
MAIN_INT_FULL_INST	Installment Interest and Installment Principal
MAIN_INT_PAID_AMT	Amount Paid by Customer
MLIQ - Payment (Overdue)	
MAIN_INT_EXP_INST	Installment Interest and Installment Principal and Expenses
MLIQ - Payment(Due Date with Discount)	
MAIN_INT_PYMNT_-DISC	(Installment Interest +Installment Principal) – Interest Discount

10.7 Event-wise Advices

In this section we will discuss the suggested events and advices that should be generated for that particular event in the life cycle of Consumer Lending.

BOOK

The system uses this event to enter details of a loan account. However, at this stage the account is not initialized thus there will not be a change in the balance but you can perform other activities (processing fee etc) for the loan account. The accounting entries passed will be either Contingent Entries for disbursement or component liquidations entries.

Advice Name	Description	Format Name
CL_-CONT_ADV	Contract Advice	CL_CON-TR_STMT

On BOOK event of a commitment contract the following accounting entries are passed:

Accounting Role	Amount Tag	Dr./Cr. Indicator
CONTGL	PRINCI-PAL_FWD	Debit
CONTOFF	PRINCI-PAL_FWD	Credit

INIT

The system uses this event to initiate a loan with a value date as the date of initiation. However, you can not disburse the loan under this event.

Advice Name	Description	Format Name
CL_INIT_ADV	Initiation Advice	CL_INIT_ADV
CL_CAP	Capitalization Advice	CL_CAP_ADV
CL_CONT_ADV	Contract Advice	CL_CONTR_STMT
CLST_SUM-MARY	Loan Summary Statement Advice	CL_LOAN_SUM-MARY
COUPON	Coupon Advice	ADV_COUPON

DSBR

This event is marked by the disbursement of the loan amount. The disbursement may be done manually or can be triggered by a disbursement schedule**.** The loan account will have debit balances after total disbursement.

Advice Name	Description	Format Name
CR_ADV	Credit Advice	CL_CR_ADV
CLST_DETAILS	Loan Detailed Statement Advice	CL_LOAN_DETAIL
CLST_SUM-MARY	Loan Summary Statement Advice	CL_LOAN_SUM-MARY
TAX_ADVICE	Tax Advice	CL_TAX_ADVICE

The entries passed are:

Accounting Role	Amount Tag	Dr / Cr
LOAN_AC	PRINCIPAL	Dr
CR_SETTLE-MENT_BRG	PRINCIPAL	Cr

Note

- The loan account of the customer reports to an internal GL of the bank, determined by the Role to Head mapping done at the product level.
- A settlement bridge account is used since there is a probability of the customer account being present in another system which is capable of interfacing with Oracle FLEXCUBE. During the reconciliation process, the appropriate customer account in the relevant system is credited with the loan amount.

The advice tags for disbursement advice with payment schedules are as follows:

Sl. No.	Advice Tag	Tag Description
1	ACNO	Account Number
2	AMFIN	Amount Financed
3	CUSTNAME	Customer Name
4	MATDT	Maturity Date
5	SCHDT	Schedule Due Date
6	SLNO	Serial Number
7	SCHAMT	Schedule Amount
8	OUTSTAMT	Outstanding Amount
9	TOTAMT	Total Schedule Amount (Amount Due –Amount Settled)
10	TENOR	Tenor
11	BRNNAME	Branch Name
12	REFNO	Reference Number
13	TDATE	Payment Date

The advice tags for disbursement advice if mode is Credit Note are as follows:

Sl. No.	Advice Tag	Tag Description
1	BRN	Branch Name
2	BANKNAME	Bank Name
3	BADDR1	Branch Address Line1
4	BADDR2	Branch Address Line2
5	BADDR3	Branch Address Line3
6	BENID	Credit Note Beneficiary id
7	BENEFNAME	Credit Note Beneficiary Name
8	BENADD	Credit Note Beneficiary address
9	INSTR	Instrument Number
10	LOANAMTW	Loan Amount in Words
11	LOAMT	Amount Financed
12	LOCCY	Loan Currency
13	OREF	Account Number

14	TDATE	Transaction Date

The mapping between the advice format, XML name and Message Type is shown below.

Format Name	XML Name	Message Type	Mode
CL_PMT_SCHADV	CL_PMT_SCHADV	CL_PMT_SCHADV	Not Applicable
CL_CREDIT_NTC	CL_CREDIT_NTC	CL_CREDIT_NTC	Credit Note

ACCR

The accrual of the various components will be triggered based on the accrual parameters you maintain at the product level.

The following accounting entries are passed for this event:

For Interest Accrual

Accounting Role	Amount Tag	Dr / Cr
INT_REC	INT_ACCR	Dr
INT_INC	INT_ACCR	Cr

For Penalty Interest Accrual

Accounting Role	Amount Tag	Dr / Cr
PENAL_INT_REC	PENAL_INT_ACCR	Dr
PENAL_INT_INC	PENAL_INT_ACCR	Cr

UNBL

This event is triggered to process the movement of unbilled amount from the interest component to unbilled component on the due date of the schedule.

Debit/Credit	Accounting Role	Amount Tag
DR	<Unbilled Component>REC	<Component>_LIQD
CR	<Component>_REC	<Component>_LIQD

INLQ

This event is triggered as a batch process for the Intermediary Liquidation based on the product event advice maintenance. It provides basic information about the Intermediary and the corresponding commission settlement.

Advice Name	Description	Format Name
'IN_INTER_CR	Intermediary Credit	INTER_CR_ADV

INCH

This event is triggered as a batch process for the Intermediary Liquidation based on the product event class maintenance. It provides basic information about the Intermediary and charge collected because of pre-payment and late payment by the customer.

Advice Name	Description	Format Name
IN_INTER_DR	Intermediary Debit	INTER_DR_ADV

IMST

This event is triggered as per the statement frequency maintained at the Intermediary Level. It provides basic information about the Intermediary and the corresponding commission/ charge settlements.

Advice Name	Description	Format Name
IN_INTER_STMT	Intermediary State-ment	IN_INTER_STMT

ALIQ and MLIQ

Depending on the mode of liquidation opted for, whether automatic or manual, the appropriate event is triggered. A batch process will be triggered at EOD for payments that are marked for auto liquidation.

ALIQ

Advice Name	Description	Format Name
DR_ADV	Debit Advice	CL_DR_ADV
DELIN-QYADV	Delinquency Advice	CL_DELQ_ADV

MLIQ

Advice Name	Description	Format Name

BILNOTC	Billing Advice	CL_-BILL_ADVC
DELINQYADV	Delinquency Advice	CL_DELQ_ADV
PAYMENT_ADVICE	Payment Advice	CL_PMT_ADV

The accounting entries for these events will be as follows:

Principal Repayment

Accounting Role	**Amount Tag**	**Dr / Cr**
DR_SETTLE-MENT_BRG	PRINCI-PAL_LIQD	Dr
LOAN_AC	PRINCI-PAL_LIQD	Cr

Interest Repayment

Accounting Role	**Amount Tag**	**Dr / Cr**
DR_SETTLE-MENT_BRG	INT_LIQD	Dr
INT_REC	INT_LIQD	Cr
INTERNAL_GL	MAIN_INT_WHLD	Dr
MAIN_INTREC	MAIN_INT_WHLD	Cr

Penalty Interest Repayment

Accounting Role	**Amount Tag**	**Dr / Cr**
DR_SETTLE-MENT_BRG	PENAL_INT_LIQD	Dr
PENAL_INT_REC	PENAL_INT_LIQD	Cr

Following are the accounting entries passed for the manual repayment of loan by cash:

Accounting Role	Amount Tag	**Dr /Cr**
DR_SETTL_BRIDGE	PRINCIPAL_LIQD	DR
LOAN_ACCOUNT	PRINCIPAL_LIQD	CR

DR_SETTL_BRIDGE	MAIN_INT_LIQD	DR
MAIN_INT_REC	MAIN_INT_LIQD	DR

LINK

This event is triggered when a commitment is linked to a consumer lending loan account. LINK event increases the utilization of the commitment amount and the contingent entries passed at the time of INIT is reversed upto the extent of linked amount.

Accounting Role	Amount Tag	Dr./Cr. Indicator
ASSETGL	COMMUTIL_INCR	Credit
ASSETOFF	COMMUTIL_INCR	Debit
DR_SETTL_BRIDGE	<Charge Comp>_LIQD	Debit
CHARGE_COMPO-NENT_INC	<Charge Comp>_LIQD	Credit

DLNK (Delink)

This event is triggered when payment is made against a loan, which is linked to a revolving commitment contract, Delink decreases the utilization of commitment amount.

Accounting Role	Amount Tag	Dr./Cr. Indicator
ASSETGL	COMMUTIL_-DECR	Debit
ASSETOFF	COMMUTIL_-DECR	Credit

STCH

This event is triggered when a status change occurs. It could be a Forward Status Change (FSTC) where the loan moves from one adverse status to another or a Backward Status Change (BSTC) wherein, on repayment of overdue installments, a reversal of status takes place. The status derivation rule is used to resolve the status. The change may occur due to a status rule being activated. If the number of days by which a component becomes overdue, exceeds the allowed number of days (may be referred to as the grace period), the component can undergo a status change if a status rule is defined with such a criteria. A status change is triggered if any condition defined for the rule is satisfied.

The accounting entries, if maintained for the events (FSTC and BSTC) will be triggered. The accounting role provided will be the same for all the changes. However, the Role to Head mapping rules will resolve the entries to the appropriate accounts for each status.

Interest accrual for status 'ACTIVE'

Accounting Role	Amount Tag	Dr / Cr
INT_REC (Mapped to a Real Asset)	INT_ACCR	Dr
INT_INC (Mapped to a Real Income GL)	INT_ACCR	Cr

Interest accrual for status 'PAST DUE'

Accounting Role	Amount Tag	Dr / Cr
INT_REC (Mapped to a Contingent Asset)	INT_ACCR	Dr
INT_INC (Mapped to a Contingent Liability)	INT_ACCR	Cr

CAMD, VAMB and VAMI

These statuses are triggered as a result of making amendments to a loan.

CAMD (Account Amendment)

Any amendment to the parameters of the account will create a new version of the loan. These changes will not have any implications on the financial attributes of the loan.

Advice Name	Description	Format Name
CLAMDADV	Amendment Advice	CL_AM-D_ADV

VAMB (Booking of a Value Dated Amendment)

This event is triggered when you book a value dated amendment.

You can book for an amendment of the following:

- Maturity date
- Principal Increase
- Rate change

The batch program will identify the changes booked and the same is triggered appropriately on the value date by the VAMI event.

Advice Name	Description	Format Name
CLAMDADV	Amendment Advice	CL_AM-D_ADV

VAMI (Initiation of a Value Dated Amendment)

This event will pick up the future dated VAMBs and on the value date, initiate the same.

The accounting entries for an increase in principal will be as follows:

Accounting Role	Amount Tag	Dr / Cr
LOAN_AC	PRINCIPAL_IN-CREASED	Dr
CR_SETTLE-MENT_BRG	PRINCIPAL_IN-CREASED	Cr
DR_SETTL_BRIDGE	<Charge Comp>_LIQD	Dr
PROC_CHARGEINC	<Charge Comp>_LIQD	Cr

Any change to Rate and Tenor (Maturity Date) will alter the original loan schedules.

ROLL

This event is triggered when a loan is renewed with new terms. Rollover will have either a combination of liquidation and rollover of Principal. It can also have liquidation of Interest and penalty Interest.

Advice Name	Description	Format Name
CLAMDADV	Amendment Advice	CL_AMD_ADV
CL_ROLL_ADV	Rollover Advice	CL_ROLL_AD V
PAYMENT_ADVICE	Payment Advice	CL_PMT_ADV

The entries passed for rollover of the Principal are as follows:

Accounting Role	Amount Tag	Dr / Cr
CR_SETTLE-MENT_BRG	PRINCI-PAL_ROLL	Cr
LOAN_AC	PRINCI-PAL_ROLL	Dr

For liquidation of Principal, the following entries are passed:

Accounting Role	Amount Tag	Dr / Cr
DR_SETTLE-MENT_BRG	PRINCI-PAL_LIQD	Dr

LOAN_AC	PRINCI-PAL_LIQD	Cr

For liquidation of Interest and Penalty Interest, the entries are:

Accounting Role	**Amount Tag**	**Dr / Cr**
DR_SETTLE-MENT_BRG	LIQD_AMT	Dr
INT_REC	INT_LIQD	Cr
PENAL_INT_REC	PENAL_INT_LIQ D	Cr
INTERNAL_GL	MAIN_INT_WHLD	Dr
MAIN_INTREC	MAIN_INT_WHLD	Cr

You may encounter the following cases:

Case 1: Rollover only Principal Outstanding; Pay Interest & Penalty Outstanding

In this case, both 'PRINCIPAL_LIQD' and 'PRINCIPAL_ROLL' will be zero and hence the 'LOAN ACCOUNT' balance is not affected.

The Outstanding Interest and Principal will be liquidated. Referring to the accounting entries above,

- INT_LIQD = Interest Outstanding
- PENAL_INT_LIQD = Penalty Interest Outstanding
- LIQD_AMT = INT_LIQD + PENAL_INT_LIQD (If Netting is 'ON' and both have the same Settlement Account).

Case 2: Rollover Principal + Interest Outstanding; Pay Penalty Outstanding

In this case,

- PRINCIPAL_LIQD = 0,
- PRINCIPAL_ROLL = INT_ROLL (which is the Interest Rolled over as Principal);
- PENAL_INT_LIQD = Penalty Interest Outstanding
- LIQD_AMT = PENAL_INT_LIQD (If Netting is on and both have the same Settlement Account).

Case 3: Rollover Principal + Interest + Penalty Outstanding

PRINCIPAL_ROLL = INT_ROLL + PENAL_INT_ROLL

LIQD_AMT = 0

Case 4 - a: Rollover Special Amount, Amount > Principal Outstanding

This is in effect a disbursement. Therefore,

PRINCIPAL_ROLL = SPECIAL_AMOUNT – PRINCIPAL_OUTSTANDING

Since the rolled over amount is greater than the outstanding principal, it will be positive and hence an increase in the loan amount is registered.

Case 4 – b: Rollover Special Amount, Amount < Principal Outstanding

This results in a decrease in Principal and hence

PRINCIPAL_ROLL = SPECIAL_AMOUNT – PRINCIPAL_OUTSTANDING will lead to a negative amount which will reduce the Dr Balance on the Loan Account.

SROL – Special Roll-over

This event is triggered when a roll-over is done and it involves a change in the currency, product and customer.

Advice Name	Description	Format Name
CLAMDADV	Amendment Advice	CL_AMD_ADV
CL_ROLL_ADV	Roll-over Advice	CL_ROLL_ADV

RNOG – Re-negotiation

This event is triggered when a customer is not being able to honor the terms and conditions of the credit. In such a situation, the client re-negotiates the terms and conditions of the credit before maturity date.

Advice Name	Description	Format Name
CLAMDADV	Amendment Advice	CL_AM-D_ADV
PAYMENT_ADVICE	Payment Advice	CL_P-MT_ADV

NOVA – Novation

This event is triggered when a primary customer is changed.

Advice Name	Description	Format Name
CLAMDADV	Amendment Advice	CL_AM-D_ADV

REVC – Loan Reversal

This event is triggered when a loan is withdrawn. This will pass the DSBR entries with a reversal of signs (-ve) for the amounts, as follows:

Accounting Role	Amount Tag	Dr / Cr
LOAN_AC	PRINCIPAL	Dr

CR_SETTLE-MENT_BRG	PRINCIPAL	Cr

REVP - Payment Reversal

The latest payment made, both auto and manual, will be reversed during this event. This will pass the ALIQ or MLIQ event selected with a reversal of signs for the amounts.

Reversal of Principal Repayment

Accounting Role	Amount Tag	Dr / Cr
DR_SETTLE-MENT_BRG	PRINCIPAL_LIQD	Dr
LOAN_AC	PRINCIPAL_LIQD	Cr

Reversal of Interest Repayment

Accounting Role	Amount Tag	Dr / Cr
DR_SETTLE-MENT_BRG	INT_LIQD	Dr
INT_REC	INT_LIQD	Cr

Reversal of Penalty Interest Repayment

Accounting Role	Amount Tag	Dr / Cr
DR_SETTLE-MENT_BRG	PENAL_INT_LIQD	Dr
PENAL_INT_REC	PENAL_INT_LIQD	Cr

REVN – Periodic Rate Revision

This will change the Floating Interest Rates based on the periodicity that you maintain.

Advice Name	Description	Format Name
CL_INT_STMT	Interest Statement Advice	CL_INT_STMT
RAT-ECH_ADV	Rate Change Advice	CL_RTCH-_ADV

ARVN – Automatic Rate Revision

This will change the Floating Rate as and when the rate changes.

Advice Name	Description	Format Name
CL_INT_STMT	Interest Statement Advice	CL_INT_STMT
RAT-ECH_ADV	Rate Change Advice	CL_RTCH-_ADV

UDCH – User Defined Element Value Changes

This event will be triggered whenever there is a change in the UDE values. This will be required to have Rate revision advices sent to the customers.

YACR – Yield to Maturity Discount Accrual

This event will be triggered for the computation of IRR. The following accounting entries will be passed:

Accounting Role	Amount Tag	Dr / Cr
EIMDISCRIA	EIM_ACCR	Dr
EIMDISCINC	EIM_ACCR	Cr
EIMPREMEXP	EIM_ACCR	Dr
EIMPREMPIA	EIM_ACCR	Cr

If refunding needs to be done as part of with complete pre-payment, the following entries should be passed in addition to the ones specified above:

Accounting Role	Amount Tag	Dr / Cr
<Charge Comp>_RIA	EIM_ADJ	Dr
CR_SETTL_BRIDGE	EIM_ADJ	Cr
DR_SETTL_BRIDGE	EIM_ADJ	Dr
<Charge Comp>_PIA	EIM_ADJ	Cr

CLIQ – Charge Liquidation

This event triggers the liquidation of charges applicable to the loan accounts. You need to set up the following entries for this event:

Accounting Role	Amount Tag	Dr / Cr
DR_SETTL_BRIDGE	<Charge Comp>_LIQD	Dr
<Charge Comp>_RIA	<Charge Comp>_LIQD	Cr
CR_SETTL_BRIDGE	<Charge Comp>_LIQD	Dr
<Charge Comp>_PIA	<Charge Comp>_LIQD	Cr

CLOC Event

Accounting Role	Amount Tag	Dr./Cr. Indicator
CONTGL	COMM_UNU-TIL	Credit
CONTOFF	COMM_UNU-TIL	Debit

CLOS Event

In case of loan account closure, system will have to move the amount available from service account to the customers settlement account.

Accounting Role	Amount Tag	Dr./Cr. Indicator
CR_SETTL_BRIDGE	CRED-IT_BAL	Credit
SERVICE_AC-COUNT	CRED-IT_BAL	Debit

Accounting Entries for RML – Reverse Mortgage Loan

DSBR Event

Accounting Role	Amount Tag	Dr/ Cr
LOAN_ACCOUNT	PRINCIPAL	Dr
CR_SET-TL_BRIDGE	PRINCIPAL	Cr

ACCR Event

Accounting Role	Amount Tag	Dr/ Cr
MAIN_INTREC	MAIN_INT_ACCR	Dr
MAIN_INTINC	MAIN_INT_ACCR	Cr

MLIQ/ALIQ Event

Accounting Role	Amount Tag	Dr/ Cr
DR_SET-TL_BRIDGE	PRINCIPAL_LIQD	Dr
LOAN_ACCOUNT	PRINCIPAL_LIQD	Cr
DR_SET-TL_BRIDGE	PRINCIPAL_EX-CESS	Dr
PRINCIPALPAY	PRINCIPAL_EX-CESS	Cr
PRINCIPALEXP	PRINCIPAL_WAVD	Dr
LOAN_ACCOUNT	PRINCIPAL_WAVD	Cr
DR_SET-TL_BRIDGE	MAIN_INT_LIQD	Dr
MAIN_INTREC	MAIN_INT_LIQD	Cr
MAIN_INTEXP	MAIN_INT_WAVD	DR
MAIN_INTREC	MAIN_INT_WAVD	CR

PWOF-Partial Write Off

This event triggers the Partial Write Off in CL. You need to set up the following entries for this

event:

Account Role	Amount Tag	Dr/Cr
PRINCIPAL_EXP_D	PRINCIPAL_PWOF	Debit
LOAN_AC_DOUB	PRINCIPAL_PWOF	Credit
CONT_W_DOUB	MAIN_INT_PWOF_-CONT	Debit
CONT_SUBS	MAIN_INT_PWOF_-CONT	Credit
MAIN_INTEXP_DOUB	MAIN_INT_PWOF	Debit
MAIN_INTREC_DOUB	MAIN_INT_PWOF	Credit

AUTH Event

The event is sent when any asset is processed to be taken over and authorized.

Advice Name	Description
CL_TKOVER	Take Over Advice

TRFR Event

This event triggers the transfer of loans. You need to set up the following entries for the event:

Transferring Account Entries

Account Role	Amount Tag	Dr/Cr
LOAN_AS-SET_GL	PRINCIPAL_OUTSTAND_TRFR_OBRN	Credit
INT_RECV_GL	MAIN_INT_OUTSTAND_TRFR_OBRN	Credit
LOAN_AS-SET_GL	PRINCIPAL_OUTSTAND_TRFR_NBRN	Debit
INT_RECV_GL	MAIN_INT_OUTSTAND_TRFR_NBRN	Debit

In case of any interest component say <COMP_NAME>, penalty or charge component for the product with accrual then the following account entries are maintained:

Account Role	Amount Tag	Dr/Cr

OTH_INT_IN-COME_GL	<COMP_NAME>_INCOME_TRFR_OBRN	Debit
OTH_INT_REC_GL	<COMP_NAME>_OUTSTAND_TRFR_O-BRN	Credi t
OTH_INT_IN-COME_GL	<COMP_NAME>_INCOME_TRFR_NBRN	Credi t
OTH_INT_REC_GL	<COMP_NAME>_OUTSTAND_TRFR_NBRN	Debit

Transfer of Discounted Loans

If the loan account transferred is a discounted loan then the accounting entries for the transfer event is maintained for the main interest.

Account Role	Amount Tag	Dr/Cr
LOAN_ASSET_GL	PRINCIPAL_OUTSTAND_TRFR_OBRN	Credi t
LOAN_ASSET_GL	PRINCIPAL_OUTSTAND_TRFR_NBRN	Debit
INT_REC_AD-V_GL	MAIN_INT_RIA_TRFR_OBRN	Debit
INT_REC_AD-V_GL	MAIN_INT_RIA_TRFR_NBRN	Credi t

Transfer of Commitments

When a commitment is transferred then the accounting entries for the transfer event is maintained as following:

Account Role	Amount Tag	Dr/Cr
ASSET_GL	PRINCIPAL_FWD_TRFR_O-BRN	Credi t
ASSETOFF	PRINCIPAL_FWD_TRFR_O-BRN	Debit
ASSET_GL	PRINCIPAL_FWD_TRFR_NBRN	Debit
ASSETOFF	PRINCIPAL_FWD_TRFR_NBRN	Credi t

A transfer advice attached with event TRFR displays the account number, old and new branches, transfer date, the loan outstanding as on transfer date and the schedule details. The advice specifies whether the transfer is done as part of branch merger, product transfer or customer initiated transfer.

Advice Name	Description	Format Name
CL_TR-FR_ADV	Transfer Advice	CL_TR-FR_ADV

BADJ Event

During Value Dated Amendment, Manual Liquidation or Rate Revision, main interest can be adjusted and credited to customer's settlement account. Accounting entries supporting this event are as below:

Account Role	Amount Tag	Dr/Cr
DR_SETTL_BRIDGE	MAIN_INT_DRLQ	DEBIT
MAIN_INT_RIA	MAIN_INT_DRLQ	CREDIT
MAIN_INT_RIA	MAIN_INT_DRLQ	DEBIT
CR_SETTL_BRIDGE	MAIN_INT_DRLQ	CREDIT

Accounting Entries for Negative Interest

ACCR Event

Accounting Role	Amount Tag	Dr/Cr
<Main Component>EXP	<Main Component>_NEG_ACCR	Debit
<Main Component>PAY	<Main Component>_NEG_ACCR	Credit

RACR Event

Accounting Role	Amount Tag	Dr/Cr
<Main Component>EXP	<Main Component>_NEG_RACR_REAL	Credit
<Main Component>PAY	<Main Component>_NEG_RACR_REAL	Debit

ALIQ Event

Accounting Role	Amount Tag	Dr/Cr
<Main Component>PAY	<Main Component>_NEG_LIQD	DEBIT
CR_SETTLEMENT_BRIDGE	<Main Component>_NEG_LIQD	CREDIT
<Main Component>PAY	<Main Component>_NEG_CAP	DEBIT
LOAN_ACCOUNT	<Main Component>_NEG_CAP	CREDIT

MLIQ Event

Accounting Role	Amount Tag	Dr/Cr
<Main Component>PAY	<Main Component>_NEG_LIQD	DEBIT
CR_SETTLEMENT_BRIDGE	<Main Component>_NEG_LIQD	CREDIT

ROLL Event

Accounting Role	Amount Tag	Dr/Cr
<Main Component>PAY	<Main Component>_NEG_ROLL	DEBIT
LOAN_ACCOUNT	<Main Component>_NEG_ROLL	CREDIT
<Main Component>PAY	<Main Component>_NEG_LIQD	DEBIT
CR_SETTLEMENT_BRODGE	<Main Component>_NEG_LIQD	CREDIT

The negative interest amount of the main interest is credited to the customer or rolled over.

