Oracle® Banking Credit Facilities Process Management Cloud Service

Collateral Perfection User Guide

Release14.8.0.0.0
G33003-01
April 2025

Oracle Banking Credit Facilities Process Management Collateral Perfection User Guide, Release 14.8.0.0.0

G33003-01

Contents

1 Preface

1.1 About this Guide 1-1
1.2 Audience 1-1
1.3 Conventions Used 1-1
1.4 Common Icons in OBCFPM 1-1

2 Introduction

2.1 Collateral Perfection Overview 2-1

3 Quick Initiation

3.1 Quick Initiation 3-1

4 Data Enrichment

4.1 Data Enrichment 4-1
4.2 Basic Info 4-1
4.3 Collateral Ownership 4-6
4.4 Ship 4-6
4.5 Collateral Facility Linkage 4-8
4.6 Collateral Pool Collateral Linkage 4-9
4.7 RWA Eligibility Maintenance 4-11
4.7.1 Create RWA Parameter 4-11
4.7.2 View Parameter 4-22
4.8 RWA Eligibility Check 4-22
4.9 Comments 4-23

5 Risk Evaluation

5.1 Risk Evaluation 5-1
5.2 Collateral Summary 5-1
5.3 Risk Evaluation 5-3

5.4 Comments 5-8

6 External Valuation

6.1 External Valuation 6-1
6.2 Collateral Summary 6-1
6.3 External Valuation 6-2
6.4 Comments 6-11

7 Legal Opinion

7.1 Legal Opinion 7-1
7.2 Collateral Summary 7-1
7.3 Legal Opinion 7-2
7.4 Comments 7-7

8 External Check

8.1 External Check 8-1
8.2 Collateral Summary 8-1
8.3 External Check 8-2
8.4 Comments 8-7

9 Field Investigation

9.1 Field Investigation 9-1
9.2 Collateral Summary 9-1
9.3 Field Investigation 9-3
9.4 Comments 9-6

10 Collateral Approval

10.1 Collateral Approval 10-1
10.2 Collateral Summary 10-1
10.3 Collateral Approval 10-2
10.4 Comments 10-4

11 Draft Generation

11.1 Draft Generation 11-1
11.2 Collateral Summary 11-1
11.3 Draft Generation 11-3

11.4 Comments 11-4

12 Customer Acceptance

12.1 Customer Acceptance 12-1

13 Charge Registration

13.1 Charge Registration 13-1
13.2 Collateral Summary 13-1
13.3 Property 13-3
13.4 Comments 13-7

14 Awaiting Registration

14.1 Awaiting Registration 14-1
14.2 Awaiting Registration Completion 14-1
14.3 Comments 14-4

15 Safekeeping

15.1 Safekeeping 15-1
15.2 Collateral Summary 15-1
15.3 Collateral Safekeeping 15-3
15.4 Comments 15-6

16 Liability Details

16.1 Liability Details 16-1
16.2 Collateral Summary 16-1
16.3 Liability Detail Creation 16-2
16.4 Comments 16-4

17 Handoff - Manual Retry

17.1 Handoff - Manual Retry 17-1
17.2 Collateral Summary 17-1
17.3 Collateral Handoff Errors 17-2
17.4 Basic Info 17-3
17.5 Shared Customers 17-4
17.6 Property- Collateral Details 17-6

17.7 Comments 17-7

1 Preface

1.1 About this Guide

This guide helps you get familiar with the Collateral Perfection process in **OBCFPM** to perfect security interest in party collateral.

1.2 Audience

This guide is intended for the Credit Officers responsible for performing Collateral Perfection process in **OBCFPM**.

1.3 Conventions Used

The following table lists the conventions that are used in this document.

Table 1-1 Conventions Used

Convention	Description
Bold	Bold indicates: • Field Name • Screen Name • Drop-down Options • Other UX labels
Figure 1-1 Note 	This icon indicates a Note.

1.4 Common Icons in OBCFPM

The following table describes the icons that are commonly used in **OBCFPM**:

Table 1-2 Common Icons

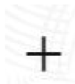
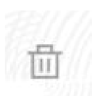
Icons	Purpose
Figure 1-2 Add 	To add new record.
Figure 1-3 Edit 	To modify existing record.
Figure 1-4 Delete 	To delete a record.
Figure 1-5 Calendar 	To select start or end date.
Figure 1-6 Upload 	To upload a record.

Table 1-2 (Cont.) Common Icons

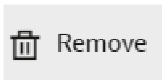
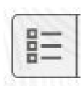
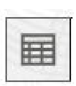
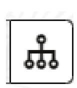
Icons	Purpose
Figure 1-7 Remove 	To remove the record.
Figure 1-8 List View 	To change the screen layout to list view.
Figure 1-9 Table View 	To change the screen layout to table view.
Figure 1-10 Tree view 	To change the screen layout to tree view.
Figure 1-11 Action Button	To view, edit, and delete a record.

Table 1-2 (Cont.) Common Icons

Icons	Purpose
Figure 1-12 Hold  	To hold the process.
Figure 1-13 Back  	To go back to the previous screen.
Figure 1-14 Next  	To go to the next data segment.
Figure 1-15 Save and Close  	To save the captured information and exit the process window.
Figure 1-16 Submit  	To submit the task to next stage.

Table 1-2 (Cont.) Common Icons

Icons	Purpose
Figure 1-17 Cancel 	To exit the window without saving the captured information.

2 Introduction

2.1 Collateral Perfection Overview

Collateral perfection is a process of evaluation of the party's collateral and perfect the banks charge over the collateral to protect the banks interest. The various activities performed for Collateral Perfection are:

- Input Application Details
- Upload of related Mandatory and Non Mandatory documents
- Verify Documents and Capture Details
- Risk Evaluation
- External Valuation of the Collateral
- Legal Opinion
- External Check
- Field Investigation
- Generate Collateral Agreement
- Receive the Customer Acceptance of the Collateral Agreement
- Collateral Submission
- Collateral Safekeeping

> **Note:**
>
> 1. We support perfection of collateral initiated from external system and also collateral can be initiated from start within **Credit Facilities Process Management (CFPM)**.
> 2. Collateral which are initiated in external system will directly appear in enrichment.

3

Quick Initiation

3.1 Quick Initiation

The Relationship Manager or the operations user can perform quick initiation of collateral perfection on receiving the application from the party.