During rollover the amount will be credited into the loan account asset GL by reducing principal of the new rolled over contract.

Accrual Entries for Negative Value

ACCR

Accounting Role	Amount Tag	Dr/Cr
<Main Component>REC	<Main Component>_ ACCR	DEBIT
<Main Component>INC	<Main Component>_ ACCR	CREDIT
<Main Component>EXP	<Main Compo-nent>_NEG_ACCR	DEBIT
<Main Component>PAY	<Main Compo-nent>_NEG_ACCR	CREDIT

RACR

Accounting Role	Amount Tag	Dr/Cr
<Main Component>REC	<Main Compo-nent>_RACR_REAL	DEBIT
<Main Component>INC	<Main Compo-nent>_RACR_REAL	CREDIT
<Main Component>EXP	<Main Compo-nent>_NEG_RACR_-REAL	CREDIT
<Main Component>PAY	<Main Compo-nent>_NEG_RACR_-REAL	DEBIT

Accrual amount for negative amount tag will be posted with absolute value.

During the accrual period if there is a change from positive to negative then system will reverse out the positive accrual in the receivable and income of RACR. After the reversal the negative amount will be accrued into payable based on the amount tag.

If there is a change from negative to positive then system will reverse out the negative accrual in the payable and expense based on the amount tag <Main Component>_NEG_RACR.

10.8 Accounting Entries for Tax Calculation

The following entries are applicable for Tax Collection if it is bank funded or customer funded:

INIT

Accounting Role	Amount Tag	Dr/Cr
Loan Account	Principal Amount/ Increase Amount	DEBIT
Credit Settlement Bridge GL	Principal Amount/ Increase Amount	CREDIT
Debit Settlement Bridge GL	Tax Amount (i.e, COMPONENT_LIQD)	DEBIT
Tax Payable GL	(i.e, COMPO-NENT_LIQD)	CREDIT

10.9 Accounting Entries for Payments Towards Next Installment

Accounting entry for MLIQ must be availed for a principal component as given below:

Accounting Role	Amount Tag	Dr/Cr Indicator
DR_SETTL_BRIDGE	PRINCIPAL_LIQD	Dr
LOAN_ACCOUNT	PRINCIPAL_LIQD	Cr
DR_SETTL_BRIDGE	PRINCIPAL_NEXT	Dr
NEXT_INST_GL	PRINCIPAL_NEXT	Cr

10.10 Accounting Entries for Normal Payment

The accounting entries for Normal Discount and Insequential Payment are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
Dr_Settlement_Bridge	PRINCIPAL_NLIQ	Dr	This will be the Principal settled to loan asset as part of payment

Asset _GL	PRINCIPAL_NLIQ	Cr	This will be the Principal settled to loan asset as part of payment
Dr_Settlement_Bridge	MAIN_INT_NLIQ	Dr	This will be the main interest settled as part of payment
Main_INTREC	MAIN_INT_NLIQ	Cr	This will be the main interest settled as part of payment

10.11 Accounting Entries for Overdue Payment

The accounting entries for Overdue Payment are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
Dr_Settlement_Bridge	PRINCIPAL_NLIQ	Dr	This will be the Principal settled to loan asset as part of payment
Asset _GL	PRINCIPAL_NLIQ	Cr	This will be the Principal settled to loan asset as part of payment
Dr_Settlement_Bridge	MAIN_INT_NLIQ	Dr	This will be the main interest settled as part of payment

Main_INTREC	MAIN_INT_NLIQ	Cr	This will be the main interest settled as part of payment
Dr_Settlement_Bridge	MORA_NLIQ	Dr	This will be the mora penal settled to loan asset as part of payment
Penal_Int_Rec	MORA_NLIQ	Cr	This will be the mora penal settled to loan asset as part of payment
Dr_Settlement_Bridge	MULTA_NLIQ	Dr	This will be the multa penal settled to loan asset as part of payment
Penal_Int_INC	MULTA_NLIQ	Cr	This will be the multa penal settled to loan asset as part of payment

10.12 Accounting Entries for Overdue Payment Waived

The accounting entries for Overdue Payment waived are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
Principal_Expense	PRINCIPAL_WAVD	Dr	This will be the Principal amount waived as part of payment

Asset _GL	PRINCIPAL_WAVD	Cr	This will be the Principal amount waived as part of payment
Main_INTEXP	MAIN_INT_WAVD	Dr	This will be the main interest waived as part of payment
Main_INTREC	MAIN_INT_WAVD	Cr	This will be the main interest waived as part of payment

10.13 Accounting Entries for Ad-hoc Discounted Payment

The accounting entries for Ad-hoc Discounted Payment are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
Dr_Settlement_Bridge	PRINCIPAL_NLIQ	Dr	This will be the Principal settled to loan asset as part of payment
Asset _GL	PRINCIPAL_NLIQ	Cr	This will be the Principal settled to loan asset as part of payment
Dr_Settlement_Bridge	MAIN_INT_NLIQ	Dr	This will be the main interest settled as part of payment (Main Int Due)

Main_INTREC	MAIN_INT_NLIQ	Cr	This will be the main interest settled as part of payment (Main Int Due)
Dr_Discount Expense	DISCOUNT_NLIQ	Dr	This will be the discount amount debited from the discount expense
Cr_Settlement_Bridge	DISCOUNT_NLIQ	Cr	This will be the discount amount credited to the settlement bridge

10.14 Accounting Entries for Total Prepayment

The accounting entries for Total Prepayment are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
Dr_Settlement_Bridge	PRINCIPAL_NLIQ	Dr	This will be the Principal settled to loan asset as part of payment.
Asset _GL	PRINCIPAL_NLIQ	Cr	This will be the Principal settled to loan asset as part of payment.
Dr_Settlement_Bridge	MAIN_INT_NLIQ	Dr	This will be the main interest settled as part of payment

Main_INTREC	MAIN_INT_NLIQ	Cr	This will be the main interest settled as part of payment
Dr Discount Expense	DISCOUNT_NLIQ	Dr	This will be the discount amount debited from the discount expense
Cr_Settlement_Bridge	DISCOUNT_NLIQ	Cr	This will be the discount amount credited to the settlement bridge

10.15 Accounting Entries for Excess Amount Payment

The accounting Entries of the schedule for which excess amount is Paid are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
Dr_Settlement_Bridge	PRINCIPAL_NLIQ	Dr	This will be the Principal settled to loan asset as part of payment
Asset _GL	PRINCIPAL_NLIQ	Cr	This will be the Principal settled to loan asset as part of payment
Dr_Settlement_Bridge	MAIN_INT_NLIQ	Dr	This will be the main interest settled as part of payment

Main_INTREC	MAIN_INT_NLIQ	Cr	This will be the main interest settled as part of payment
Discount Expense	DISCOUNT_NLIQ	Dr	This will be the discount amount debited from the discount expense
Cr_Settlement_Bridge	DISCOUNT_NLIQ	Cr	This will be the discount amount credited to the settlement bridge
Dr_Settlement_Bridge	EXCESS_NLIQ	Dr	This will be excess amount debited from settlement bridge
Excess_Suspense	EXCESS_NLIQ	Cr	This will be the excess amount credited to the excess suspense GL

The accounting Entries of the schedule for which excess amount from previous schedule is added:

Accounting Role	**Amount Tag**	**Dr/Cr Indicator**	**Description**

Excess_Suspense	EXCESS_STTL_NLIQ	Dr	This will be the excess amount debited from the excess suspense GL
Cr_Settlement_Bridge	EXCESS_STTL_NLIQ	Cr	This will be the excess amount credited to settlement bridge
Excess_Disc_Expense	EXCESS_DISC_NLIQ	Dr	This will be the NPV based discount amount on excess amount debited from Excess discount expense GL
Cr_Settlement_Bridge	EXCESS_DISC_NLIQ	Cr	This will be the NPV based discount amount on excess amount credited to settlement bridge
Dr_Settlement_Bridge	PRINCIPAL_NLIQ	Dr	This will be the Principal settled to loan asset as part of payment
Asset _GL	PRINCIPAL_NLIQ	Cr	This will be the Principal settled to loan asset as part of payment

Dr_Settlement_Bridge	MAIN_INT_NLIQ	Dr	This will be the main interest settled as part of payment
Main_INTREC	MAIN_INT_NLIQ	Cr	This will be the main interest settled as part of payment
Dr Discount Expense	DISCOUNT_NLIQ	Dr	This will be the discount amount debited from the discount expense
Cr_Settlement_Bridge	DISCOUNT_NLIQ	Cr	This will be the discount amount credited to the settlement bridge

10.16 Accounting Entries for Partial Installment Payment

The accounting Entries for Partial Installment Payment are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
Dr_Settlement_Bridge	PARTIAL_NLIQ	Dr	This will be the partial installment amount debited from settlement bridge

Partial_Inst_Suspense	PARTIAL_NLIQ	Cr	This will be the partial installment amount which will be cred-ited to par-tial installment suspense GL

Schedule payment of an installment having Partial Installment Payment accounting entries:

Accounting Role	**Amount Tag**	**Dr/Cr Indicator**	**Descriptio n**
Partial_Inst_Suspense	PARTIAL_STTL_NLIQ	Dr	This will be the partial inst. amount debited from the partial Inst suspense GL
Cr_Settlement_Bridge	PARTIAL_STTL_NLIQ	Cr	This will be the partial inst. amount credited to settlement bridge
Partial_Disc_Expense	PARTIAL_DISC_NLIQ	Dr	This will be the NPV based dis-count amount on partial amount debited from par-tial dis-count expense GL

Cr_Settlement_Bridge	PARTIAL_DISC_NLIQ	Cr	This will be the NPV based discount amount on partial amount credited to settlement bridge
Dr_Settlement_Bridge	PRINCIPAL_NLIQ	Dr	This will be the Principal settled to loan asset as part of payment
Asset _GL	PRINCIPAL_NLIQ	Cr	This will be the Principal settled to loan asset as part of payment
Dr_Settlement_Bridge	MAIN_INT_NLIQ	Dr	This will be the main interest settled as part of payment
Main_INTREC	MAIN_INT_NLIQ	Cr	This will be the main interest settled as part of payment
Dr Discount Expense	DISCOUNT_NLIQ	Dr	This will be the discount amount debited from the discount expense

Cr_Settlement_Bridge	DISCOUNT_NLIQ	Cr	This will be the discount amount credited to the settlement bridge

10.17 Accounting Entries for Reversal of Adhoc Payment

The accounting Entries for Reversal of Adhoc Payment are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
Dr_Settlement_Bridge	PRINCIPAL_NLIQ	Dr	This will be the Principal component reversed from loan asset as part of payment
Asset _GL	PRINCIPAL_NLIQ	Cr	This will be the Principal component reversed from loan asset as part of payment
Dr_Settlement_Bridge	MAIN_INT_NLIQ	Dr	This will be the main interest component reversed as part of payment
Main_INTREC	MAIN_INT_NLIQ	Cr	This will be the main interest component reversed as part of payment

Dr Discount Expense	DISCOUNT_NLIQ	Dr	This will be the dis-count amount reversed as part of payment
Cr_Settlement_Bridge	DISCOUNT_NLIQ	Cr	This will be the dis-count amount reversed as part of payment
Principal_Expense	PRINCIPAL_WAVD	Dr	This will be the Princi-pal amount waived reversed as part of payment
Asset _GL	PRINCIPAL_WAVD	Cr	This will be the Principal amount waived reversed as part of payment
Main_INTEXP	MAIN_INT_WAVD	Dr	This will be the main interest waived reversed as part of payment
Main_INTREC	MAIN_INT_WAVD	Cr	This will be the main interest waived reversed as part of payment

10.18 Accounting Entries for Reversal of Overdue Payment

The accounting Entries for Reversal of Adhoc Payment are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description

Dr_Settlement_Bridge	MORA_NLIQ	Dr	This will be the mora penal reversed to loan asset as part of payment
Penal_Int_Rec	MORA_NLIQ	Cr	This will be the mora penal reversed to loan asset as part of payment
Dr_Settlement_Bridge	MULTA_NLIQ	Dr	This will be the multa penal set-tled to loan asset as part of pay-ment
Penal_Int_INC	MULTA_NLIQ	Cr	This will be the multa penal set-tled to loan asset as part of pay-ment

10.19 Accounting Entries for Payments in Account Status

The accounting Entries for payments in account status equal HH are as follows:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
WOFF_SUSP_INC1	TOTAL_WOFF_AMOUNT	Dr	Total Write off pay-ment amount minus loss
WOFF_SUSP_H	TOTAL_WOFF_AMOUNT	Cr	Total Write off pay-ment amount minus loss
DR_SETTL_BRIDGE	AMOUNT_PAID	Dr	Amount paid by the customer

WOFF_UNEXPECT-ED_GAIN	AMOUNT_PAID	Cr	Amount paid by the customer
WOFF_SUSP_INC1	LOSS	Dr	If amount paid is less than the write off amount, this differ-ence amount is passed as Loss
WOFF_SUSP_H	LOSS	Cr	If amount paid is less than the write off amount, this differ-ence amount is passed as Loss

The accounting Entries for payments in account status equal H1 are as follows:

Accounting Role	**Amount Tag**	**Dr/Cr Indicator**	**Descriptio n**
WOFF_SUSP_INC2	TOTAL_WOFF_AMOUNT	Dr	Total Write off pay-ment amount minus loss
WOFF_SUSP_H1	TOTAL_WOFF_AMOUNT	Cr	Total Write off pay-ment amount minus loss
DR_SETTL_BRIDGE	AMOUNT_PAID	Dr	Amount paid by the customer
WOFF_UNEXPECT-ED_GAIN	AMOUNT_PAID	Cr	Amount paid by the customer

WOFF_SUSP_INC2	LOSS	Dr	If amount paid is less than the write off amount, this difference amount is passed as Loss
WOFF_SUSP_H1	LOSS	Cr	If amount paid is less than the write off amount, this difference amount is passed as Loss

The accounting Entries for payments in account status equal H2 are as follows:

Accounting Role	**Amount Tag**	**Dr/Cr Indicator**	**Description**
WOFF_SUSP_INC3	TOTAL_WOFF_AMOUNT	Dr	Total Write off payment amount minus loss
WOFF_SUSP_H2	TOTAL_WOFF_AMOUNT	Cr	Total Write off payment amount minus loss
DR_SETTL_BRIDGE	AMOUNT_PAID	Dr	Amount paid by the customer
WOFF_UNEXPECTED_GAIN	AMOUNT_PAID	Cr	Amount paid by the customer
WOFF_SUSP_INC3	LOSS	Dr	If amount paid is less than the write off amount, this difference amount is passed as Loss

WOFF_SUSP_H2	LOSS	Cr	If amount paid is less than the write off amount, this difference amount is passed as Loss

The following accounting entries will be passed when the account status is changed to write off status:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
WOFF_Expense_GL	TOTAL_WOFF_AMOUNT	Dr	Total Write off balance amount to be transferred
WOFF_SUSP_EXP	TOTAL_WOFF_AMOUNT	Cr	Total Write off balance amount to be transferred
WOFF_SUSP_EXP	MORA_ACCR	Dr	Total accrued mora penal interest amount
MORAREC(Recievable GL for MORA)	MORA_ACCR	Cr	Total accrued mora penal interest amount
WOFF_SUSP_INC1	TOTAL_WOFF_AMOUNT	Dr	Total Write off balance amount to be transferred
WOFF_SUSP_H	TOTAL_WOFF_AMOUNT	Cr	Total Write off balance amount to be transferred

SUBSIDIOINC	SUBSIDIO_FACR	Dr	Total Pending Subsidy Accrual
SUBSIDIOREC	SUBSIDIO_FACR	Cr	Total Pending Subsidy Accrual
MAIN_INTEXP_NORM	RAP amount tag	Dr	Projected interest (not accrued)
TACEXP_A	RAP amount tag	Cr	Projected interest (not accrued)

The following accounting entries will be passed when the account status is changed from HH to H1 status:

Accounting Role	**Amount Tag**	**Dr/Cr Indicator**	**Description**
WOFF_SUSP_INC2	TOTAL_WOFF_AMOUNT	Dr	Total Write off balance amount to be transferred
WOFF_SUSP_H1	TOTAL_WOFF_AMOUNT	Cr	Total Write off balance amount to be transferred
WOFF_SUSP_H	TOTAL_WOFF_AMOUNT	Dr	Total Write off balance amount to be transferred
WOFF_SUSP_INC1	TOTAL_WOFF_AMOUNT	Cr	Total Write off balance amount to be transferred

The following accounting entries will be passed when the account status is changed from H1 to H2 status:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
WOFF_SUSP_INC3	TOTAL_WOFF_AMOUNT	Dr	Total Write off balance amount to be transferred
WOFF_SUSP_H2	TOTAL_WOFF_AMOUNT	Cr	Total Write off balance amount to be transferred
WOFF_SUSP_H1	TOTAL_WOFF_AMOUNT	Dr	Total Write off balance amount to be transferred
WOFF_SUSP_INC2	TOTAL_WOFF_AMOUNT	Cr	Total Write off balance amount to be transferred

The following accounting entries will be passed when the account status is changed from H to HH status for the two new amount tags:

Accounting Role	Amount Tag	Dr/Cr Indicator	Description
WOFF_SUSP_EXP	TOTAL_WOFF_AMOUNT_FV	Dr	Sum of EMIs of all open Installments to be transferred

TACEXP_A	TOTAL_WOFF_AMOUNT_FV	Cr	Sum of EMIs of all open Install-ments to be trans-ferred
MAIN_INTREC	TOTAL_WOFF_ACCR	Dr	Total Inter-est pend-ing to accrue for the full loan (Projected Interest – Accrued Interest) to be trans-ferred
WOFF_SUSP_EXP	TOTAL_WOFF_ACCR	Cr	Total Inter-est pend-ing to accrue for the full loan (Projected Interest – Accrued Interest) to be trans-ferred

The following accounting entries are passed during installment payment for account in write off status is:

Accounting Role	**Amount Tag**	**Dr/Cr Indicator**	**Descriptio n**
DR_SETTL_BRIDGE	AMOUNT_PAID	Dr	Total Amount Paid (accrued balances and out-standing principal) for the installment

WOFF_SUSP_EXP	AMOUNT_PAID	Cr	Total Amount Paid(accrued balances and outstanding principal) for the installment
WOFF_SUSP_EXP	PRINCIPAL_INTEREST_FULL	Dr	Total Outstanding Principal amount and total interest accrued paid for the installment
WOFF_INC(Write off Settlement GL)	PRINCIPAL_INTEREST_FULL	Cr	Total Outstanding Principal amount and total interest accrued paid for the installment
WOFF_SUSP_EXP	PRINCIPAL_INTEREST_FULL_NORM	Dr	Total unaccrued interest amount paid for the installment
WOFF_RECOVER_REC	PRINCIPAL_INTEREST_FULL_NORM	Cr	Total unaccrued interest amount paid for the installment
WOFF_SUSP_EXP	MORA_NLIQ	Dr	Total accrued mora penal interest amount paid for the installment

WOFF_INC	MORA_NLIQ	Cr	Total accrued mora penal interest amount paid for the installment
WOFF_SUSP_EXP	MORA_NLIQ_NORM	Dr	Total un–accrued mora penal interest paid for the installment
WOFF_RECOV-ER_REC	MORA_NLIQ_NORM	Cr	Total un–accrued mora penal interest paid for the installment
WOFF_SUSP_EXP	MULTA_NLIQ	Dr	Total penal charge paid(multa) for the installment
WOFF_INC	MULTA_NLIQ	Cr	Total penal charge paid(multa) for the installment
WOFF_SUSP_EXP	MULTA_NLIQ_NORM	Dr	Total penal charge paid(multa) for the installment
WOFF_RECOV-ER_INC	MULTA_NLIQ_NORM	Cr	Total penal charge paid(multa) for the installment
WOFF_INC	IOFMORA_NLIQ	Dr	IOFMORA paid for the installment
IOF_PAY	IOFMORA_NLIQ	Cr	IOFMORA paid for the installment

DR_SETTL_BRIDGE	PRINCIPAL_NLIQ	Dr	Total Principal Amount paid for the installment
ASSET_GL	PRINCIPAL_NLIQ	Cr	Total Principal Amount paid for the installment
DR_SETTL_BRIDGE	MAIN_INT_NLIQ	Dr	Total Interest amount paid for the installment
MAIN_INTREC(Recievable GL for interest)	MAIN_INT_NLIQ	Cr	Total Interest amount paid for the installment
WOFF_WVD_EXP	MAIN_INT_WAVD	Dr	Total accrued interest amount waived
WOFF_REC	MAIN_INT_WAVD	Cr	Total accrued interest amount waived
WOFF_EXP	MAIN_INT_WAVD_NORM	Dr	Total unaccrued interest amount waived
WOFF_RECOVER_REC	MAIN_INT_WAVD_NORM	Cr	Total unaccrued interest amount waived
WOFF_WVD_EXP	PRINCIPAL_WAVD	Dr	Total principal amount waived
WOFF_REC	PRINCIPAL_WAVD	Cr	Total principal amount waived

WOFF_WVD_EXP	MORA_WAVD	Dr	Total accrued penal interest amount waived
WOFF_REC	MORA_WAVD	Cr	Total accrued penal interest amount waived
WOFF_EXP	MORA_WAVD_NORM	Dr	Total unaccrued penal interest amount waived
WOFF_RECOVER_REC	MORA_WAVD_NORM	Cr	Total unaccrued penal interest amount waived
WOFF_WVD_EXP	MULTA_WAVD	Dr	Total accrued penal charge amount waived
WOFF_REC	MULTA_WAVD	Cr	Total accrued penal charge amount waived
WOFF_EXP	MULTA_WAVD_NORM	Dr	Total unaccrued penal charge amount waived
WOFF_RECOVER_REC	MULTA_WAVD_NORM	Cr	Total unaccrued penal charge amount waived
EXCESS_SUSPENSE	EXCESS_STTL_NLIQ	Dr	Excess settlement amount
CR_SETTL_BRIDGE	EXCESS_STTL_NLIQ	Cr	Excess settlement amount

PARTIAL_SUSPENSE	PARTIAL_STTL_NLIQ	Dr	Partial settlement amount
EXCESS_DISC_EXPENSE	EXCESS_DISC_NLIQ	Dr	Excess discount settlement amount
CR_SETTL_BRIDGE	EXCESS_DISC_NLIQ	Cr	Excess discount settlement amount
PARTIAL_DISCEXPENSE	PARTIAL_DISC_NLIQ	Dr	Partial discount settlement amount
CR_SETTL_BRIDGE	PARTIAL_DISC_NLIQ	Cr	Partial discount settlement amount

Along with the above accounting entries the following accounting entries are passed when the account in HH status is liquidated:

Accounting Role	**Amount Tag**	**Dr/Cr Indicator**	**Description**
WOFF_SUSP_INC1	TOTAL_WOFF_AMOUNT	Cr	Total Write off balance amount paid installment
WOFF_SUSP_H	TOTAL_WOFF_AMOUNT	Dr	Total Write off balance amount paid installment

Along with the above accounting entries the following accounting entries are passed when the account in H1 status is liquidated:

Accounting Role	**Amount Tag**	**Dr/Cr Indicator**	**Description**
WOFF_SUSP_INC2	TOTAL_WOFF_AMOUNT	Cr	Total Write off balance amount paid

WOFF_SUSP_H1	TOTAL_WOFF_AMOUNT	Dr	Total Write off balance amount paid installment

Along with the above accounting entries the following accounting entries are passed when the account in H2 status is liquidated:

Accounting Role	**Amount Tag**	**Dr/Cr Indicator**	**Description**
WOFF_SUSP_INC3	TOTAL_WOFF_AMOUNT	Cr	Total Write off balance amount paid
WOFF_SUSP_H2	TOTAL_WOFF_AMOUNT	Dr	Total Write off balance amount paid

11. Annexure B

This chapter deals with the functions supported and restricted for Financial Inclusion customers.

This chapter contains the following topics:

- Section 11.1, "Functions Available for FIROLES"
- Section 11.2, "Restricted Function for FI Customers"
- Section 11.3, "Defaulted Fields in CL Product for FI Customers"

11.1 Functions Available for FIROLES

All the users with financial inclusion role (FIROLES) can access the following functions of Oracle FLEXCUBE.

Function ID	Description
CLDBRNPT	Lending Branch Parameters
CLDPRMNT	Loan Product Maintenance
CLDFIACC	Financial Inclusion Loan
CLDPYMNT	CL Payments
CLDLSTMT	Loan Statement
CLDSTACH	Manual Status Change
CLDASTCL	Account Status Class
CLDUDRMT	User Defined Element Rule
CLDUDVNT	User Defined Element Values Maintenance
CLDSDEMT	System Data Elements
CLDCMPCL	Product Component Class
CLDXCKMT	Check List Maintenance
CLDHOLMT	Holiday Period Maintenance
CLDCMPCL	Product Component Class
CLDGLBQR	GL Balance
CLDEVTQR	Events Diary
CLDACSTC	Account Details
CLDINSQR	Installment Query
CLDMNDSB	Manual Disbursement Details
CLDACAUT	Account Details Authorization

CLDMDAUT	Manual Disbursement Authorization
CLDPYAUT	CL Payments Authorization
CLDSTAAU	Manual Status Change Authorization
ISDSRCMD	Multimode Settlement Maintenance
MSCMSPRT	Print Option for Reports

11.2 Restricted Function for FI Customers

The following functions are restricted for FI Customers:

Function ID	Description
CLDACAMD	Value Dated Non Financial Amendments
CLDACCNT	Account Details
CLDACCTR	Loan Transfer
CLDACCVM	Value Dated Amendments
CLDACHTY	Account History
CLDADOCH	Ad-hoc Charges
CLDCRASG	Reassignment
CLDEMINT	Equated Monthly Installment
CLDINANT	Inactive Account Input
CLDLQSPN	Liquidation Suspension
CLDMNROL	Manual Rollover
CLDPINSM	Periodic Instruction Maintenance
CLDPRDTR	Loan Product Transfer
CLDPWOFF	Partial Write Off
CLDRENGT	Renegotiation
CLDSIMNT	Account Simulation
CLDSIMVM	Value Dated Amendments Simulation
CLDSMPMT	Payment Simulation
CLDTREAS	CL Reassign
CLDUDCMT	User Defined Element Cascade
CLDXISTC	Manual Installment Status Change

11.3 Defaulted Fields in CL Product for FI Customers

The system defaults certain values for the following fields in CL product screen (CLDPRMNT) for FI customers:

Screen Tab/Subscreen	Field Name	Defaulted values
Rate/Account Preferences Tab	Normal variance	NULL
Rate/Account Preferences Tab	Maximum Variance	NULL
Rate/Account Preferences Tab	Rate Type	STANDARD
Rate/Account Preferences Tab	Rate Indicator	M
Rate/Account Preferences Tab	Reset Retry Count for Reversed Auto Liquidation	N
Rate/Account Preferences Tab	Retries Auto Liquidation Days	NULL
Rate/Account Preferences Tab	Retries for Advice	NULL
Rate/Account Preferences Tab	Liquidate All Component for a Date	C
Rate/Account Preferences Tab	Guarantor Account Applicable Status	NULL
Rate/Account Preferences Tab	Auto Liquidation Basis	M
Rate/Account Preferences Tab	Percentage	NULL
Rate/Account Preferences Tab	Tenor	NULL
Rate/Account Preferences Tab	Unit	NULL
Rate/Account Preferences Tab	Revolving Type	N

Rate/Account Preferences Tab	Open Line Loans	N
Rate/Account Preferences Tab	Credit Days	NULL
Rate/Account Preferences Tab	IOF Payment Method	NULL
Rate/Account Preferences Tab	Back Value Dated Entry Allowed	N
Rate/Account Preferences Tab	Special Interest Accrual	N
Rate/Account Preferences Tab	Notice day Basis	P
Rate/Account Preferences Tab	Project Account	N
Rate/Account Preferences Tab	IBAN Account Type	NULL
Rate/Account Preferences Tab	Track Receivable Auto Liquidation	N
Rate/Account Preferences Tab	Amend Past Paid Schedule	N
Rate/Account Preferences Tab	Packing Credit Product	N
Rate/Account Preferences Tab	Notary Confirmation Required	N
Rate/Account Preferences Tab	CL Against bill	N
Rate/Account Preferences Tab	For Loan Against Salary	N
Rate/Account Preferences Tab	Regenerate Billing Notice On Amount Due Change	N
Rate/Account Preferences Tab	ATM Facility	N

Rate/Account Preferences Tab	Cheque Book	N
Rate/Account Preferences Tab	Partial Block Release	N
Rate/Account Preferences Tab	Schedule Upfront Capitalisation	N
Rate/Account Preferences Tab	Consider Limit Grace Days	N
Rate/Account Preferences Tab	Tenor	NULL
Rate/Account Preferences Tab	Unit	NULL
Account Preferences Tab	Debit	A
Account Preferences Tab	Credit	A
Account Preferences Tab	Adjust Interest for Discounted Loans	N
Account Preferences Tab	Provisioning Mode	N
Account Preferences Tab	Account Opening Installment Calculation Type	N
Account Preferences Tab	Payment In Advance	N
Account Preferences Tab	Rollover	A
Account Preferences Tab	Rollover Type	C
Account Preferences Tab	Roll By	NULL
Account Preferences Tab	User Defined Element Type	P
Account Preferences Tab	Schedule Basis	P
Account Preferences Tab	Interest Only Period	NULL
Account Preferences Tab	Unit	NULL

Account Preferences Tab	Rate Change Action	E
Account Preferences Tab	Adjust increased Amount Due	N
Account Preferences Tab	Value Dated Amendment Action	T
Account Preferences Tab	Value Dated Amendment Installment Calculation Type	NULL
Holiday Preferences Tab	Same as payment schedules	Y
Holiday Preferences Tab	Ignore Holidays	N
Holiday Preferences Tab	Adhoc Treatment Required	N
Holiday Preferences Tab	Holiday Check	L
Holiday Preferences Tab	Holiday Currency	NULL
Holiday Preferences Tab	Move Across Month	N
Holiday Preferences Tab	Cascade Schedules	N
Holiday Preferences Tab	Schedule Movement	N
Top Up Details Subscreen	Top Up Eligibility	N
Top Up Details Subscreen	Minimum Top Up %	NULL
Top Up Details Subscreen	Maximum Top Up %	NULL
Top Up Details Subscreen	Maximum Overdue Days	NULL

Top Up Details Subscreen	From Account Opening Date in Days	NULL
Top Up Details Subscreen	Remaining Days To Maturity	NULL
Top Up Details Subscreen	Maximum Top Ups allowed	NULL
Top Up Details Subscreen	Maximum Top Up Basis	A
Top Up Details Subscreen	Minimum Top Up Basis	A
Credit Score Subscreen	Rule Name	NULL
Credit Score Subscreen	Default Rule	N
Credit Score Subscreen	Line	NULL
Credit Score Subscreen	Condition	NULL
Credit Score Subscreen	Result	NULL
Credit Score Subscreen	Rule Name	NULL
Minimum Amount Due Calculation Method Subscreen	Rule Name	NULL
Minimum Amount Due Calculation Method Subscreen	Default Rule	N
Minimum Amount Due Calculation Method Subscreen	Line	NULL
Minimum Amount Due Calculation Method Subscreen	Condition	NULL
Minimum Amount Due Calculation Method Subscreen	Result	NULL
Minimum Amount Due Calculation Method Subscreen	Movement Rule	NULL

12. Reports

During the day, or at the end of the day, you may want to retrieve information on any of the several operations that were performed during the day in your bank. You can generate this information in the form of reports in Oracle FLEXCUBE.

For every module you can generate reports, which give you data about the various events in the life of a specific contract, or across contracts, at a specific point in time. You can have analysis reports, daily reports, exception reports (reports on events that ought to have taken place on the contract but have not, due to various reasons), history reports and so on. A set of report formats is pre-defined for every module.

This chapter contains the following sections:

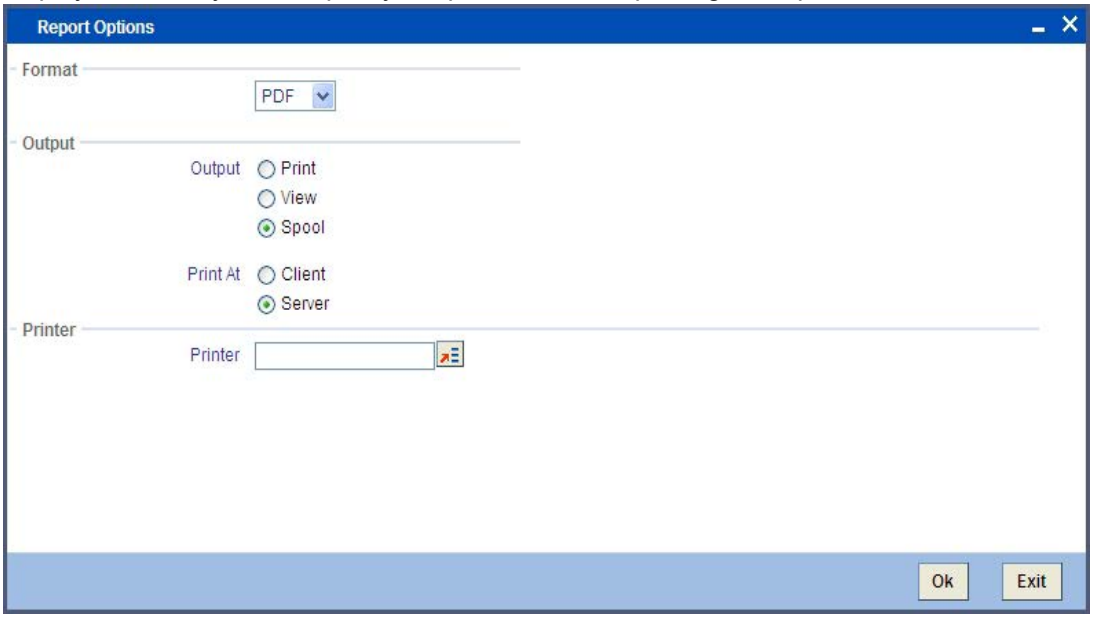
- Section 12.1, "Generating Reports"
- Section 12.2, "Accrual Control List Report"
- Section 12.3, "Accrual Control List Summary Report"
- Section 12.4, "Adverse Status Report"
- Section 12.5, "Adverse Status Summary Report"
- Section 12.6, "Amortization Report"
- Section 12.7, "Contract Retrieval Report"
- Section 12.8, "Event Report"
- Section 12.9, "Lending Forward Contract Report"
- Section 12.10, "Forward Amendments Details Changes Report"
- Section 12.11, "Interest Calculation Analysis Report"
- Section 12.12, "Linked Contracts Utilization Report"
- Section 12.13, "Maturity Report"
- Section 12.14, "Overdue Schedules Details"
- Section 12.15, "Overdue Schedules Summary"
- Section 12.16, "Periodic Rate Revision"
- Section 12.17, "Loan Payoff Calculator Report (Account)"
- Section 12.18, "Loan Payoff Calculator Report (Line)"
- Section 12.19, "Loan History Report"
- Section 12.20, "Automatic Loan Payment Exception"
- Section 12.21, "Loan Past Due Notice"
- Section 12.22, "Past Due and Non-performing Loan Month End Projections Report"
- Section 12.23, "Ledger Verification Report "
- Section 12.24, "New Loans Report "
- Section 12.25, "Loan Rollover Monitoring Report "
- Section 12.26, "Loan Register/Trial Balance Report "
- Section 12.27, "Loan Rollover Notice"
- Section 12.28, "Disbursements Made Today Report"
- Section 12.29, "Insurance Policy Expired Today Report"
- Section 12.30, "Loan Settlement Notice Report"
- Section 12.31, "Taken Over Assets Reports"
- Section 12.32, "Loans with CASA Benefit Report"

- Section 12.33, "Customer Loan Agreement"
- Section 12.34, "Loan Rejection Report"
- Section 12.35, "Loan Branch Transfer Report"
- Section 12.36, "Ad-Hoc Combined Statement"
- Section 12.37, "Combined Statement Generation Report"

12.1 Generating Reports

From the Application Browser, select the Reports option. A list of all the modules to which you have access rights are displayed in the screen. When you click on a module, all the reports for which you have access rights under the selected module are displayed. Click on the report you want to generate. You will be given a selection Criteria based on which the report would be generated.

Click 'OK' button when you have specified your preferences. The 'Print Options' screen gets displayed, where you can specify the preferences for printing the report.



In this screen, you can indicate the following preferences for printing the report.

Format

Select the format in which you want the report to be generated from the options provided in the drop-down list. The following options are available:

- HTML
- RTF
- PDF
- Excel

Output

Select the output for the report from the options provided. The following options are available:

- Print – select this option if you wish to print the report
- View – select this option if you wish to view the contents of the report
- Spool – select this option if you wish to spool the report for further use

Printer

Specify the name of the printer or select it from the option list provided. All the configured printers are displayed in the list.

This is applicable only if you have specified the output as 'Print'.

Contents of the report

The contents of the report are discussed under the following heads:

Header

The Header section of the report carries the title of the Report, information on the User who generated the report, the branch code, the date and time and the page number of the report.

Body of the report

The actual contents of the report are displayed in this section. It is detailed for each report, in the subsequent sections of this document.

12.2 Accrual Control List Report

This section contains the following topics:

- Section 12.2.1, "Generating Accrual Control List Report"
- Section 12.2.2, "Selection Options"
- Section 12.2.3, "Contents of the Report"

12.2.1 Generating Accrual Control List Report

The accrual control journal gives the details of accruals done on loan contracts, as of a specific date.

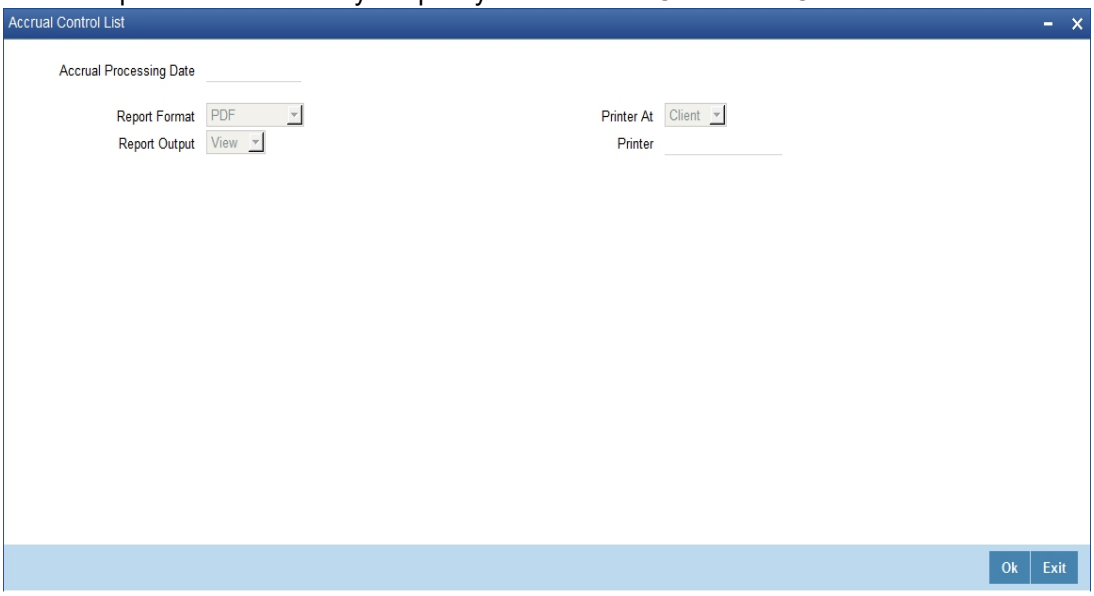
This report shows the Events and Component details for each account and will be generated for a specific combination of the Account Number, Event Date and Branch Name.

The Component and Item details will be displayed based on Events and Account Number.

You can invoke this report screen by typing 'CLRPACCR' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.2.2 Selection Options

If you generate the report manually, the report will list the accounts whose Accrual Processing Date is equal to the date that you specify in the screen CL Accrual Control List.



Specify the following details:

Accrual Processing Date

Specify the accrual processing date to be considered for the report.

12.2.3 Contents of the Report

The options that you have specified while generating the report are printed at the beginning of the report. Apart from the header the following information is provided for each contract:

Body of the Report

Field	Description
Account Number	The account number of the contract
Status	The status of the loan contract
Component	This is the component of the loan against which accrual entries are passed
Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Current Accrual	This is the amount for which accrual entries are passed for the current month
Value Date	The Value Date of the contract

12.3 Accrual Control List Summary Report

This section contains the following topics:

- Section 12.3.1, "Generating Accrual Control List Summary Report"
- Section 12.3.2, "Contents of the Report"

12.3.1 Generating Accrual Control List Summary Report

The Accrual Control List Summary report summarizes the details of accruals product wise.

12.3.2 Contents of the Report

Apart from the header the following information is provided for each contract:

Body of the Report

Field	Description
Product Code	This is the product for which the summary report is being generated
Status	The status of the loan contract under the product
Component	This is the component of the loan against which accrual entries are passed, for the contract under the product
Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Value Date	The Value Date of the contract under this product
Current Accrual	This is the amount for which accrual entries are passed for the current month

12.4 Adverse Status Report

This section contains the following topics:

- Section 12.4.1, "Generating Adverse Status Report"
- Section 12.4.2, "Selection Options"
- Section 12.4.3, "Contents of the Report"

12.4.1 Generating Adverse Status Report

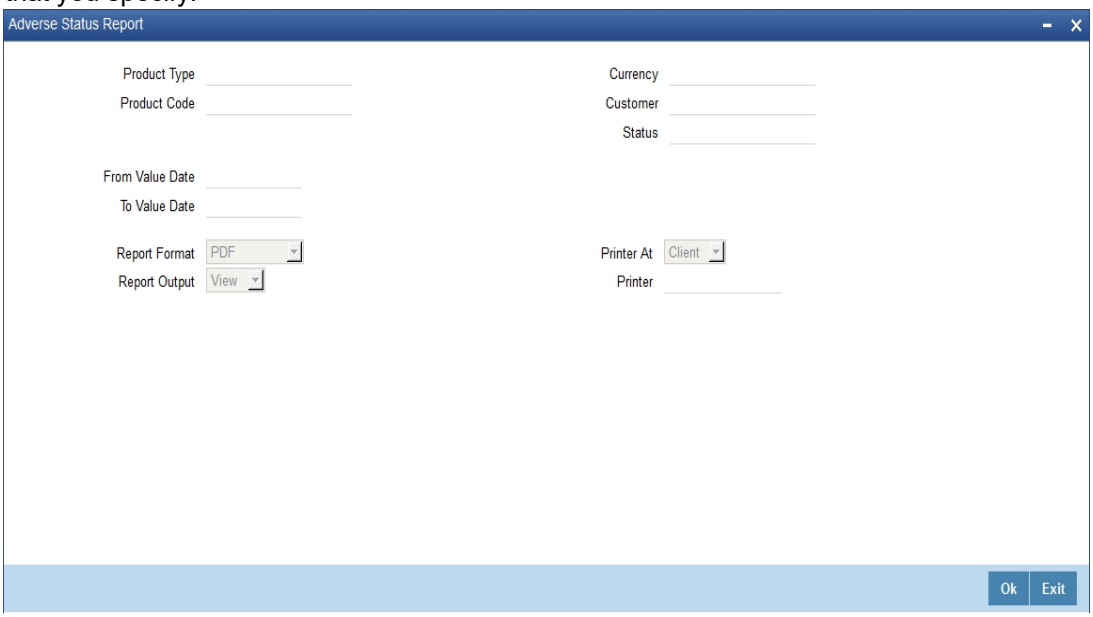
The Adverse status report gives details of loan contracts that have moved into a status other than active and liquidated.

The amounts outstanding for the various components are reported in this report.

You can invoke this report screen by typing ‘CLRPSTAT’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.4.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

Product Type

You can generate the Adverse Status report for a specific Product Category or for all categories. Select a Product Category from the option list provided.

Product Code

You can generate a product-wise report. Select the Product Code from the option list which contains all valid products under the category you have selected.

Currency

Under specific Product(s), you can choose to generate reports in a specific currency(s).

Customer

You can generate this report for specific customer(s).

Status

Specify a valid status of the account from the adjoining option list.

From Date (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date greater than the date you enter here.

To Date (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date lesser than the date you enter here.

Report Format

Select the format in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- HTML – Select to generate report in HTML format.
- RTF – Select to generate report in RTF format.

- PDF – Select to generate report in PDF format.
- EXCEL – Select to generate report in EXCEL format.

Report Output

Select the output in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- Print – Select to print the report.
- View – Select to print the report.
- Spool – Select to spool the report to a specified folder so that you can print it later.

Printer At

Select location where you wish to print the report from the adjoining drop-down list. This list displays the following values:

- Client – Select if you need to print at the client location.
- Server – Select if you need to print at the server location

Printer

Select printer using which you wish to print the report from the adjoining option list.

12.4.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Apart from the header the following information is provided for each contract:

Body of the Report

Field	Description
Product Code	This is the product for which the report is generated
Status	This is the current status of the component that is in a status other than Active or Liquidated. The status codes are defined for a product and applied to contracts involving the product
Customer	This is the CIF ID of the customer involved in the loan.
Customer Name	The name of the customer
Account Number	This is the account number of the loan account being reported
Component	The component whose status details the report reflects
Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Maturity	This is the Maturity Date of the loan
Maximum Overdue Days	If more than one account is overdue under the product, this field will reflect the number of overdue days of the account with the highest number of overdue days
Overdue Amount	This is the total amount that is overdue for the component as of the date of report generation
Date of Last Disbursement	Date of Last Disbursement
Date of Last Payment	Date of Last Payment

12.5 Adverse Status Summary Report

This section contains the following topics:

- Section 12.5.1, "Generating Adverse Status Summary Report"
- Section 12.5.2, "Contents of the Report"

12.5.1 Generating Adverse Status Summary Report

The Adverse Status Summary report summarizes the details of each contract.

12.5.2 Contents of the Report

Apart from the header the following information is provided for each contract:

Body of the Report

Field	Description
Product Code	This is the product for which the report is generated
Status	This is the current status of the contract for which details are being reported
Component	This is the component of the loan against which the payment due is being reported. If more than one component falls due on the same day they will be reported one by one
Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Earliest Due Date	For all the loans reported, this is the earliest date on which a repayment is due
Latest Due Date	For all the loans reported, this is the latest date on which a repayment is due
Cumulative Overdue Amount	This is the total amount that is overdue for the component(s) as of the date of report generation

12.6 Amortization Report

This section contains the following topics:

- Section 12.6.1, "Generating Amortization Report"
- Section 12.6.2, "Selection Options"
- Section 12.6.3, "Contents of the Report"

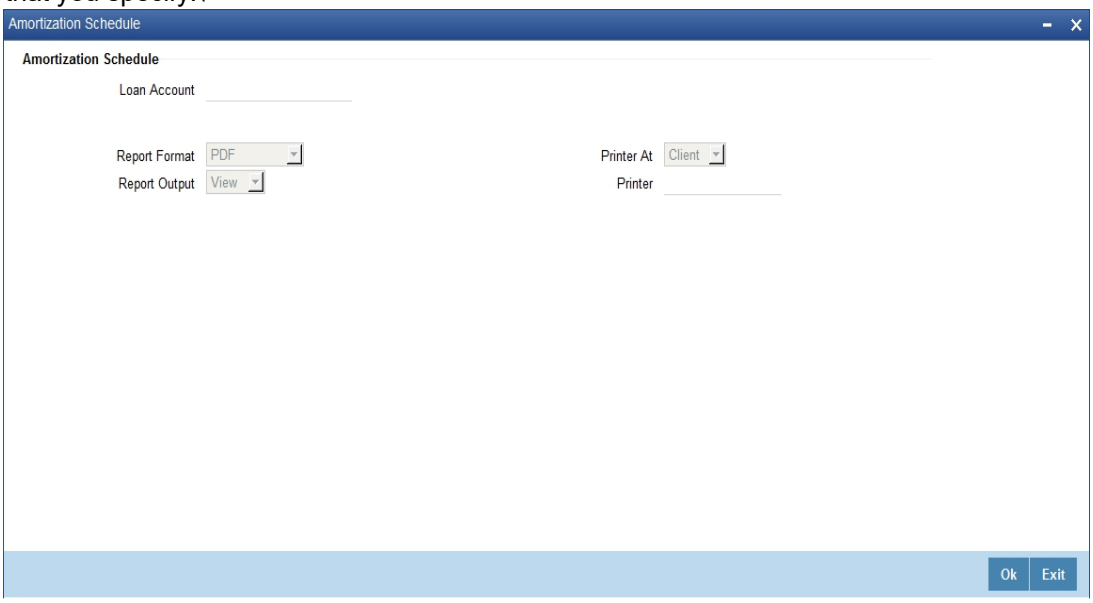
12.6.1 Generating Amortization Report

The Amortization Report gives the amortization details of loan contracts.

You can invoke this report screen by typing ‘CLRPAMSC’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.6.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.\



You can specify the following preferences for the report:

Loan Account

Enter the Account Number for which amortization details should be displayed in the report. If you do not enter an account number here, the report will be generated for all accounts.

12.6.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Apart from the header the following information is provided for each contract:

Body of the Report

Field	Description
Account Number	This is the reference number of the loan being reported
Principal	The principal amount of the loan being reported
Product	This is the product for which the report is generated
Customer	This is the CIF ID of the customer involved in the loan
Tenor	The tenor of the loan being reported
Year	This is the year for which the amortization details are being displayed in the report
Due date	The due date of an installment of the loan
Currency	The currency of the account
Installment	This is the installment amount of the loan
Interest Due	The interest amount due
Principal Due	The principal amount due
Total Amount Due	The total principal amount due on the loan

12.7 Contract Retrieval Report

This section contains the following topics:

- Section 12.7.1, "Generating Contract Retrieval Report"
- Section 12.7.2, "Selection Options"
- Section 12.7.3, "Contents of the Report"

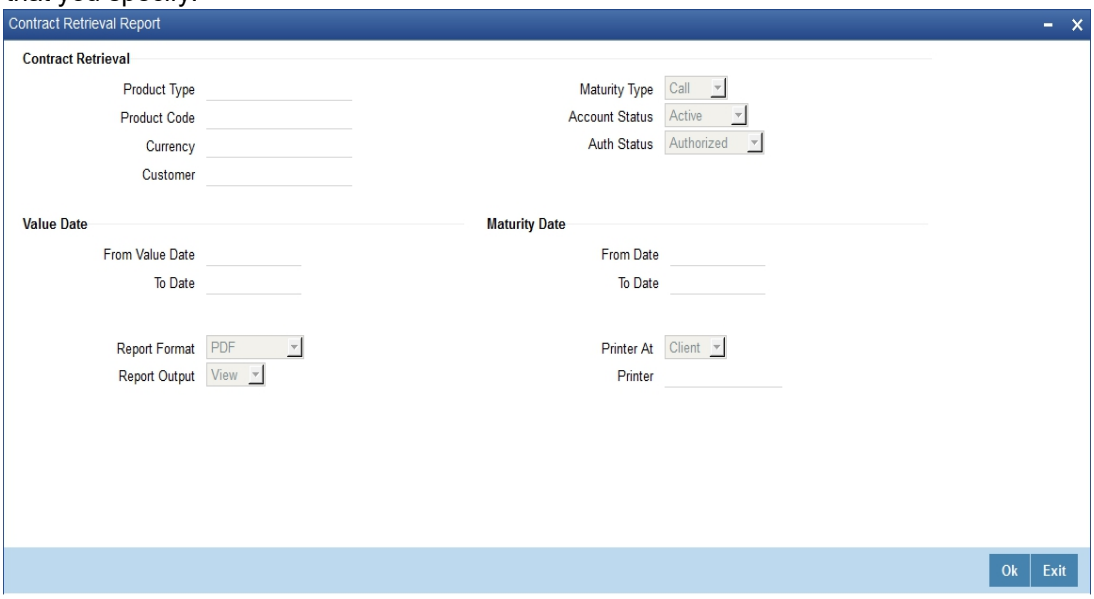
12.7.1 Generating Contract Retrieval Report

The Contract Retrieval report gives you comprehensive information about a loan contract. Information about loan contracts that are active, liquidated and reversed can be retrieved through this report. You can generate the report for a variety of reasons.

You can invoke this report screen by typing ‘CLRPRETR’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.7.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

Product Type

You can generate the Contract Retrieval Report for a specific product type or for all categories. Select a product type from the option list provided.

Product Code

You can generate a product-wise report. Select the Product Code from the option list which contains all valid products under the category you have selected.

Currency

Under specific Product(s), you can choose to generate reports in a specific currency(s).

Customer

You can generate this report for specific customer(s).

Maturity Type

You can generate the report only for a particular Maturity Type. The Maturity type of a loan can be

- Fixed - this type of a loan has a fixed maturity date
- Call - If the maturity date is not fixed the loan can be liquidated any time

You can generate the report either for fixed maturity loans or call loans.

Account Status

You can generate the report based on the status of the loan contract. The report can be generated for loans with the following statuses only:

- Active
- Liquidated
- Reversed
- To be initiated

All the loans with the specified status for the specific period will be reported.

Auth Status

You can generate the report for loan contracts either with an authorized or unauthorized status.

From (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date greater than the date you enter here.

To (Value Date)

Enter the Value Date of the contracts. The system will generate a report for the contracts that have a Value Date lesser than the date you enter here.

From (Maturity Date)

Specify the Maturity Date of the loan. The report will be generated for all contracts whose Maturity Date is equal to, or greater than the date you have specified here.

To (Maturity Date)

Specify the Maturity Date of the loan. The report will be generated for all contracts whose Maturity Date is equal to, or less than the date you have specified here.

12.7.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Account Number	The account number for which the report is being generated
Account Status	This is the current status of the account
Outstanding Amount	This is the total outstanding amount that the customer has to repay. This amount also includes amounts belonging to earlier schedules that are yet to be paid. In case the customer has made pre-payments the outstanding amount can be less than the due amount
Product Code	This is the product for which the report is generated
Product Category	This is the product category to which the generated report belongs
Product Description	This is the description of the product
User Reference	This is the reference number of the loan being reported
Customer	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Related Reference Number	This is the alternate account number
Account Currency	The currency of the account
Financed Amount	The loan amount financed
Original Start Date	This is the original start date of the loan
Booking Date	The Booking Date of the contract
Value Date	The Value Date of the contract
Maturity Type	This is the Maturity Type of the contract
Maturity Date	The Maturity Date of the contract
Tenor (In days)	The tenor of the loan
User Defined Status	The status of the loan
Auth Status	The authorization status of the contract
Liquidation Mode	The liquidation mode of the contract
Rollover Type	The rollover mode

Rollover Count	The rollover count
Component	The components of the loan are listed here
Currency	This is the currency of the component
Rate Type	This is the rate type
Rate Code	This is the rate code
Resolved Value	This is the effective rate
Special Amount	This is the special amount for the component
EUR Currency	This is the EUR currency

12.8 Event Report

This section contains the following topics:

- Section 12.8.1, "Generating Event Report"
- Section 12.8.2, "Selection Options"
- Section 12.8.3, "Contents of the Report"

12.8.1 Generating Event Report

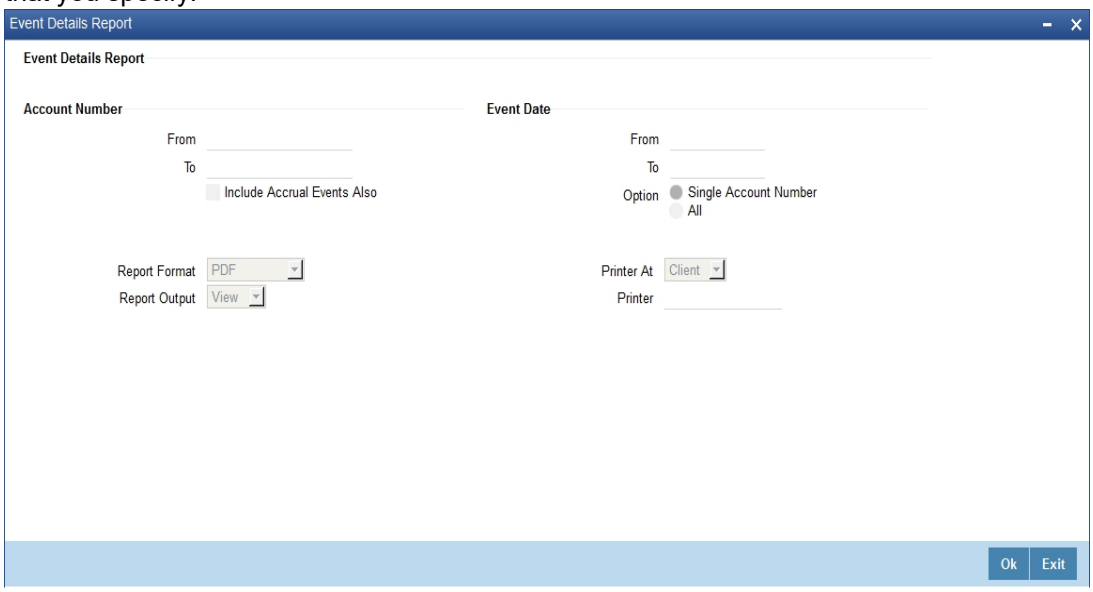
Contract events are events that have taken place during the tenor of a loan contract.

Contract Events report gives a list of all the events that have taken place during the tenor of a loan contract. The events are listed by their Value Date.

You can invoke this report screen by typing ‘CLRPEVNT’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.8.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

From (Account Number)

Select the starting account number. The system will display event details of all accounts from this account number.

To (Account Number)

Select the ending account number. The system will display event details of all accounts upto this account number.

> **Note**
>
> If you do not enter an account number in the above two field, the system will display the event details of all accounts.

From (Event Date)

Enter the date from which event details should be generated in the report for accounts.

To (Event Date)

Enter the date upto which event details should be generated in the report for accounts.

> **Note**
>
> You have the option of not specifying the 'From' and 'To' dates, but if you specify the 'From Event Date', it will be mandatory for you to specify the 'To Event Date'.

Include Accrual Events also

Check this box to indicate accrual related events should be included.

Single Account Number

Select this option to indicate the report should be generated for a single account number or for a range.

All

Select this option to indicate the report should be generated for all accounts.

12.8.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Account Number	The account number of the contract
Account Currency	The currency of the account
Customer ID	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Event Description	This is the code of the event for which details are being reported
Event Date	This indicates the date on which the event took place.
Component Name	The component for which details are displayed in the report
Component Amount Tag	The amount tag
Component Value	The value of the amount tag
Component Currency	The currency of the component

12.9 Lending Forward Contract Report

This section contains the following topics:

- Section 12.9.1, "Generating Lending Forward Contract Report"
- Section 12.9.2, "Selection Options"
- Section 12.9.3, "Contents of the Report"

12.9.1 Generating Lending Forward Contract Report

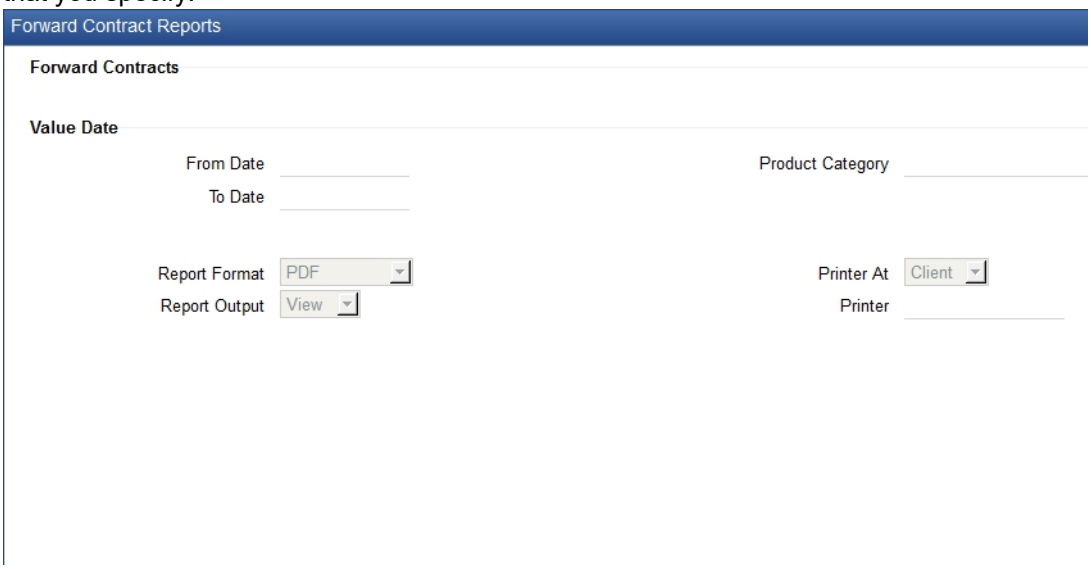
A forward contract is a loan with a future value date. The value date is the date on which the loan takes effect. The tenor of the loan contract will begin on this date. All accounting entries for the loan contract, all calculations for interest and all the other components based on the tenor will be made from this date onwards.

The forward contract report gives details of all the loan contracts with a future value date. Only contracts that take effect on a date later than or same as the specified date are included in the report.

You can invoke this report screen by typing ‘CLRPFRWD’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.9.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

From (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date greater than the date you enter here.

To (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date lesser than the date you enter here.

> **Note**
>
> It is not mandatory for you to enter the 'From' and 'To' dates.

Product Category

You can generate the Forward Contract Report for a specific Product Category or for all categories. Select a Product Category from the option list provided.

12.9.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Product Category	This is the product category to which the generated report belongs
Account Number	The account number of the contract for which the report is generated
Customer ID	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Amount	This is the principal amount involved in the loan
Currency	This is the currency in which the amount is displayed
Euro Equivalent	The Euro equivalent of the loan amount
Value Date	This is the date on which the loan takes effect
Maturity Type	This is the maturity type of the loan. It could be fixed or call.
Maturity Date	This is the date on which the loan matures. The maturity date is generated in the report only in case of fixed maturity loans.

Field	Description
CHARGE DETAILS	
Component	The component on which a charge is being applied
Amount	The charge amount
Currency	The currency in which the amount is displayed
Euro Equivalent	The Euro equivalent of the charge
Waiver	Whether or not the charge has been waived
INTEREST DETAILS	
Component	The interest component
Amount	The interest amount
Currency	The currency in which the amount is displayed
Euro Equivalent	The Euro equivalent
Rate	The interest rate being applied
Effective Rate	The effective interest rate
Waiver	Whether the interest has been waived

12.10 Forward Amendments Details Changes Report

This section contains the following topics:

- Section 12.10.1, "Generating Forward Amendments Details Changes Report"
- Section 12.10.2, "Selection Options"
- Section 12.10.3, "Contents of the Report"

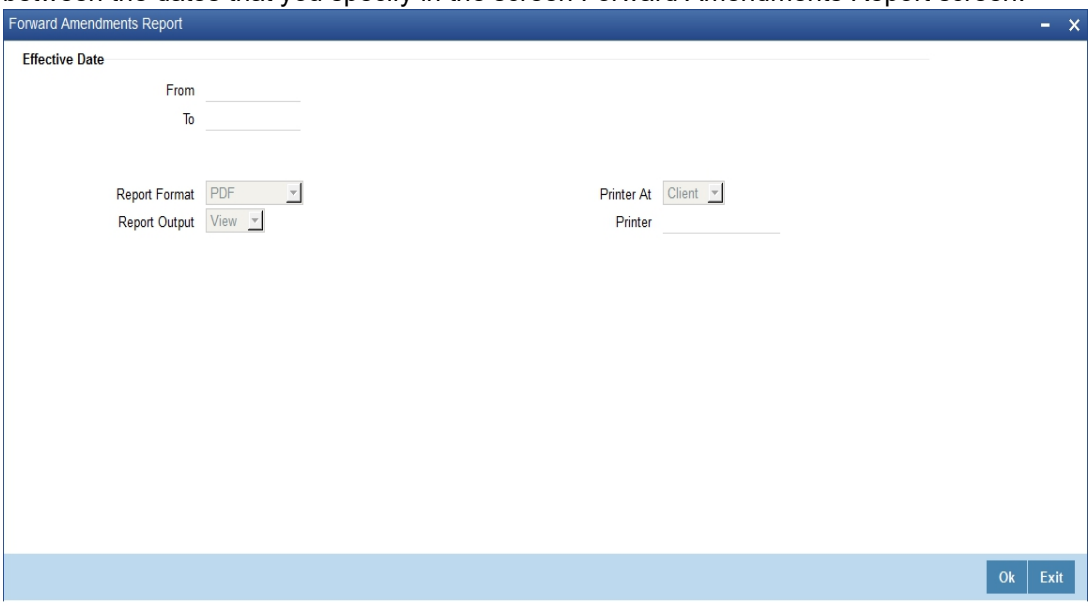
12.10.1 Generating Forward Amendments Details Changes Report

The Forward Amendments Details Changes Report gives a list of all the amendments made to contracts with a future value date.

You can invoke this report screen by typing ‘CLRPFWCH’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.10.2 Selection Options

If you generate the report manually, the report will list the accounts whose Effective Date is between the dates that you specify in the screen Forward Amendments Report screen.



You can specify the following preferences for the report:

From (Effective Date)

Enter the date from which the report should include amendment details.

To (Effective Date)

Enter the date upto which the report should include amendment details.

12.10.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Account Number	The account number of the contract for which the report is being generated
Maturity Date	The Maturity Date of the contract
Value Date	The Value Date of the contract
Loan Amount	The principal loan amount of the contract
Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Customer ID	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Transaction Date	The date of the transaction
Amendment Date	The date of amendment
New Maturity Date	The Maturity Date after amendment
Differential Amount	This is the difference between the original financed amount and the new financed amount. If there is no change in the loan value, this field will be zero.
Latest ESN	The latest Event Sequence Number
Component Name	The component that has been amended
New Rate	The new rate that has been applied to the component
Old Rate	The original rate
New Rate Code	The new rate code
Old Rate Code	The original rate code

12.11 Interest Calculation Analysis Report

This section contains the following topics:

- Section 12.11.1, "Generating Interest Calculation Analysis Report"
- Section 12.11.2, "Selection Options"
- Section 12.11.3, "Contents of the Report"

12.11.1 Generating Interest Calculation Analysis Report

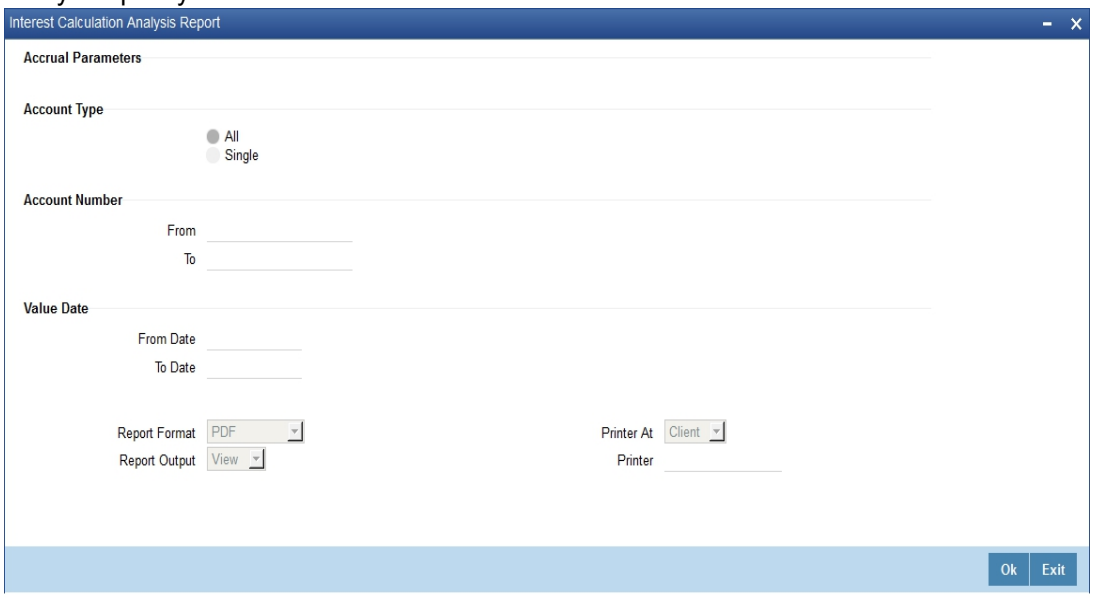
The Interest Calculation Analysis Report is generated for the accounts required between the given Value Date ranges.

The report will be generated for a specific combination of Branch, Account Number and Value Date range.

You can invoke this report screen by typing ‘CLRPCALC’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.11.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

Single/Range (Account Type)

Select this option to indicate you are either specifying a range of account numbers or a specific one whose report is to be generated.

All (Account Type)

Select this option to indicate the report should be generated for all accounts.

From (Account Number)

Select the starting account number. The system will display details of all accounts from this account number.

To (Account Number)

Select the ending account number. The system will display details of all accounts upto this account number.

From (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date greater than the date you enter here.

To (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date lesser than the date you enter here.

12.11.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Account Number	The account number of the contract for which the report is being generated
Value Date	The Value Date of the contract
Maturity Date	The Maturity Date of the loan contract
Customer Id	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Component	The component for which details are being displayed in the report
Interest Method	The method if interest calculation
Currency	The account currency
Start Date	Reflects the start date of change of interest rate
End Date	Reflects the end date of change of interest rate
Basic Amount	The basic amount on which the interest is calculated
Rate	The interest rate applicable to a certain period
Number of Days	The number of days for which the rate is applicable
Interest Amount	The is the interest amount

12.12 Linked Contracts Utilization Report

This section contains the following topics:

- Section 12.12.1, "Generating Linked Contracts Utilization Report"
- Section 12.12.2, "Selection Options"
- Section 12.12.3, "Contents of the Report"

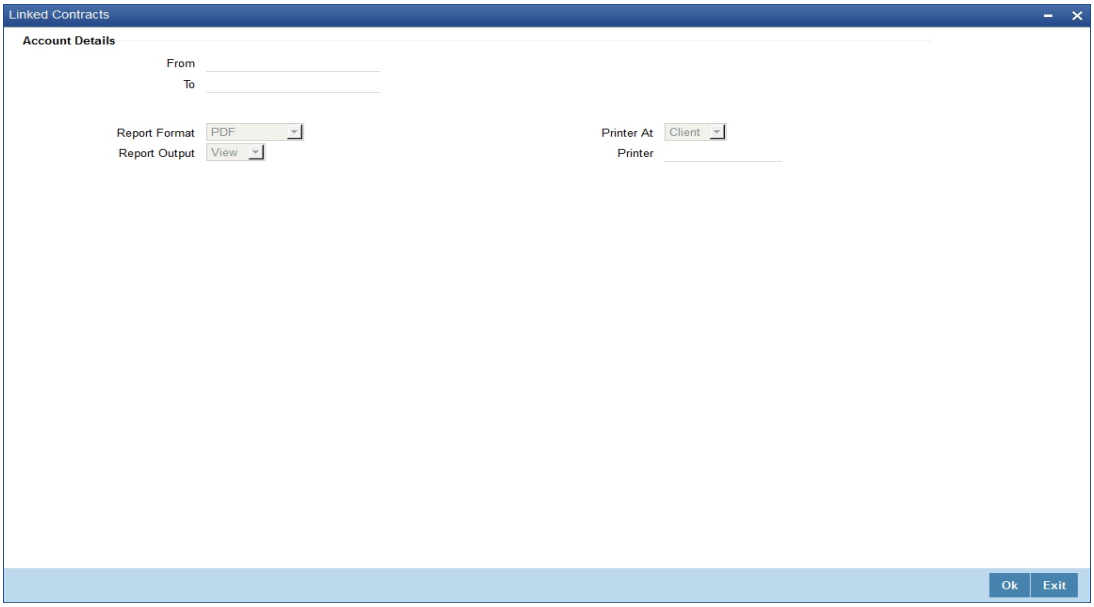
12.12.1 Generating Linked Contracts Utilization Report

This report will include the details of the accounts, lines or collaterals that have been linked to an account, based on the selection criteria. Linkage Account details and the Amount Financed will be shown for each Account in this report.

You can invoke this report screen by typing ‘CLRPLICU’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.12.2 Selection Options

If you generate the report manually, the report will list the accounts that you have specified in the Linked Contract Utilization screen.



You can specify the following preferences for the report:

From (Account Number)

Select the starting account number. The system will display event details of all accounts from this account number.

> **Note**
>
> If you enter an account number in this field, you will have to enter an account number in the field 'To'.

To (Account Number)

Select the ending account number. The system will display event details of all accounts upto this account number.

> **Note**
>
> If you do not enter an account number in the above two fields, the system will display the event details of all accounts.

12.12.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Account Number	The account number of the contract
Amount Financed	The loan amount
Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Value Date	The Value Date of the contract
Maturity Date	The Maturity Date of the loan contract
Linkage Type	This is the linkage type
Linked Reference Number	The reference number of the linkage type
Customer ID	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Linkage Amount	The amount linked
Secured Portion	This is the secured portion of the loan

12.13 Maturity Report

This section contains the following topics:

- Section 12.13.1, "Generating Maturity Report"
- Section 12.13.2, "Selection Options"
- Section 12.13.3, "Contents of the Report"

12.13.1 Generating Maturity Report

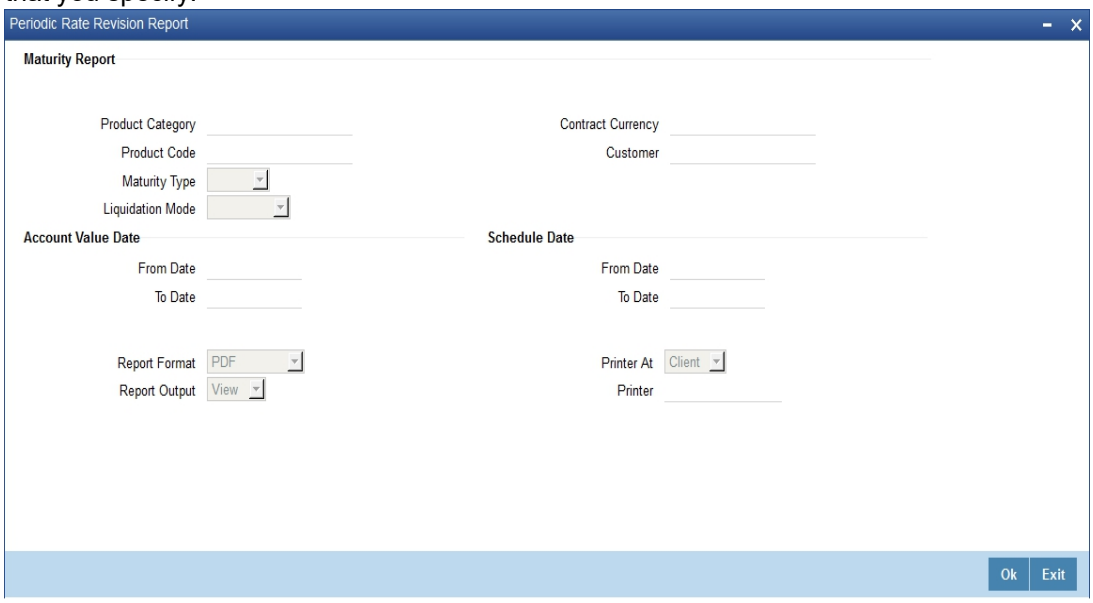
The maturity report gives information about a contract that is:

- Maturing during the period that you specify
- Have schedules falling due during that period

You can invoke this report screen by typing ‘CLRPMATR’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.13.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

Product Category

You can generate the Contract Retrieval Report for a specific Product Category or for all categories. Select a Product Category from the option list provided.

Product Code

You can generate a product-wise report. Select the Product Code from the option list which contains all valid products under the category you have selected.

Contract Currency

Under specific Product(s), you can choose to generate reports in a specific currency(s).

Customer

You can generate this report for specific customer(s).

Maturity Type

You can generate the report only for a particular Maturity Type. The Maturity type of a loan can be

- Fixed - this type of a loan has a fixed maturity date.
- Call - If the maturity date is not fixed the loan can be liquidated any time.

You can generate the report either for fixed maturity loan or call loans.

Liquidation Mode

Components of a loan can be liquidated automatically or manually. In auto liquidation a schedule will be automatically liquidated on the day it falls due. In manual liquidation a schedule amount has to be liquidated manually.

You can generate the report based on the liquidation mode that you have specified. The report can be generated only for loans with auto liquidation or you can generate the report for loans that have to be manually liquidated.

From Date (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date greater than the date you enter here.

To Date (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date lesser than the date you enter here.

From Date (Schedule Date)

Specify the Starting Date of the schedule.

To Date (Schedule Date)

Specify the Ending Date of the schedule.

12.13.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Call Contracts	
Customer ID	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Account Number	The account number for which the report is being generated
Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Financed Amount	The loan amount
Outstanding Amount	This is the total outstanding amount that the customer has to repay. This amount also includes amounts belonging to earlier schedules that are yet to be paid. In case the customer has made pre-payments the outstanding amount can be less than the due amount.
Fixed Contracts	
Due Date	This is the due date for the due amount
Customer ID	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Account Number	The account number for which the report is being generated
Maturity Date	Maturity Date of the loan
Component	Component which is due
Currency	Currency of the component
Due Amount	The amount which is due
Outstanding Amount	This is the due amount minus the amount paid

12.14 Overdue Schedules Details

This section contains the following topics:

- Section 12.14.1, "Generating Overdue Schedules Details"
- Section 12.14.2, "Selection Options"
- Section 12.14.3, "Contents of the Report"

12.14.1 Generating Overdue Schedules Details

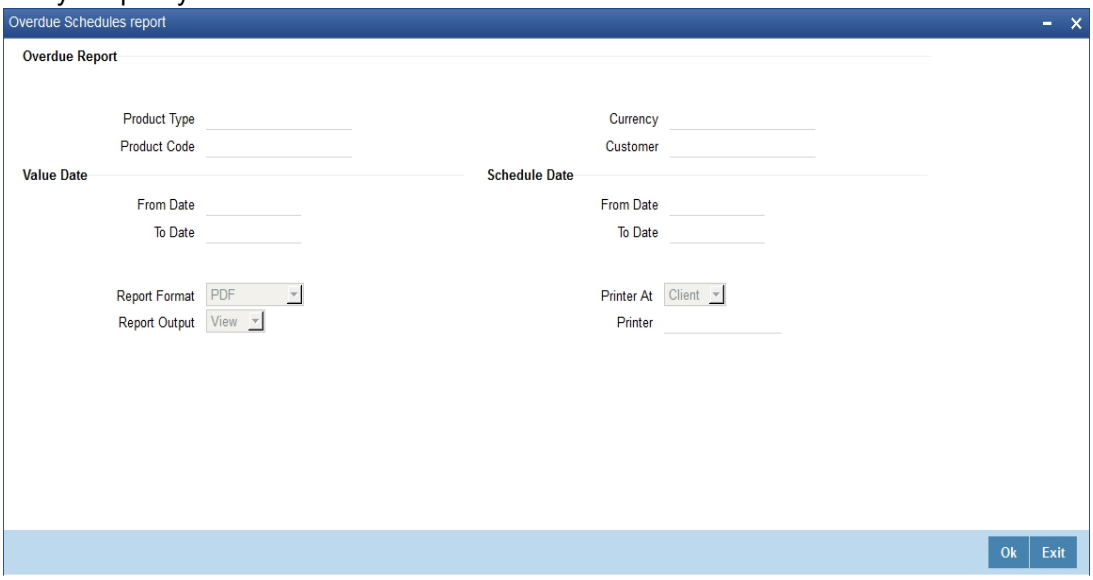
Repayment schedules can be defined for various components of a product like principal, interest, commission and fees. These schedules will apply to all the loans involving the product unless you redefine them at the time of processing the loan.

The Overdue Schedules report gives details of all repayment schedules of a loan that are overdue (i.e., are not paid even when they are beyond their scheduled repayment dates.

You can invoke this report screen by typing 'CLRPOSCH' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.14.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



Product Type

You can generate the Overdue Schedules Report for a specific product type or for all categories. Select a product type from the option list provided.

Product Code

You can generate a product-wise report. Select the Product Code from the option list which contains all valid products under the category you have selected.

Currency

Under specific Product(s), you can choose to generate reports in a specific currency(s).

Customer

You can generate this report for specific customer(s).

From Date (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date greater than the date you enter here.

To Date (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date lesser than the date you enter here.

From Date (Schedule Date)

Specify the Starting Date of the schedule.

To Date (Schedule Date)

Specify the Ending Date of the schedule.

12.14.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Due Date	The due date of the component which is overdue
Overdue Days	The number of days by which the component is overdue
Customer	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Account Number	The account number of the customer for whom the report is being generated
Status	The status of the component which is overdue
Component	The component which is overdue
Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Overdue Amount	This is the component amount that is overdue

12.15 Overdue Schedules Summary

This section contains the following topics:

- Section 12.15.1, "Generating Overdue Schedules Summary"
- Section 12.15.2, "Contents of the Report"

12.15.1 Generating Overdue Schedules Summary

The Overdue Schedules Summary report summarizes the details of overdue schedules.

12.15.2 Contents of the Report

Apart from the header the following information is provided:

Body of the Report

Field	Description
Product Code	This is the product for which the report is generated
Status	This is the current status of the contract for which details are being reported
Due Date	This is the due date
Component	This is the component of the loan against which the payment due is being reported. If more than one component falls due on the same day they will be reported one by one
Component Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Cumulative Overdue Amount	This is the total amount that is overdue for the component(s) as of the date of report generation

12.16 Periodic Rate Revision

This section contains the following topics:

- Section 12.16.1, "Generating Periodic Rate Revision"
- Section 12.16.2, "Selection Options"
- Section 12.16.3, "Contents of the Report"

12.16.1 Generating Periodic Rate Revision

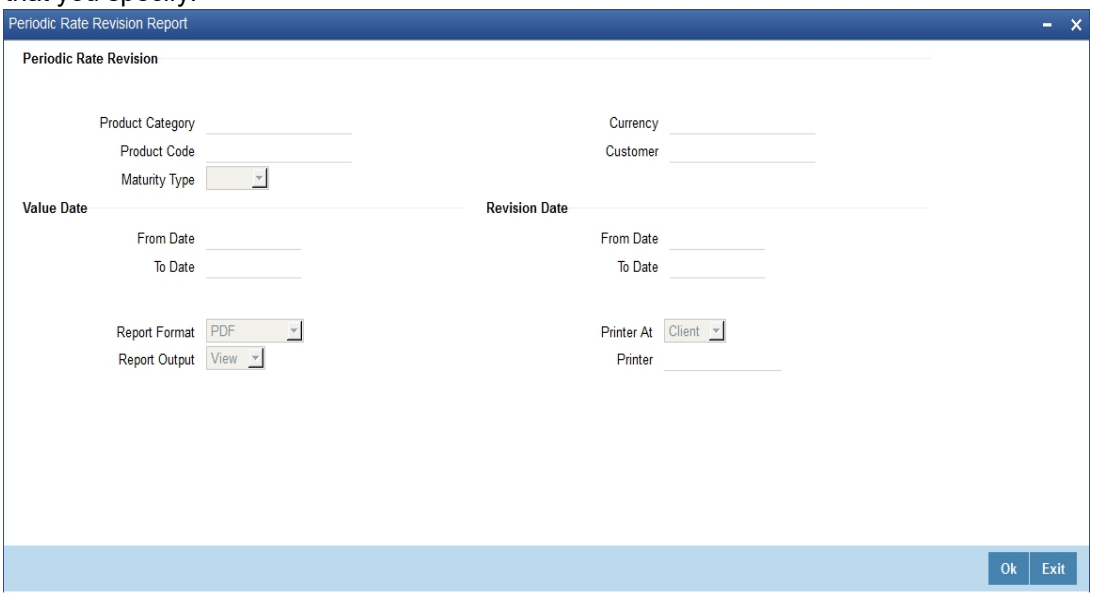
The Periodic Rate Revision Report lists the details of a customer, the rate revision date and the effective rate.

The report will be generated for a specific combination of Revision Date, Customer, Account Number and Rate Code.

You can invoke this report screen by typing ‘CLRPREVN’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.16.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

Product Category

You can generate a product-wise report. Select the Product Code from the option list which contains all valid products under the category you have selected.

Product Code

Select the Product Code from the option list which contains all valid products under the category you have selected.

Currency

Under specific Product(s), you can choose to generate reports in a specific currency(s).

Customer

You can generate this report for specific customer(s).

Maturity Type

You can generate the report only for a particular Maturity Type. The Maturity type of a loan can be

- Fixed - this type of a loan has a fixed maturity date.
- Call - If the maturity date is not fixed the loan can be liquidated any time.

You can generate the report either for fixed maturity loan or call loans.

From Date (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date greater than the date you enter here.

To Date (Value Date)

Enter the Value Date of the contract. The system will generate a report for the contracts that have a Value Date lesser than the date you enter here.

From Date (Revision Date)

Enter the Revision Date from which the report has to be generated.

To Date (Revision Date)

Enter the Revision Date upto which the report has to be generated.

12.16.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Revision Date	The rate revision date
Rate Code	The rate code
Customer	This is the CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Account Number	This is the account number of the loan account being reported
Currency	This is the component currency. If not specified at the Component level, the loan currency is displayed
Amount Financed	The total amount financed
Component	The component that has undergone a rate revision
Formula Name	The name of the formula
Component Currency	The currency of the component
User Defined Element ID	The User Defined Element
Resolved Rate	The rate applicable

12.17 Loan Payoff Calculator Report (Account)

This section contains the following topics:

- Section 12.17.1, "Generating Loan Payoff Calculator Report (Account)"
- Section 12.17.2, "Selection Options"
- Section 12.17.3, "Contents of the Report"

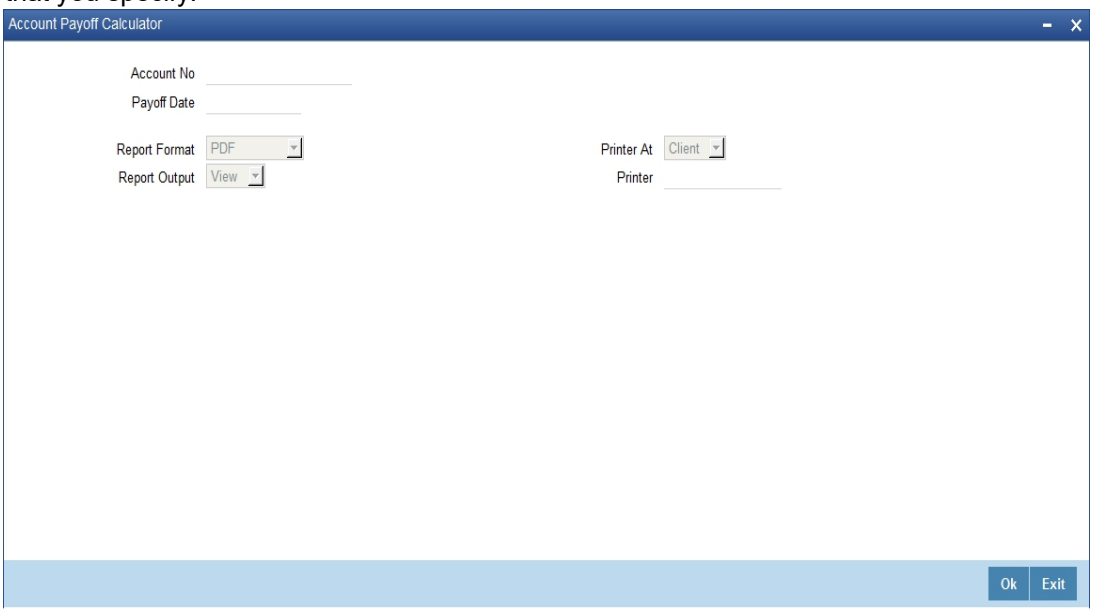
12.17.1 Generating Loan Payoff Calculator Report (Account)

The Loan Payoff Calculator Report lists the payoff values for the loan account and component-wise charges and fees details for the loan.

You can invoke this report screen by typing ‘CLRPAYAC’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.17.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

Account No

Select the loan account number for which you need to generate the report.

Payoff Date

Enter the Payoff date up to which the report has to be generated.

12.17.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Principal (Amount Due)	The principal amount that is due
Interest (Amount Due)	The interest amount that is due
Net Payoff	The net payoff amount for the loan
Prepayment Fees	The prepayment fee associated with the loan
Component-wise Fees/Charges Details	
Component Name	Name of the component
Accessed & Unpaid(Fees/Charges)	The fee or charge that is accessed and unpaid
Scheduled(Fees/Charges)	The fee or charge that is scheduled
Total	The total fees/charges
Component-wise Per Diem /Projected Interest Due	
Component Name	The name of the component
Per-diem	Per-diem
Projected Due	The projected interest due
Total	The total fees/charges

12.18 Loan Payoff Calculator Report (Line)

This section contains the following topics:

- Section 12.18.1, "Generating Loan Payoff Calculator Report (Line)"
- Section 12.18.2, "Selection Options"
- Section 12.18.3, "Contents of the Report"

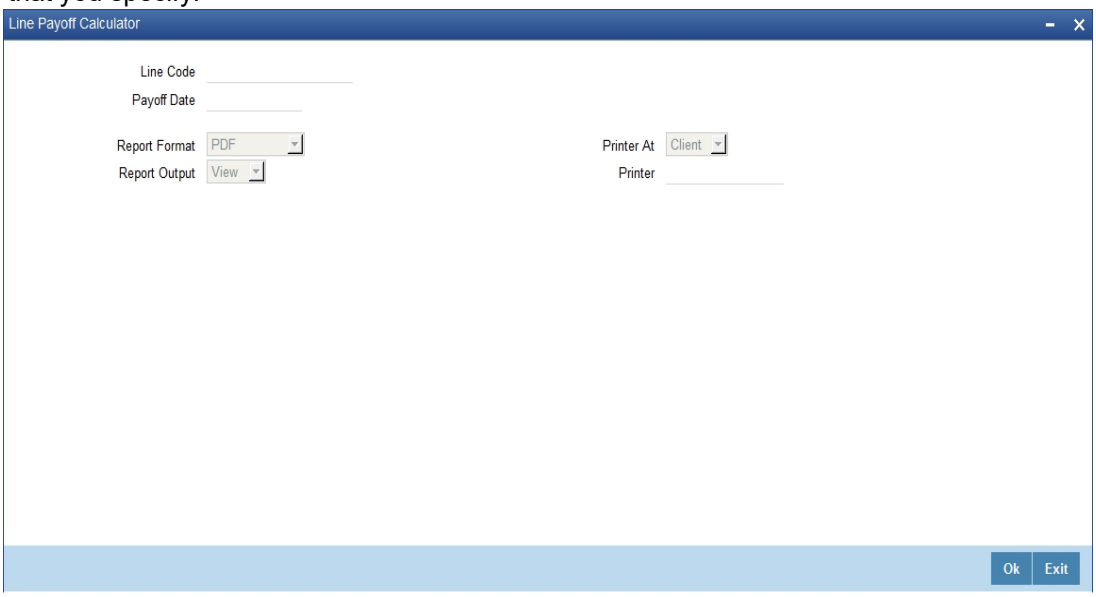
12.18.1 Generating Loan Payoff Calculator Report (Line)

The Loan Payoff Calculator Report lists the payoff values for the line Id and component-wise charges and fees details for the loan.

You can invoke this report screen by typing ‘CLRPAYLM’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.18.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

Line Code

Select the line Id for which you need to generate report.

Payoff Date

Enter the Payoff date up to which the report has to be generated.

12.18.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Principal (Amount Due)	The principal amount that is due
Interest (Amount Due)	The interest amount that is due
Net Payoff	The net payoff amount for the loan
Prepayment Fees	The prepayment fee associated with the loan
Unused Line Fee	This is the unused line fee
Currency	The currency in which the amount is displayed
Component-wise Fees/Charges Details	
Component Name	Name of the component
Currency(Fees/Charges)	The currency in which the fee and charge amounts are displayed
Accessed & Unpaid(Fees/ Charges)	The fee or charge that is accessed and unpaid
Scheduled(Fees/Charges)	The fee or charge that is scheduled
Total	The total fees/charges
Component-wise Per Diem /Projected Interest Due	
Component Name	The name of the component
Per-diem	Per-diem
Projected Due	The projected interest due
Currency	The currency in which the amount is displayed
Total	The total fees/charges

12.19 Loan History Report

This section contains the following topics:

- Section 12.19.1, "Generating Loan History Report"
- Section 12.19.2, "Selection Options"
- Section 12.19.3, "Contents of the Report"

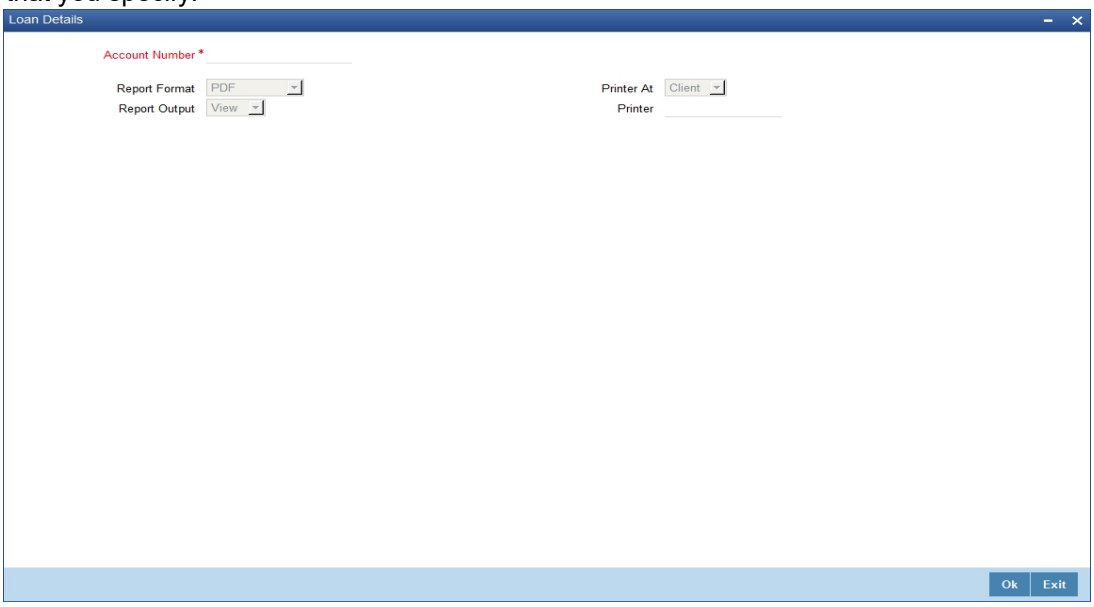
12.19.1 Generating Loan History Report

The Loan History Report lists the event-wise history details for a loan account. It shows all event details for different operations on account.

You can invoke this report screen by typing ‘CLRPLNHT’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.

12.19.2 Selection Options

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. The contents of the report are determined by the preferences that you specify.



You can specify the following preferences for the report:

Account Number

Select the loan account number for which you need to generate the history report.

12.19.3 Contents of the Report

The report options that you selected while generating this report are printed at the beginning of the report.

Body of the Report

Field	Description
Account Number	The loan account number
Account Currency	The currency of the loan account
Customer Id	The customer Id of the borrower
Customer Name	The name of the borrowing customer
Component Name	The name of the component associated with the loan
Item Value	The value associated with the component
Event	The name of the event during the loan cycle
Event Description	Description for the event
Event Date	The date on which the event occurred
Event Sequence Number	The sequence number of the event

12.20 Automatic Loan Payment Exception

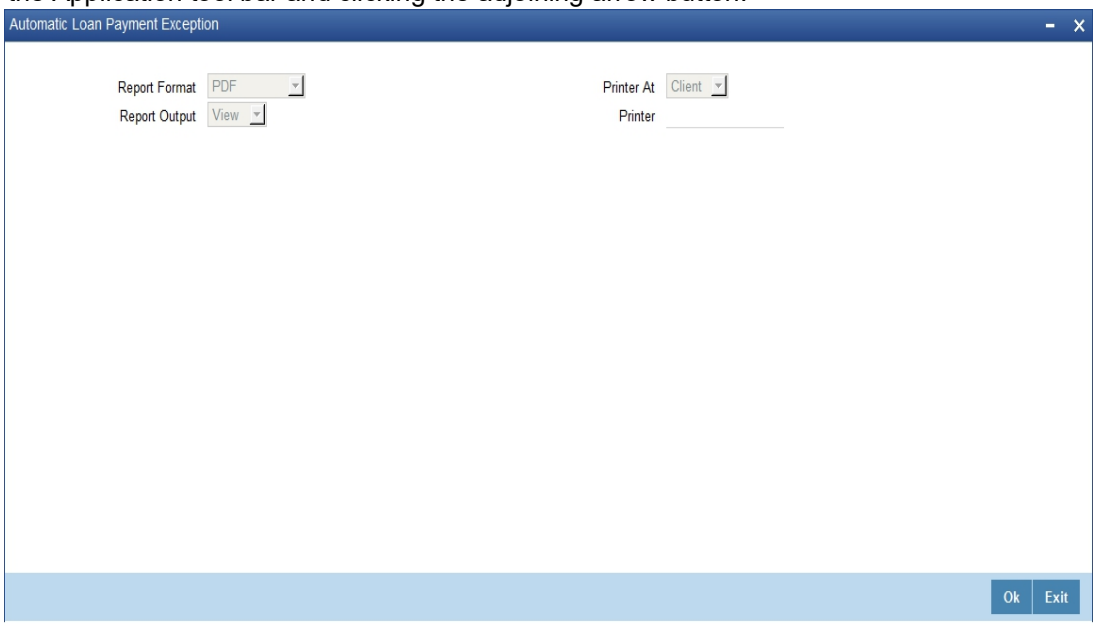
This section contains the following topics:

- Section 12.20.1, "Generating Automatic Loan Payment Exception"
- Section 12.20.2, "Contents of the Report"

12.20.1 Generating Automatic Loan Payment Exception

The Automatic Loan Payment Exception report lists the details of the loan payment exceptions.

You can invoke this report screen by typing ‘CLRPALPE’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



12.20.2 Contents of the Report

The details of the loan payment exceptions like the customer number, amount due, settlement account etc. are displayed in the report.

Body of the Report

Field	Description
Customer Loan Number	The CIF ID of the customer involved in the loan
Customer Name	The name of the customer
Dept Code	The code of the department involved in the loan
Due Date	The date on which the loan payment was due
Amount Due	The repayment amount that is due
Settlement Account	The settlement account associated with the loan
Account Type	The type of the settlement account
Auto Liquidation Retries	The number of retries for auto liquidation
Reason	The reason for loan payment exception

12.21 Loan Past Due Notice

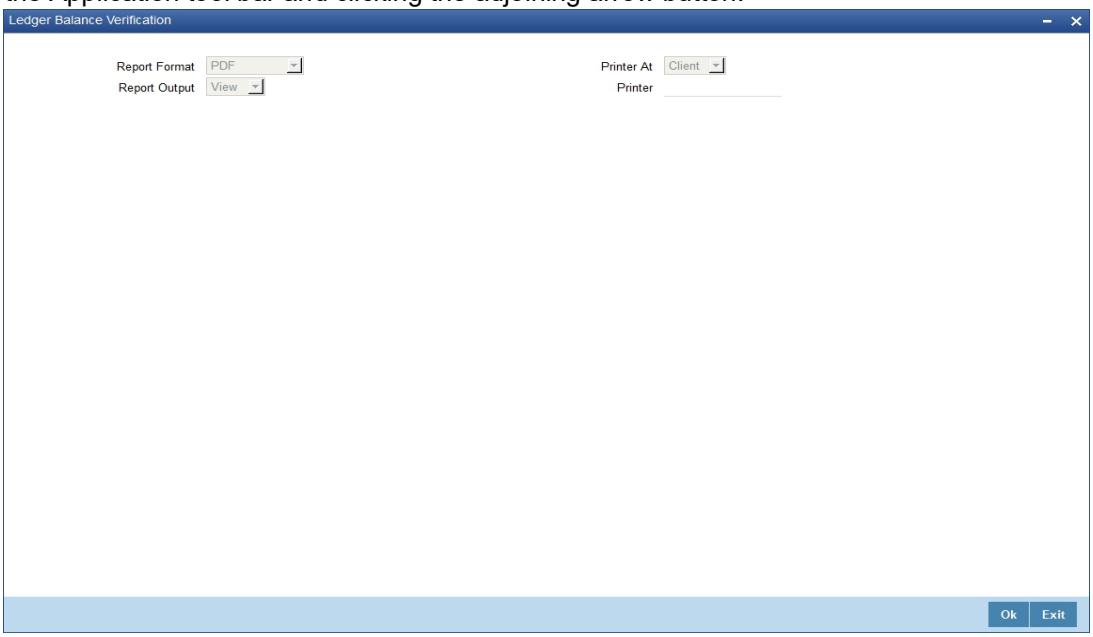
This section contains the following topics:

- Section 12.21.1, "Generating Loan Past Due Notice"
- Section 12.21.2, "Contents of the Report"

12.21.1 Generating Loan Past Due Notice

The Loan Past Due Notice report displays all notices for Past Due loans.

You can invoke this report screen by typing ‘CLRPLNPD’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



12.21.2 Contents of the Report

The details of all notices for ‘Past Due’ loans are displayed in the report.

Body of the Report

Field	Description
Account Number	The loan account number
Payment Due Date	The due date for payment
Amount of Payment	The amount that is due for payment
Currency	The currency in which the amount is displayed
Notice Message	The message text that is sent to the customer
Customer Address	The address of the borrowing customer
Principal	The principal amount
Interest	The interest amount
Total Past Due	Total amount that is past due for payment

12.22 Past Due and Non-performing Loan Month End Projections Report

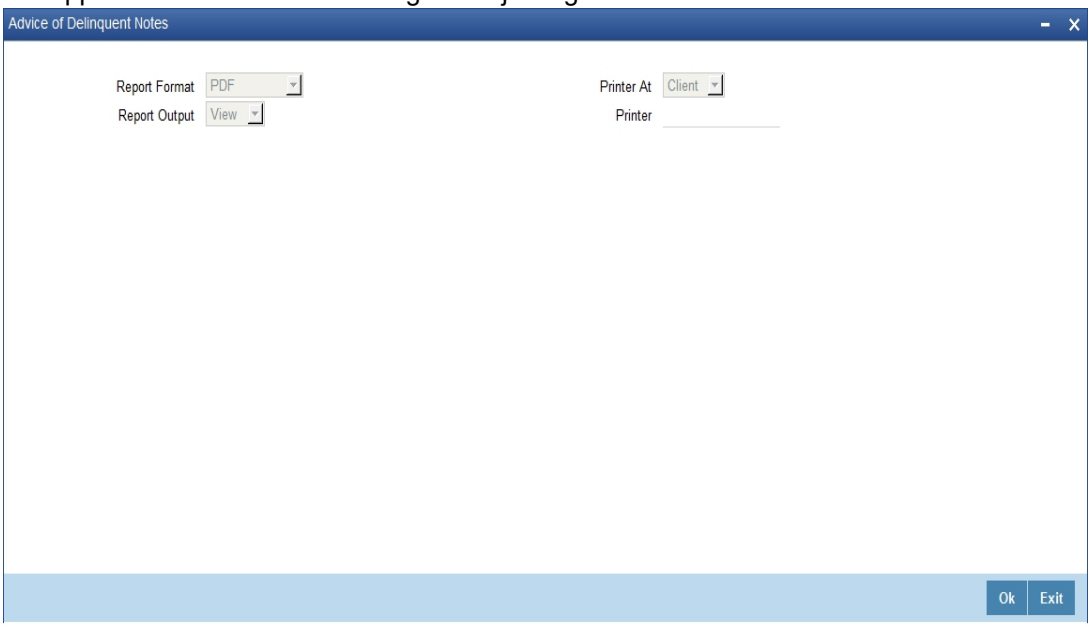
This section contains the following topics:

- Section 12.22.1, "Generating Past Due and Non-performing Loan Month End Projections Report"
- Section 12.22.2, "Contents of the Report"

12.22.1 Generating Past Due and Non-performing Loan Month End Projections Report

The Past Due and Nonperforming Loan Month End Projections report lists the monthly projection details of past due and non-performing loans.

You can invoke this report screen by typing ‘CLRPDLIN’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



12.22.2 Contents of the Report

The details of the past due and non-performing loans are displayed in the report.

Body of the Report

Field	Description
Past Due Category	The past due category of the loan
Product Code	The name of the loan product
Account Number	The account number associated with the loan
Borrower	The borrower of the loan
Credit Risk Rating	The credit risk rating associated with the loan
Collateral Code	The collateral code associated with the loan
Net Balance	The principal outstanding
Interest Past Due	The interest amount that is past due
No of Days Currently Past Due	The number of days the loan is currently past due
No of Days Projected Past Due	The projected number of days the loan remains past due
Last Interest Payment Date	The date when the last interest payment was done
Maturity Date	The maturity date of the loan
Maturity Status	The maturity status of the loan
Department Name	The name of the department which initiated the loan
Niche Code	The niche code associated with the loan

12.23 Ledger Verification Report

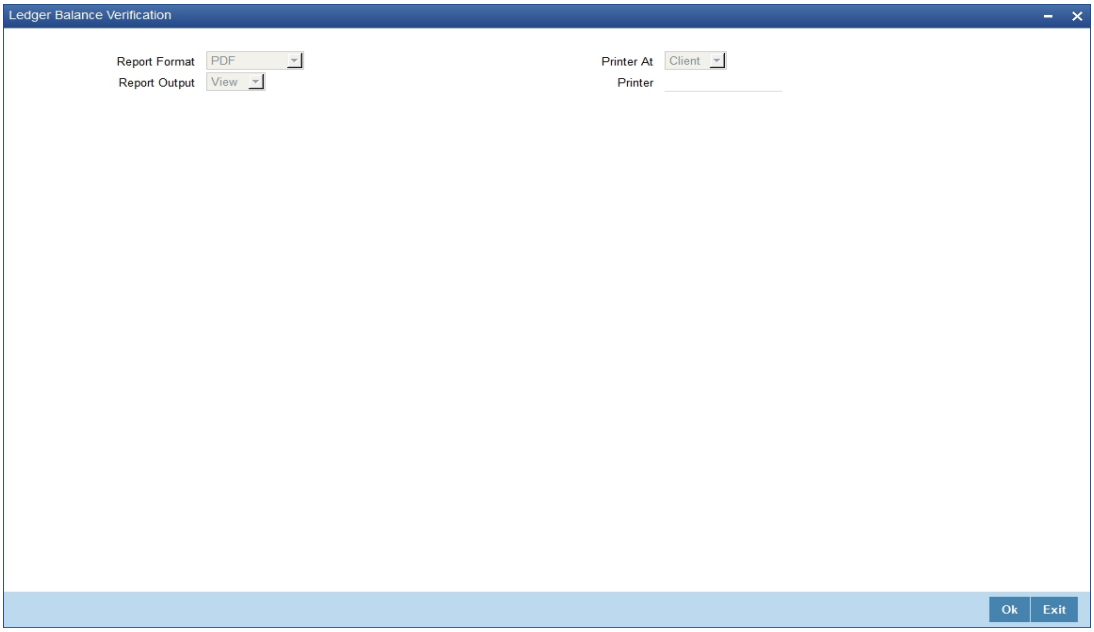
This section contains the following topics:

- Section 12.23.1, "Generating Ledger Verification Report "
- Section 12.23.2, "Contents of the Report"

12.23.1 Generating Ledger Verification Report

The Ledger Verification Report lists the details of the ledger balances.

You can invoke this report screen by typing ‘CLRPLGBL’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



Specify the report print options and click ‘OK’ button to generate the report.

12.23.2 Contents of the Report

The details of the ledger balances like the GL account title, transaction amount, ledger balance etc. are displayed in this report.

Body of the Report

Field	Description
Account	The customer account number
Branch	The branch where the account is located
Product Type	The type of product
Product	The product code
Description	The description of the product
Amount	The transaction amount
GL Account Title	The title of the GL account
Balance	The current GL balance
Difference	The difference in GL balance

12.24 New Loans Report

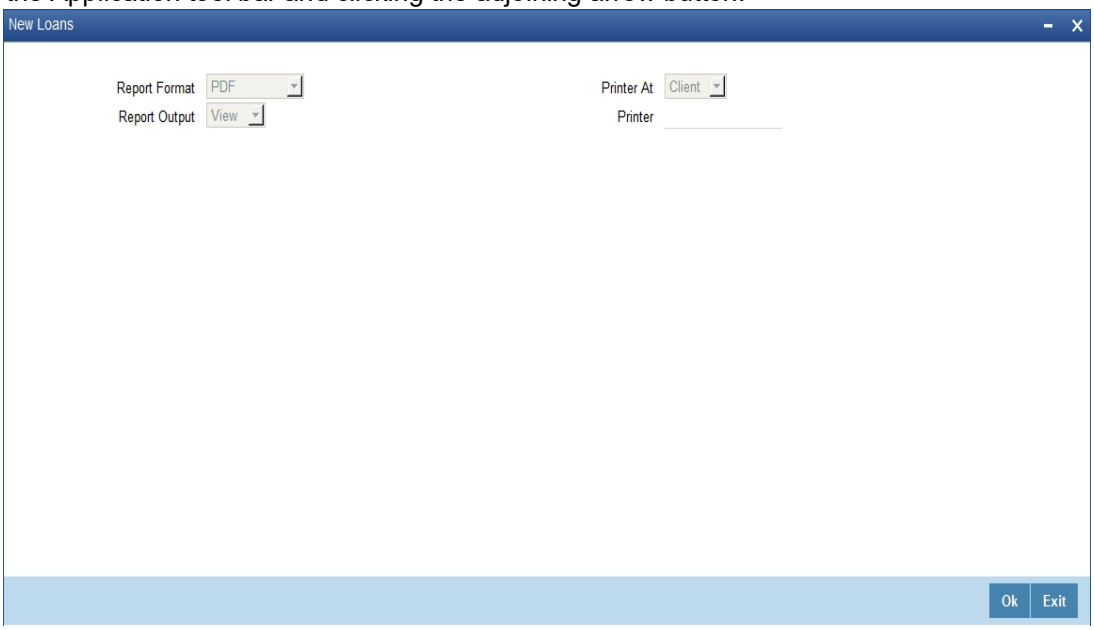
This section contains the following topics:

- Section 12.24.1, "Generating New Loans Report "
- Section 12.24.2, "Contents of the Report"

12.24.1 Generating New Loans Report

The New Loans Report lists the details of all the new loans that have been booked.

You can invoke this report screen by typing ‘CLRPNWLN’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



12.24.2 Contents of the Report

The details of the new loans are displayed in this report.

Body of the Report

Field	Description
Account Number	The customer account number
Account Status	The branch where the account is located
Product Code	The code of the retail lending product
Product Category	The product category of the retail lending product
Customer	The identification of the borrowing customer
Customer Name	The name of the borrowing customer
Account Currency	The currency associated with the loan account
Financed Amount	The total amount that has been financed
Original Start Date	The original start date of the loan
Booking Date	The booking date of the loan
Value Date	The value date of the loan
Maturity Type	The type of maturity
Maturity Date	The date of loan maturity
Tenor	The tenor of the loan
Auth Status	The authorization status of the loan
User Defined Status	The user defined status of the loan account
Liquidation Mode	The mode of liquidating the loan
Rollover Mode	The rollover mode of the loan
Rate Type	The type of rate
Rate %	The percentage of rate

12.25 Loan Rollover Monitoring Report

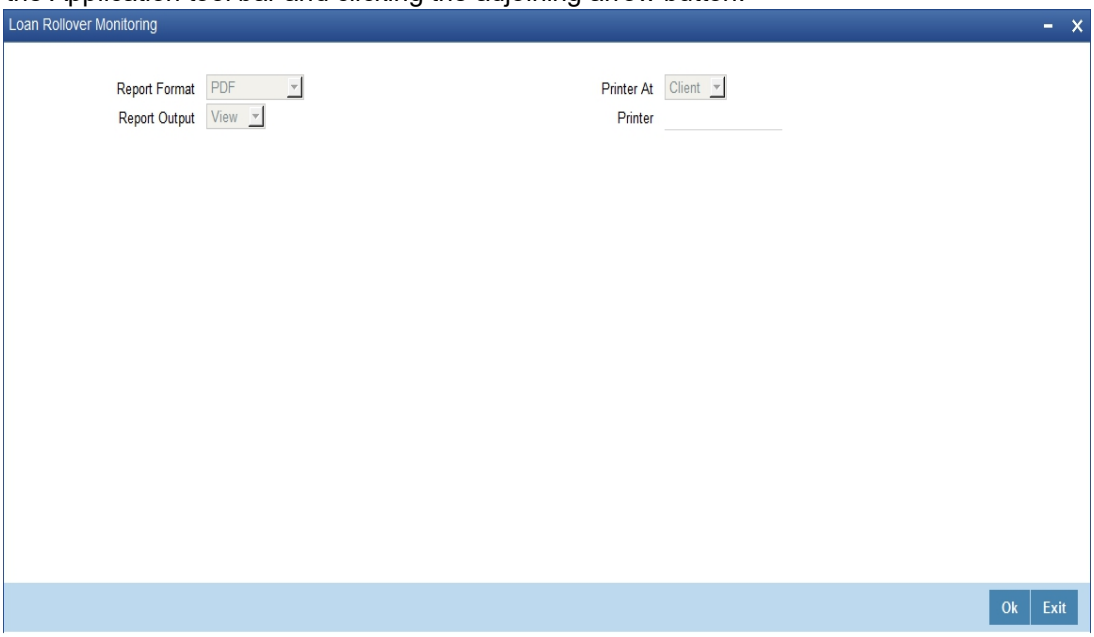
This section contains the following topics:

- Section 12.25.1, "Generating Loan Rollover Monitoring Report "
- Section 12.25.2, "Contents of the Report"

12.25.1 Generating Loan Rollover Monitoring Report

The Loan Rollover Monitoring Report lists the rollover details of all the loans.

You can invoke this report screen by typing ‘CLRPRLVR’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



12.25.2 Contents of the Report

The details of the loans including the type of rollover and date are displayed in this report.

Body of the Report

Field	Description
Branch	The customer account number
Customer	The branch where the account is located
Loan Number	The number of the loan
Currency	The currency associated with the loan
Principal Amount	The principal amount associated with the loan
Interest at Maturity	The interest amount at loan maturity
Total Due	Total amount that is due
Product	The product code of the retail lending product
Product Description	The product description
Rollover Type	The type of rollover, whether manual or automatic
Value Date	The value date of the loan
Maturity Date	The maturity date of the loan

12.26 Loan Register/Trial Balance Report

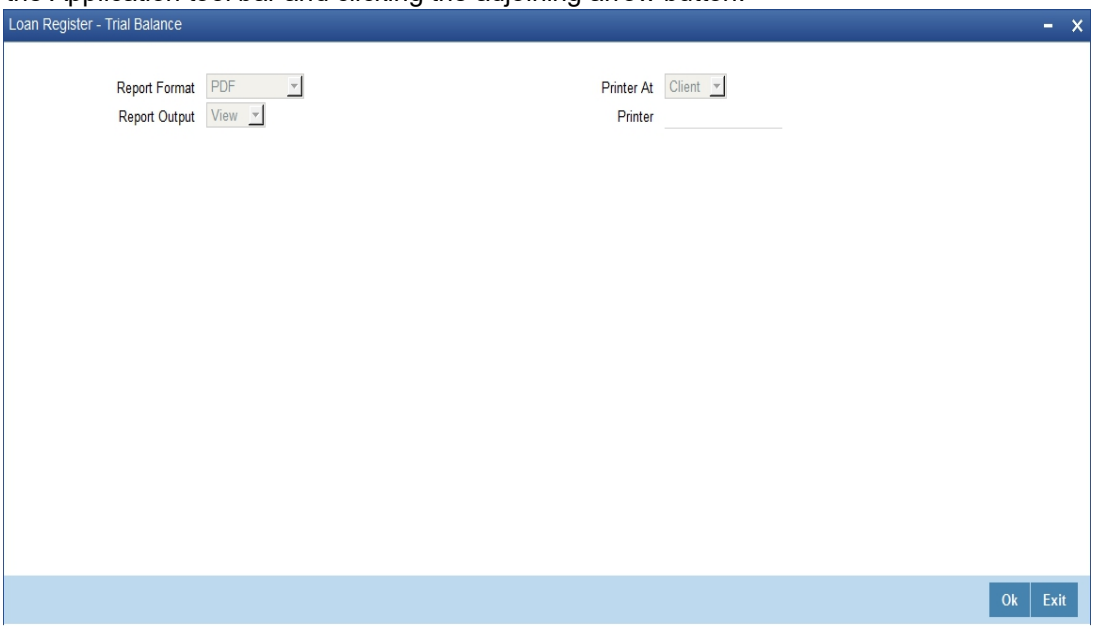
This section contains the following topics:

- Section 12.26.1, "Generating Loan Register/Trial Balance Report "
- Section 12.26.2, "Contents of the Report"

12.26.1 Generating Loan Register/Trial Balance Report

The Loan Register/Trial Balance Report lists the loan register / trial balance details.

You can invoke this report screen by typing 'CLRPTRBL' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



12.26.2 Contents of the Report

The loan register / trial balance details are displayed in this report.

Body of the Report

Field	Description
Account Number	The unique identification number of the account
Short Name	The short name of the customer
Codes	The product code and the type of the product
Product Category	The category to which the product belongs
Interest Rate	The interest rate associated with the loan
Face Amount	The face amount associated with the loan
Net Payoff	The net payoff amount for the loan
Perdiem	The amount financed
Available Amount	The amount available
Revolving Amount	The revolving amount
Payment Amount	Total amount (principal + interest) that has been repaid
Interest Balance	The balance interest payment amount
Interest Payment	The interest amount that has been repaid
Late Fee Due	The total outstanding penalty
Principal Balance	The balance principal amount associated with the loan
Principal Payment	The principal amount that has been repaid
Maturity Balance	The maturity balance
Note Date	The date of the note
Payment Due Date	The due date for loan repayment
Maturity	The maturity date of the loan

12.27 Loan Rollover Notice

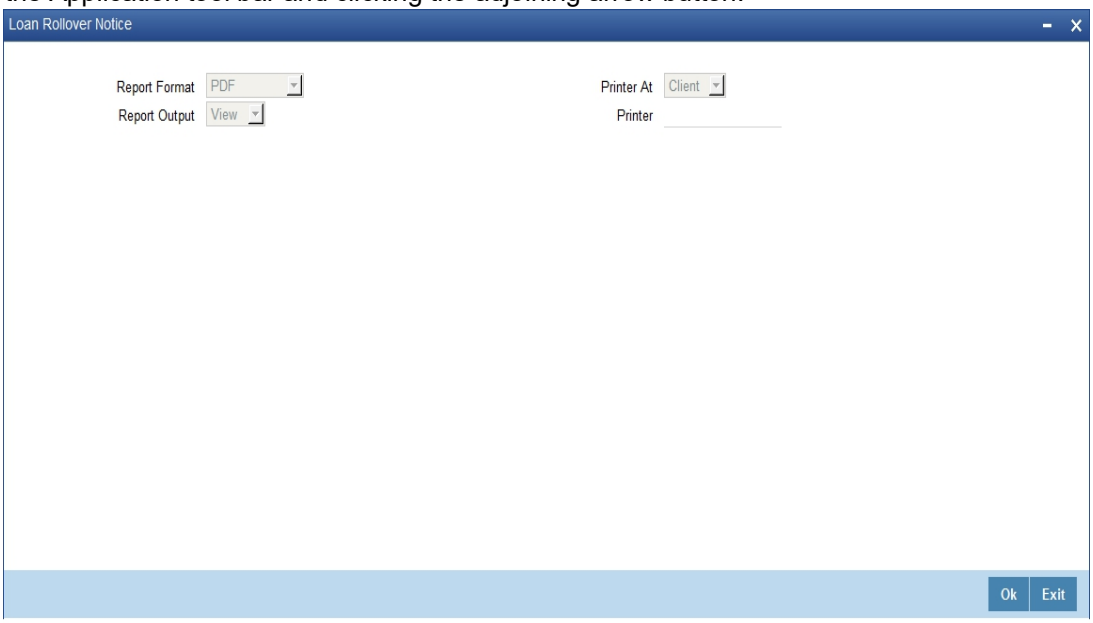
This section contains the following topics:

- Section 12.27.1, "Generating Loan Rollover Notice"
- Section 12.27.2, "Contents of the Report"

12.27.1 Generating Loan Rollover Notice

The Loan Past Due Notice report displays the notice details that are sent to customers in case of loan rollovers.

You can invoke this report screen by typing ‘CLRPRLNT’ in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button.



12.27.2 Contents of the Report

The details of all notices related to loan rollovers are displayed in the report.

Body of the Report

Field	Description
Date of Notice	The date on which the notice was generated
Facility	The facility details of the loan
Loan Reference	The loan reference number
Principal Amount	The principal amount associated with the loan
Interest at Maturity	The interest amount due at maturity
Maturity Date	The date of maturity of the loan
Notice Message	The message text that is sent to the customer

12.28 Disbursements Made Today Report

This section contains the following topics:

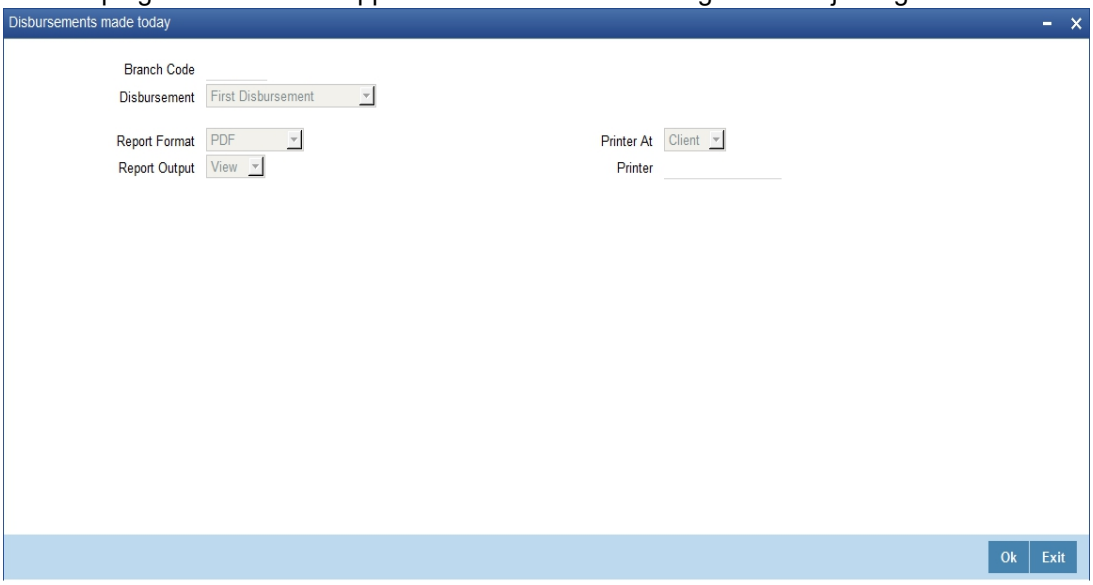
- Section 12.28.1, "Generating Disbursements Made Today Report"
- Section 12.28.2, "Contents of the Report"

12.28.1 Generating Disbursements Made Today Report

The life of the loan account starts when the loan is disbursed into an account. The loan is disbursed after the account is created. The first disbursement for an account is disbursed before the number of days maintained at the product level. You can generate ‘Disbursements made Today Report’ at EOD with details of the disbursements made for the current day which

includes first, progressive, and final disbursements. This report also provides the total number of disbursements for the day.

You can invoke ‘Disbursements made Today Report’ screen by typing ‘CLRDISTD’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can specify the following parameters here:

Branch Code

Specify a valid code of the Branch in which report is being generated from the adjoining option list.

Disbursement

Select type of disbursement for which you need to generate the report, from the adjoining drop-down list. This list displays the following values:

- First Disbursement – Select if you need to generate a report for first disbursement disbursed on the current date.
- Progressive Disbursement – Select if you need to generate a report for progressive disbursement disbursed on the current date.
- Final Disbursement – Select if you need to generate a report for final disbursement disbursed on the current date.
- All – Select if you need to generate a report for all disbursements disbursed on the current date.

Report Format

Select the format in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- HTML – Select to generate report in HTML format.
- RTF – Select to generate report in RTF format.
- PDF – Select to generate report in PDF format.
- EXCEL – Select to generate report in EXCEL format.

Report Output

Select the output in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- Print – Select to print the report.

- View – Select to print the report.
- Spool – Select to spool the report to a specified folder so that you can print it later.

Printer At

Select location where you wish to print the report from the adjoining drop-down list. This list displays the following values:

- Client – Select if you need to print at the client location.
- Server – Select if you need to print at the server location

Printer

Select printer using which you wish to print the report from the adjoining option list.

12.28.2 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the Disbursements made Today Report is as follows:

Header

The Header carries the title of the report, information on the branch code, the date and time, the branch date, the user id, the module name and the page number of the report.

Body of the Report

The following details are displayed as body of the generated report:

Sr. No.	Field Name	Field Description
1	Disbursement Type	The type of disbursement
2	Acc No	Indicates Loan Account Number
3	Amt Disbursed	Indicates Actual amount disbursed today
4	Gross Loan Amount Disbursed	Indicates Total loan amount sanctioned
5	Transaction Currency	Indicates Currency
6	Net Amount Disbursed	Indicates Amount Disbursed till date
7	Amount Debited	Indicates Debited from other account which also increases the Principle of Loan
8	Amount Deducted	Indicates The amount deducted from Disbursed amount (any charge)
9	Amount Billed	This indicates the amount billed
10	Pay Mode	Indicates Settlement mode
11	Cheque Number	Indicates If the settlement mode is cheque
12	Formula Type	This indicates the schedule type
13	Branch	Indicates Branch code
14	Name	Indicates Customer name
15	Term (Months)	Indicates loan term

16	Interest Rate	Indicates Loan interest rate
17	User Id	Indicates Maker id
18	Supervisor Id	Indicates Checker id
19	Product code	Indicates Product code
20	Product Description	Indicates Product description
21	Total number of disbursements for the day	Indicates count

12.29 Insurance Policy Expired Today Report

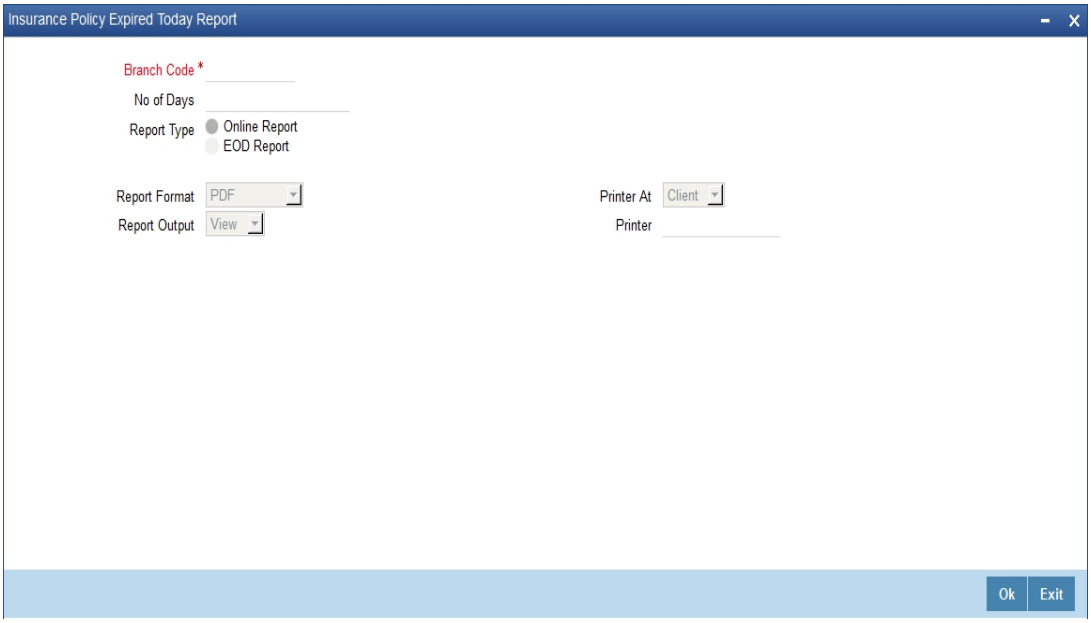
This section contains the following topics:

- Section 12.29.1, "Generating Insurance Policy Expired Today Report"
- Section 12.29.2, "Contents of the Report"

12.29.1 Generating Insurance Policy Expired Today Report

Loan limits are sanctioned based on the collateral values offered, subject to the margins. Various collaterals like insurance policies are offered by the customers and the details are maintained in the system. You can generate 'Insurance Policy Expired Today Report' at EOD with the details of the matured insurance policies expired on the current day.

You can invoke 'Insurance Policy Expired Today Report' screen by typing 'STRINEXP' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can specify the following parameters here:

Branch Code

Specify a valid code of the Branch in which report is being generated from the adjoining option list.

No of Days

Specify a valid number of days within which the Insurance policy expires.

Report Type

You can generate online report or EOD report using the following options:

- Online Report – If you choose this, the system will generate the online report.
- EOD Report – If you choose this, the system will generate EOD report.

Report Format

Select the format in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- HTML – Select to generate report in HTML format.
- RTF – Select to generate report in RTF format.
- PDF – Select to generate report in PDF format.
- EXCEL – Select to generate report in EXCEL format.

Report Output

Select the output in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- Print – Select to print the report.
- View – Select to print the report.
- Spool – Select to spool the report to a specified folder so that you can print it later.

Printer At

Select location where you wish to print the report from the adjoining drop-down list. This list displays the following values:

- Client – Select if you need to print at the client location.
- Server – Select if you need to print at the server location

Printer

Select printer using which you wish to print the report from the adjoining option list.

12.29.2 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the Insurance Policy Expired Today Report is as follows:

Header

The following details are displayed in the header section:

Field Name	Field Description
Branch	Indicates Branch Code and Branch Name
Module	The module from which the report was generated
Run Date	Indicates Date on which report is generated
Run Time	The time at which the report was generated
User ID	Indicates User ID
Page No	The page number of the report

Body of the Report

The following details are displayed as body of the generated report:

Field Name	Field Description
Insurance Code	Indicates Insurance Code
Insurance Name	Indicates Insurance Name
Insurance Plan	Indicates Insurance Plan/remarks
Date Maturity	Indicates End date of the Insurance
Days to Expire	Indicates No of days to expire
Collateral Id	Indicates Collateral id of the Insurance
Collateral Name	Indicates Collateral Description
Insurance Premium	Indicates Insurance Premium Amount
Hair Cut Percentage	Indicates Hair Cut Percentage
Margin	Indicates Unutilised amount
Amount Covering Billing Account	Indicates Insurance Amount

Note

- When a report is generated online, it displays a list of insurance policies which would expire for the given no of days.
- PRM_TYPE_OF_REPORT is maintained as ‘E’ at ‘Batch EOD Input’ level.

12.30 Loan Settlement Notice Report

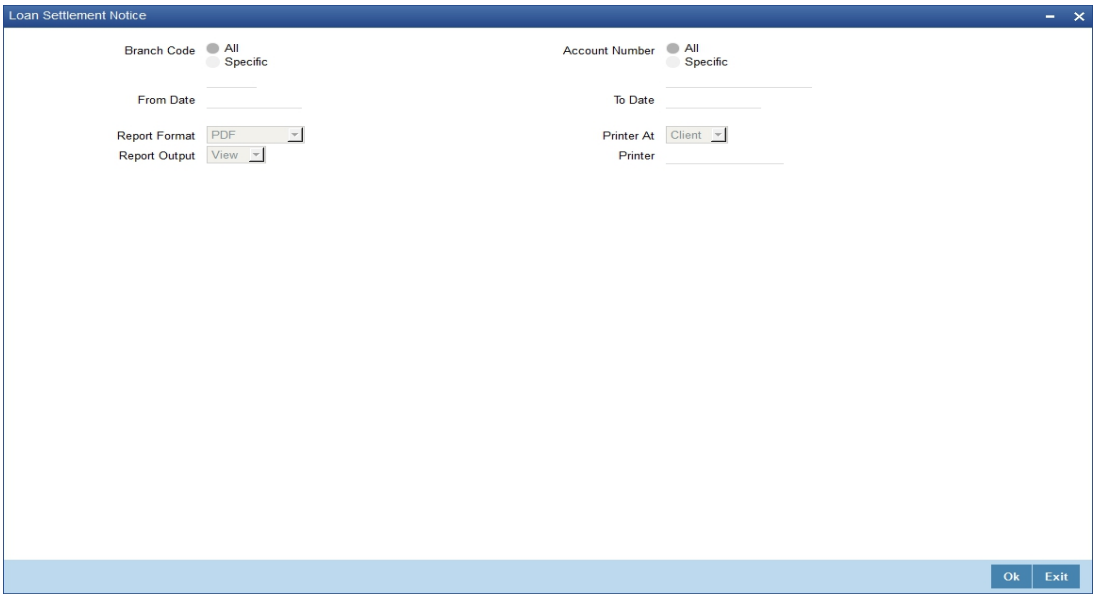
This section contains the following topics:

- Section 12.30.1, "Generating Loan Settlement Notice Report"
- Section 12.30.2, "Contents of the Report"

12.30.1 Generating Loan Settlement Notice Report

You can generate a report, which contains the details of loans that have received a notice for settlement, using ‘Loan Settlement Notice’ screen. To invoke this screen, type ‘CLRPSLNT’

in the field at the top right corner of the application toolbar and click the adjoining arrow button.



Specify the following details:

Branch Code

You can generate this report for all the branches or a single branch alone. You can indicate the branch for which the report is being generated using the following options:

- All – If you choose this, the system will generate the report for all the branches.
- Specific – If you choose this, you need to specify the branch code for which the report should be generated. The option list displays all valid branch codes maintained in the system. Choose the appropriate one.

Account Number

You can generate this report for all the accounts or a single account alone. You can indicate the account number for which the report is being generated using the following options:

- All – If you choose this, the system will generate the report for all the accounts.
- Specific – If you choose this, you need to specify the number for which the report should be generated. The option list displays all valid account numbers maintained in the system. Choose the appropriate one.

From Date

Specify the From Date. The report will contain the details of loan settlement notices processed from this date.

To Date

Specify the To Date. The report will contain the details of loan settlement notices processed till this date.

Report Format

Specify the format in which the report should be generated. The drop-down list displays the following options:

- HTML
- RTF
- PDF
- EXCEL

Choose the appropriate one.

Report Output

Specify the report output form required. The drop-down list displays the following options:

- Print – prints the report
- View – lets you view the report
- Spool – spools the report to a specific location

Choose the appropriate one.

PrinterAt

Specify the location at which the printer is available. The printer can be attached to one of the following:

- Client
- Server

Choose the appropriate one.

Printer

Specify the printer using which the report should be printed. The option list displays all valid printers maintained in the system. Choose the appropriate one.

Once you have captured the details, click OK. The system generates the report with a break-up of the group balances with Individual member account details.

Once you have captured the details, click OK. The system generates the report with the details of the accounts and loan settlement notices.

12.30.2 Contents of the Report

The report contains the following details:

Header

Field Name	FCR Field name
Report Name	Indicates Report Name
Branch Code / Branch Name	Indicates Current Branch code and Branch Name
User ID	Indicates the Identification of the User
Module	Indicates the Module of the Report
Report Run Date	Indicates Current Branch Date
Report Run Time	Indicates Current Branch Time
Branch Date	Indicates the date of Branch in which report is taken.
Page No	Displays Page No out of total No of pages in report.

Body

FCC Report Field Name	FCR Field Name
Account number	Indicates the Account Number
Customer Name	Indicates the Name of the Customer
Maturity Date	Indicates the date of Maturity
Expected Date of Closure	Indicates the Expected date of closure
Notice Date	Indicates the Notice date
Total Arrears	Indicates the Total Arrears
Total Outstanding	Indicates the Total outstanding amount
Principal Balance	Principal Balance
Product Code	Product code
Transaction Date	Indicates the date of transaction
Currency	Currency

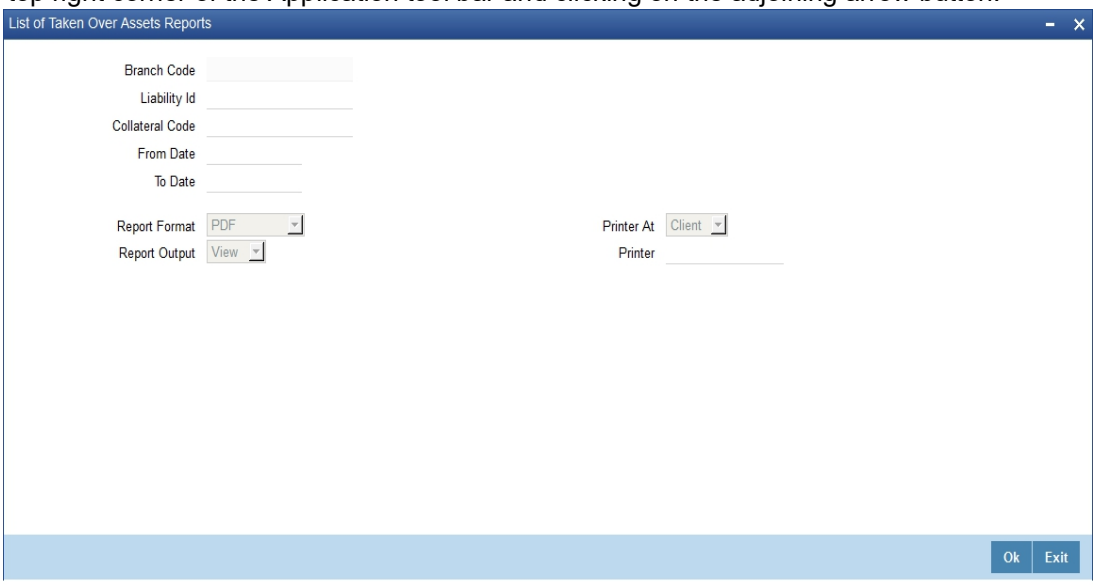
12.31 Taken Over Assets Reports

This section contains the following topics:

- Section 12.31.1, "Generating Taken Over Assets Reports"
- Section 12.31.2, "Contents of the Report"

12.31.1 Generating Taken Over Assets Reports

You can generate Taken Over Assets report to list the taken over asset details. You can invoke 'List of Taken Over Assets Reports' screen by typing 'CLRPTOAS' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Specify the following here:

Branch Code

Select the transaction branch of the float extension from the adjoining option list.

Liability ID

Select the Liability Id from the adjoining option list.

Collateral Code

Select the collateral code from the adjopining option list.

From Date

Indicate the date from which transactions are extended. The system defaults current date. From Date should be lesser than or equal to 'To Date'.

To Date

Indicate the date to which the transactions are extended. The system defaults current date. To Date should be lesser than or greater to 'From Date'

Report Format

Select the format in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- HTML – Select to generate report in HTML format.
- RTF – Select to generate report in RTF format.
- PDF – Select to generate report in PDF format.
- EXCEL – Select to generate report in EXCEL format.

Report Output

Select the report output in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- Print – Select to print the report.
- View – Select to print the report.

- Spool – Select to spool the report to a specified folder so that you can print it later.

PrinterAt

Select location where you wish to print the report from the adjoining drop-down list. This list displays the following values:

- Client – Select if you need to print at the client location.
- Server – Select if you need to print at the server location

Printer

Select printer using which you wish to print the report from the adjoining option list.

12.31.2 Contents of the Report

The contents of the report are discussed under the following heads:

Header

The header carries the Branch Code, Liability Id, Collateral Code, From Date and To Date.

Body of the Report

Field	Description
Branch Code	Branch Code of the takeover process
Liab ID	Liability Name that owns the collateral
Collateral Code	Code of the collateral which was taken over
Collateral Description	The description of the selected collateral
Date of Take Over	Date of take over processing
Take Over reference	Reference Number of the process
Collateral Value	Value of the collateral taken over
Collateral Currency	The currency of the collateral
Loan Account Number	The CL Contract Number settled
Amount Settled	Amount that has been settled against the above contract (Currency-Amount)

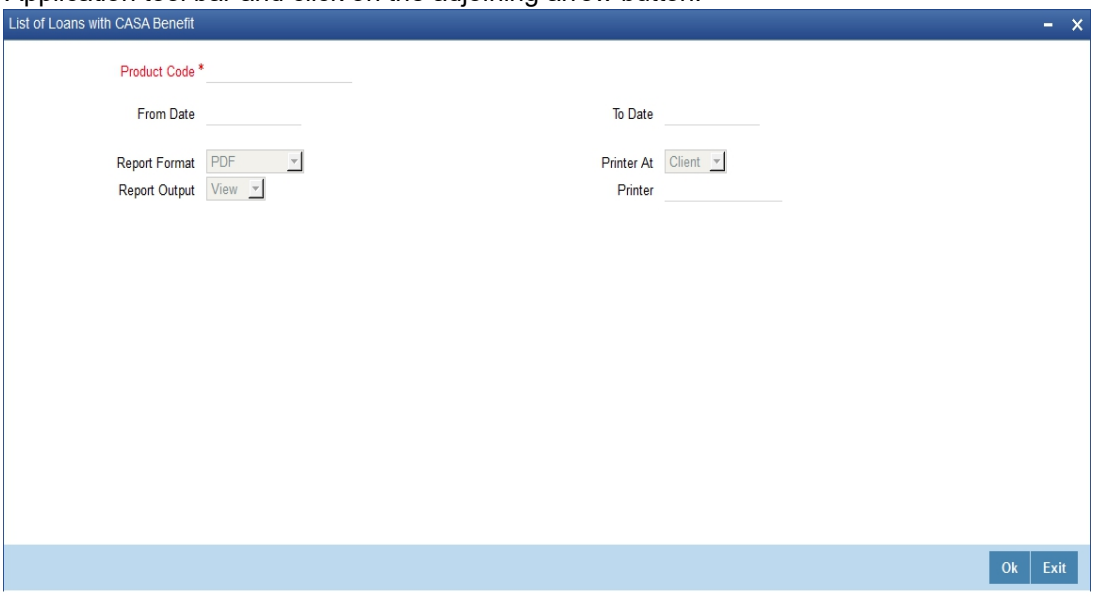
12.32 Loans with CASA Benefit Report

This section contains the following topics:

- Section 12.32.1, "Generating Loans with CASA Benefit Report"
- Section 12.32.2, "Contents of the Report"

12.32.1 Generating Loans with CASA Benefit Report

The 'Loan with CASA Benefit Report' will provide you the list of loans with CASA benefits. You can invoke the screen by typing the code 'CLRSAVIN' in the field at the top right corner of the Application tool bar and click on the adjoining arrow button.



Product Code

Specify the product for which details are required to be generated.

From Date

Specify the maturity date from which details should be made available in the report. The system will include all contracts whose date is equal to or greater than this date.

To Date

Specify the maturity date till which details should be made available in the report. The system will include all contracts whose date is equal to or lesser than this date.

Report Format

Select the format in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- HTML – Select to generate report in HTML format.
- RTF – Select to generate report in RTF format.
- PDF – Select to generate report in PDF format.
- EXCEL – Select to generate report in EXCEL format.

Report Output

Select the report output in which you need to generate the report from the adjoining drop-down list. This list displays the following values:

- Print – Select to print the report.
- View – Select to print the report.
- Spool – Select to spool the report to a specified folder so that you can print it later.

Printer At

Select location where you wish to print the report from the adjoining drop-down list. This list displays the following values:

- Client – Select if you need to print at the client location.

- Server – Select if you need to print at the server location

Printer

Select printer using which you wish to print the report from the adjoining option list.

12.32.2 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the 'Finances with CASA Benefit Report' is as follows:

Header

The Header carries the title of the Report, information on the branch code, branch date, the date and time of report generation, the user-ID of the user generating the report, module, page and the event date.

Body of the Report

The following details are displayed as body of the generated report:

Field Name	Field Description
Customer No	Customer number
Customer Name	This is the name of the customer
Account No	Financing account number
Amount Financed	Amount financed with Currency
Currency	The currency in which the amount is displayed
Value Date	Value date of the contract
Maturity Date	Maturity date of the contract
Component Name	Name of the savings component
CASA Linked	The CASA account linked with the Finance account through savings component

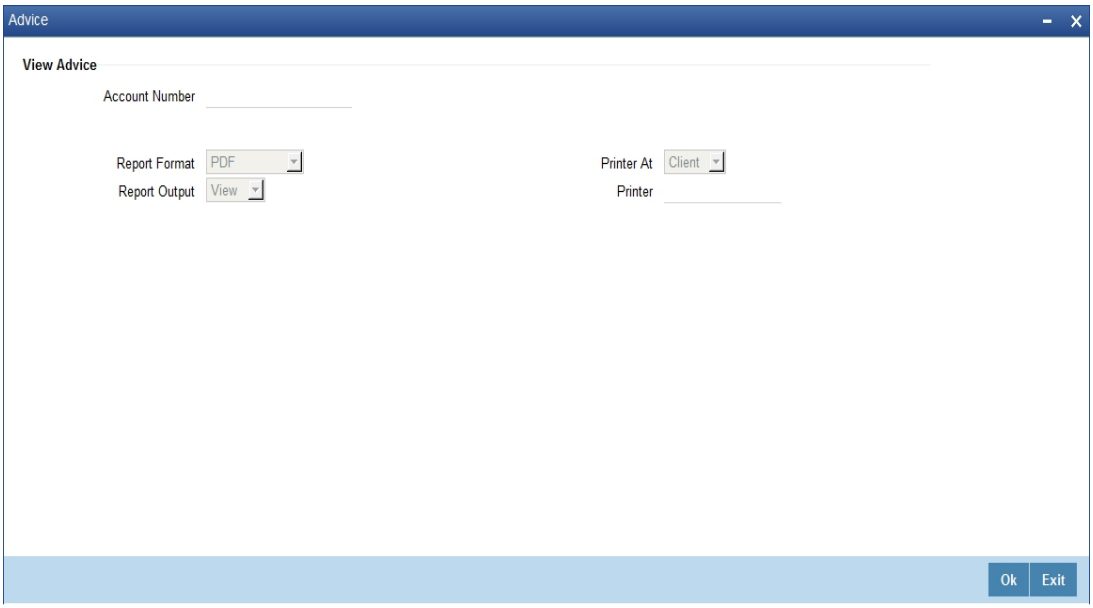
12.33 Customer Loan Agreement

This section contains the following topics:

- Section 12.33.1, "Generating Customer Loan Agreement"
- Section 12.33.2, "Contents of the Report"

12.33.1 Generating Customer Loan Agreement

You can invoke the 'Customer Loan Agreement' screen by typing the code 'CLRPADVC' in the field at the top right corner of the Application tool bar and click on the adjoining arrow button.



Account Number

Specify the account number from the adjoining option list.

12.33.2 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the Report is as follows:

Header

The Header carries the title of the Report, information on the branch code, branch date, the date and time of report generation, the user-ID of the user generating the report, module, page and the event date.

Body of the Report

The following details are displayed as body of the generated report:

Field Name	Field Description
Account Number	Indicates the account number
Currency	Indicates the currency
Amount Disbursed	Indicates the amount disbursed
Booking Date	Indicates the booking date
Revolving Amount	Indicates the revolving amount
Loan Product	Indicates the loan product
Customer ID	Indicates the customer ID
Value Date	Value date of the contract

Interest Rate	Indicates the rate of interest
Product Category	Indicates the product category
Amount Financed	Indicates the financed amount
Maturity Date	Maturity date of the contract
Tenor	Indicates the tenor

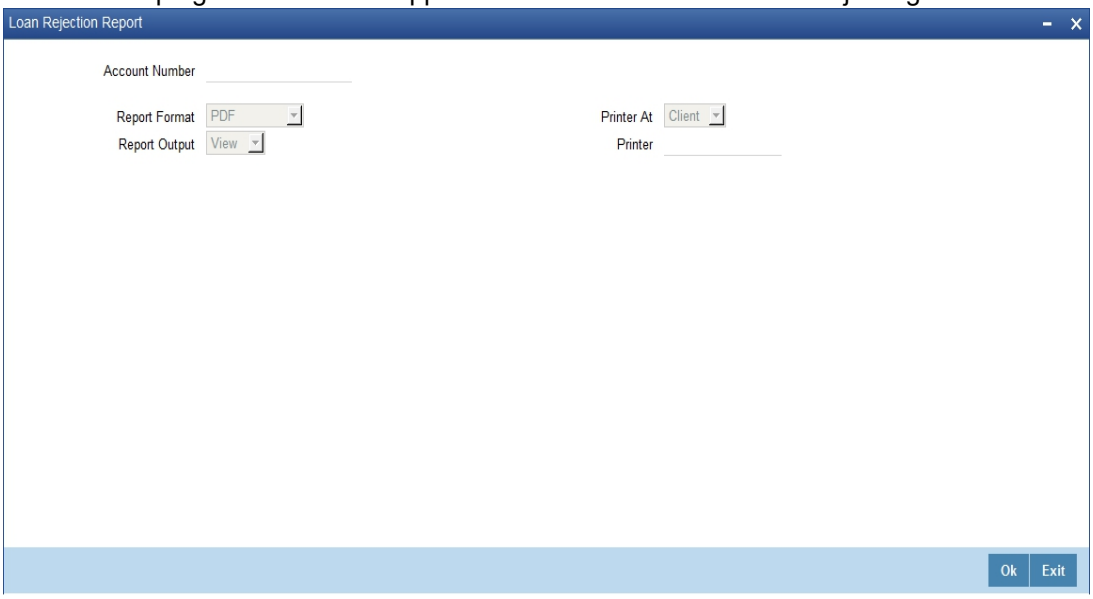
12.34 Loan Rejection Report

This section contains the following topics:

- Section 12.34.1, "Generating Loan Rejection Report"
- Section 12.34.2, "Contents of the Report"

12.34.1 Generating Loan Rejection Report

You can invoke the 'Loan Rejection Report' screen by typing the code 'CLRPRJCN' in the field at the top right corner of the Application tool bar and click on the adjoining arrow button.



Account Number

Specify the account number from the adjoining option list.

12.34.2 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the Report is as follows:

Header

The Header carries the title of the Report, information on the branch code, branch date, the date and time of report generation, the user-ID of the user generating the report, module, page and the event date.

Body of the Report

The following details are displayed as body of the generated report:

Field Name	Field Description
Account Number	Indicates the account number
Currency	Indicates the currency
Amount Financed	Indicates the financed amount
Value Date	Indicates the value date
Maturity Date	Maturity date of the contract
Credit Score	Indicates the credit score

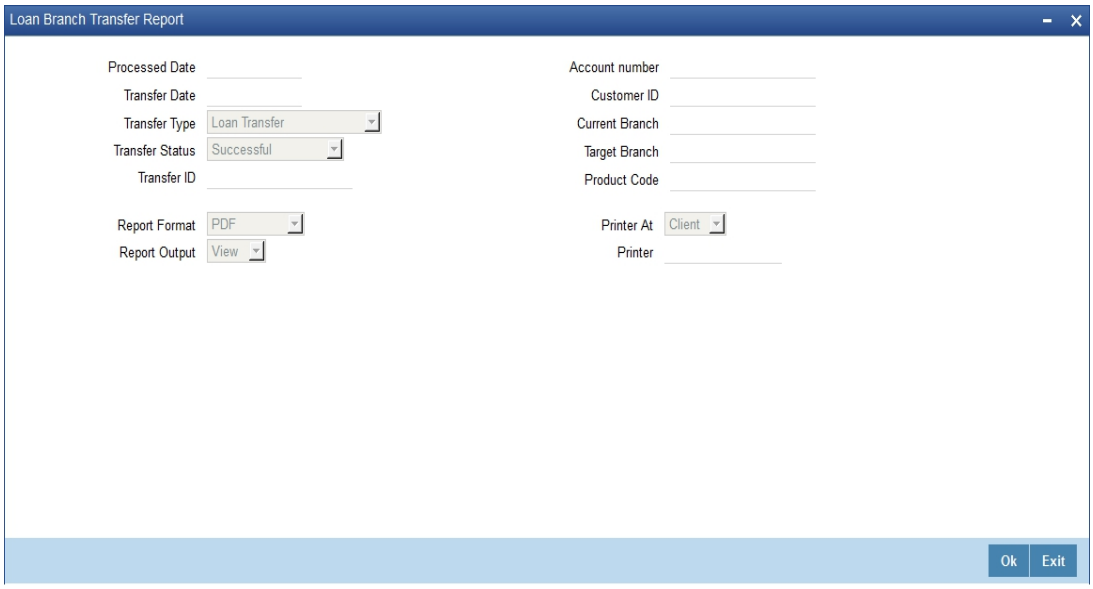
12.35 Loan Branch Transfer Report

This section contains the following topics:

- Section 12.35.1, "Generating Loan Branch Transfer Report"
- Section 12.35.2, "Contents of the Report"

12.35.1 Generating Loan Branch Transfer Report

You can invoke the 'Loan Branch Transfer Report' screen by typing the code 'CLRTRBRN' in the field at the top right corner of the Application tool bar and click on the adjoining arrow button.



Processed Date

Specify the processed date from the adjoining calendar list.

Transfer Date

Specify the date of transfer from the adjoining calendar list.

Transfer Type

Select the type of transfer from the adjoining drop down list.

Transfer Status

Select the status of transfer from the adjoining drop down list.

Transfer ID

Specify the transfer ID from the adjoining option list.

Account Number

Specify the account number from the adjoining option list.

Customer ID

Specify the customer ID from the adjoining option list.

Current Branch

Specify the current branch from the adjoining option list.

Target Branch

Specify the target branch from the adjoining option list.

Product Code

Specify the product code from the adjoining option list

12.35.2 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the Report is as follows:

Header

The Header carries the title of the Report, information on the branch code, branch date, the date and time of report generation, the user-ID of the user generating the report, module, page and the event date.

Body of the Report

The following details are displayed as body of the generated report:

Field Name	Field Description
Account Number	Indicates the account number
Current Branch	Indicates the current branch
Target Branch	Indicates the target branch
Transfer ID	Indicates the transfer ID
Transfer Status	Indicates the status of transfer
Customer ID	Indicates the customer ID
Customer Name	Indicates the name of the customer
Product Code	Indicates the product code
Transfer Date	Indicates the transfer date
Transfer Type	Indicates the transfer type

Processed Date	Indicates the processed date

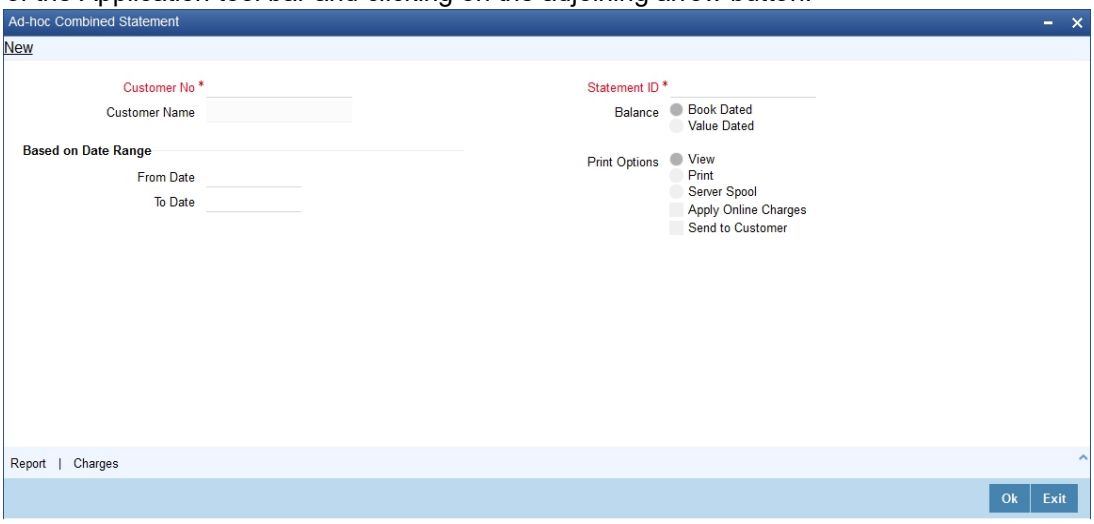
12.36 Ad-Hoc Combined Statement

This section contains the following topics:

- Section 12.36.1, "Generating Ad-Hoc Combined Statement"
- Section 12.36.2, "Charge Details"

12.36.1 Generating Ad-Hoc Combined Statement

You can generate ad-hoc combined statement through ‘Ad-Hoc Combined Statement’ screen.You can invoke this screen by typing ‘STDCDSMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Customer No

Select the customer number from the adjoining option list.

Customer Name

The system displays the customer name.

Statement ID

Select the statement ID from the adjoining option list.

Balance

You can select the balance to view based on the book date or value date.

Based on Date Range

From Date

Specify the from date for the combined statement generation.

To Date

Specify the to date for combined statement generation.

Print Options

You can print, view or spool the statement.

Apply Online Charges

Check this box to indicate that the charges needs to be applied to generate the ad-hoc account statement.

Send to Customer

Check this box to send the statement to the customer.

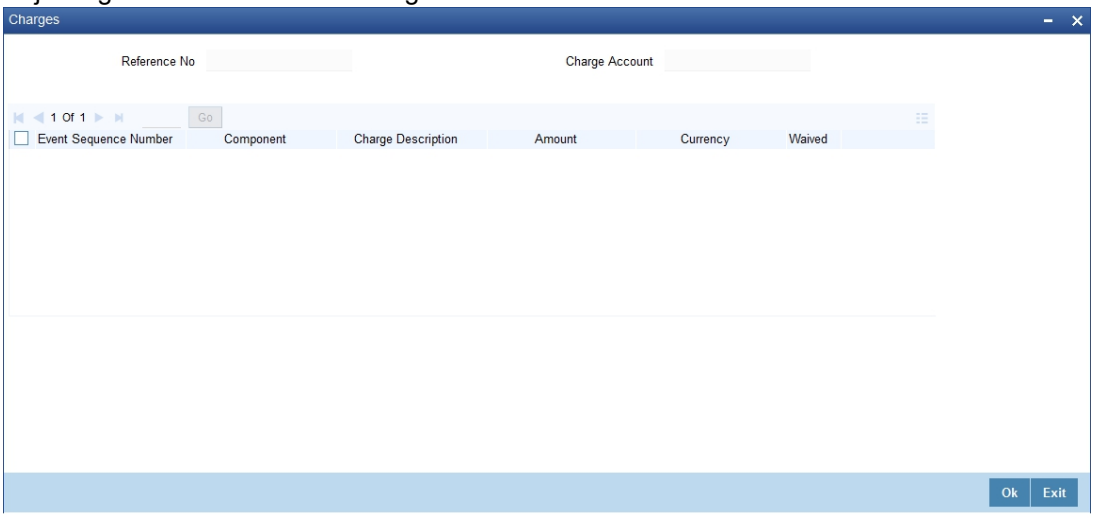
Processing Ad-Hoc Combined Statement

You can process the ad-hoc combined statement by doing the following:

- Select the customer for which ad-hoc account statement needs to be generated..
- Select the plan ID maintained for the customer.
- Specify the date range. If date range is not specified then the system generates report for the current date only.
- Check ‘Send to Customer’, if the statement should be sent to the customer. You can view, print or spool the message based on the option selected.
- If the 'Send to Customer' is not checked, then the generated statement can only be viewed, spooled or printed. The message will not be available in outgoing browser.
- Specify if charge needs to be applied on the statement generation. Applicable charges can be viewed in the charge sub screen, on click of the ‘Charge’ button. The actual accounting entries for the charge is processed only on the click of OK button of the Ad hoc screen. You can also waive off the charges applied.
- ‘Reports’ button is provided for processing the reports.
- Statement is generated for all the accounts maintained in the statement plan.

12.36.2 Charge Details

You can view, waive or modify the online charges computed for the generation of the combined statement through the Charges screen. You can invoke this screen by typing ‘STDCDSMT’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.Click ‘Charges’ on the ‘Ad-Hoc Combined Statement’ screen.



The system displays the following details in the charges screen:

- Reference No
- Event Sequence Number
- Component
- Charge Account

- Account Description
- Amount
- Currency
- Waiver

Note

The following maintenances are necessary for the online charge calculation:

- Create an RT product.
- Map the RT product to the ARC maintenance screen.
- Maintain the combination in Online Charge Product Maintenance screen.

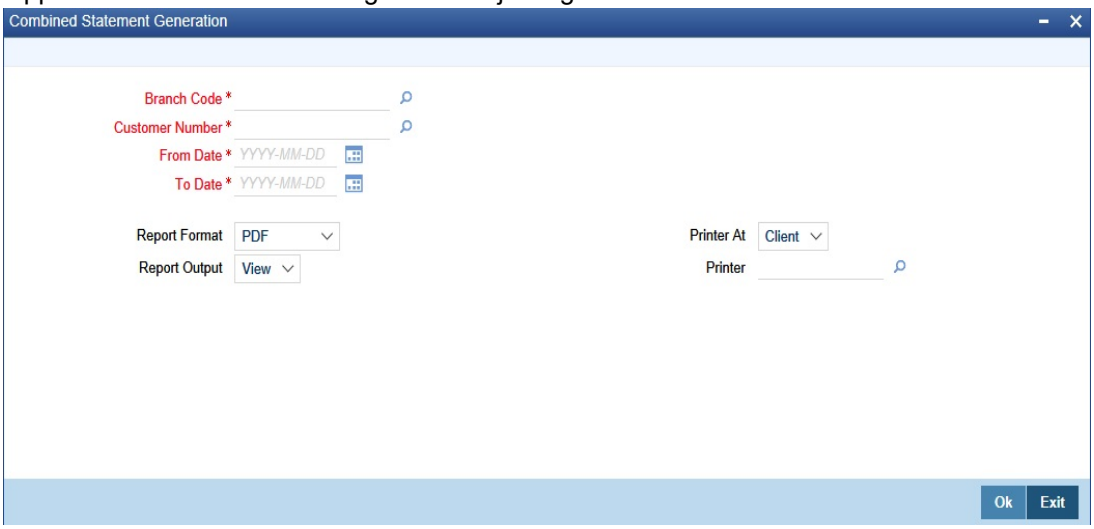
12.37 Combined Statement Generation Report

This section contains the following topics:

- Section 12.37.1, "Generating Combined Statement Generation Report"
- Section 12.37.2, "Contents of the Report"

12.37.1 Generating Combined Statement Generation Report

You can generate Combined Statement Report using ‘Combined Statement Report’ screen. You can invoke this screen by typing ‘CSRCSTAD’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



Customer No

The system displays the customer number.

Statement ID

The system displays the statement ID.

12.37.2 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the report is as follows:

Header

The following details are displayed in the header section:

Field Name	Field Description
Report Name	Indicates Report Name
Branch Code / Branch Name	Indicates Current Branch code and Branch Name
User ID	Indicates the Identification of the User
Branch Date	Indicates the date of Branch in which report is taken
Page No	Displays Page No out of total No of pages in report
Module	Indicates the Module of the Report
Report Run Date	Indicates Current System Date
Report Run Time	Indicates Current System Time
Customer Name	Indicates the name of the customer
Customer Address	Indicates the address of the customer
Account Summary Details	Indicates the summary details for CASA, TD and CL

Body of the Report

The body of the report displays:

- Current And Savings Account Activity Summary
- Deposit Account Activity Summary
- Loan Accounts Activity Summary
- Detailed CASA Account Activity Statement
- Detailed Deposit Account Activity Statement
- Detailed Loan Accounts Activity Statement

For further details on combined statement refer section 'Maintaining Combined Statements' section in 'Generating Account Statements' chapter of 'CASA' user manual.

13. Glossary

This chapter contains the following section:

- Section 13.1, "Important Terms"

13.1 Important Terms

Product

An identifier, in FLEXCUBE, for any type of service that a bank offers to its customers. A set of attributes and preferences are maintained for the product, which will apply to the processing of any contracts, transactions or deals involving the product (service).

Product Group

A group under which a product is logically classified, under which logically similar products are placed together.

Product Remarks

Descriptive text about a product.

Product Slogan

Text or phrase that could be used as a declaration or an announcement of the product, to customers.

Accounting Head

The specific GL created in any module of the FLEXCUBE system into which the accounting entry would be posted.

Accounting Role

The general ledgers and sub-ledgers maintained as a chart of accounts in FLEXCUBE may be classified logically under different categories, each of which is called an accounting role.

Amount Item

The amount entry that is passed into a general ledger / sub ledger in the chart of accounts for each transaction.

Netting

Summing of two or more accounting entries passed to an account for the same event, so as to arrive at a net figure for posting.

Trigger

The occurrence or process that initiates the generation of an advice during the processing of a contract in FLEXCUBE.

Transaction Code

An identifier for each accounting entry that is used to track the transaction.

Rekey Options

The fields that are to be keyed in by an authorizer of a transaction, for the purpose of cross-checking, when the transaction is being authorized. Complete details of the transaction will only be displayed when the authorizer ‘rekeys’ the values for these fields.

Payment Method

The manner in which the main interest payable on a loan contract is reckoned. The methods could be Bearing, Discounted or True Discounted.

Schedule Type

The kind of repayment schedule defined for a loan contract. It could be amortized, normal or capitalized.

Schedule Frequency

The frequency at which the repayment of the loan amount will be amortized in equated installments over the tenor of the contract.

Accrual Frequency

The frequency at which components of a loan contract such as interest, charges or commissions must be accrued over the tenor of the contract.

Tenor

The default period during which a contract is effective. The default Maturity Date of a contract is calculated from tenor.

Rate Variance

The difference between the default value and the changed value of an exchange rate employed for currency conversion. Permissible limit can be set for the variance.

Amortization Type

The method according to which amortization is applied on a loan contract for which the type of schedule defined is amortization. It could be any of two types, Reducing Balance or Rule 78.

Cascading Schedules

A schedule falling due on a holiday can be moved backward or forward, based on the Mover Forward or Move Backward preference. By cascading, the subsequent schedules are also moved forward or backward accordingly. If schedules are not cascaded the frequency will be reckoned from the schedule due date of the previous month before moving forward or backward.

Maturity Type

The manner in which the maturity of a loan contract is reckoned. There are three possible types – Fixed, Call or Notice Days.

Commitment Type

An attribute of a commitment contract, which determines whether the amount of the contract is reinstated when a loan linked to the contract, is paid. If the commitment is revolving, the contract amount is reinstated, and if it is non-revolving, the contract amount is not reinstated.

Verify Funds

The check for availability of funds in a customer account before it is debited for the purpose of liquidation of any of the components of a loan contract. If not specified for a contract, this check is not performed in the system.

Cluster ID

A unique identifier for a cluster defined for a deposit product. A cluster deposit is a deposit contract involving a deposit product for which a cluster has been defined.

Reducing Balance

A method of calculation of interest component for amortized type of repayment. The interest is calculated on the outstanding principal for the current period.

Rule 78

A method of calculation of interest component for amortized type of repayment. The interest is calculated on the outstanding principal based on remaining tenor divided by total tenor.

Holiday Currency

The currency of a loan contract, for which the holiday table of the currency must be checked, before the payment schedule is drawn up. By default, the currency that is checked is the loan currency. If any other currency is specified, then both are checked.

Liquidation Type

For a loan, the liquidation type indicates whether the loan is liquidated manually or automatically on maturity.

Mode of Liquidation

The manner in which the payable components of a loan contract are to be settled in FLEXCUBE. The modes available are automatic and manual.

Interest Rate Revision Schedule

The schedule defined for the refreshing of interest rates from the Floating Rates table, for floating rates applicable on a loan contract.

Interest Rate Revision Frequency

The frequency specified for the rate revision schedule defined for floating rates applicable on a loan contract.

Pre-Payment

Repayment of principal (whole or part) of a loan contract before the repayment schedule falls due. Prepayment involves a re-computation of subsequent interest schedule amounts.

Main Interest

When more than one interest component is applicable on a contract involving a product, one of the components may be designated as the main interest component for the contract. It helps identify and differentiate the different interest components applicable for the component.

Interest Application Method

The basis upon which interest on a loan contract is applied. Interest on a contract could be applied as an amount, or a fixed rate, or floating rate.

Interest Collection Method

The manner in which the main interest payable on a loan contract is collected or liquidated. The methods could be Bearing, Discounted or True Discounted.

Repayment Type

The kind of repayment schedule defined for a loan contract. It could be amortized, normal or capitalized.

Mode of Rollover

The manner in which a loan contract is renewed or rolled over. IT could be automatic or manual.

Residual Amount

A limit placed on the residual payables on any pending component that has not been liquidated, of a loan for which the principal is to be liquidated. A check is made that the residual pending payables for any component other than the principal, must be individually less than or equal to the residual amount specified. The loan is liquidated only if this check is successful.

Billing Advice

The reminder sent to the customer of a loan contract a stipulated number of days before the repayment date of a schedule, intimating that a payment is due.

Delinquency Notice

The intimation to the customer of a loan contract that a payment in the repayment schedule is overdue.

Automatic Renewal

Rolling over a loan automatically, on maturity. The old loan is automatically liquidated and a new one initiated.

Cluster Deposit

A cluster deposit involves the input of a deposit as a multiple of specific units of a certain currency. All operations concerning the principal, like drawing up payment schedules for the principal, change in principal, etc., must be in multiples of the cluster size specified for the deposit.

14. Function ID Glossary

A

ACDIBMNT 3-3

C

CFDFLTRI 3-26
CLDACCNT 5-2
CLDACCTR 6-1
CLDACCVM 8-29
CLDACHTY 8-50
CLDACTCL ...3-38, 3-43, 3-44
CLDADCHT 3-16
CLDADOAU 3-18
CLDADOCH 3-17
CLDAGNBK 8-111
CLDASTCL 3-34
CLDASTOP 8-75
CLDBKPMT 3-4
CLDBLKPT 8-23
CLDBLREG 8-119
CLDBLTMP 8-120
CLDBPPRF 3-30
CLDBRNPT 3-6
CLDCCUDE 8-98
CLDCMPCL 4-90
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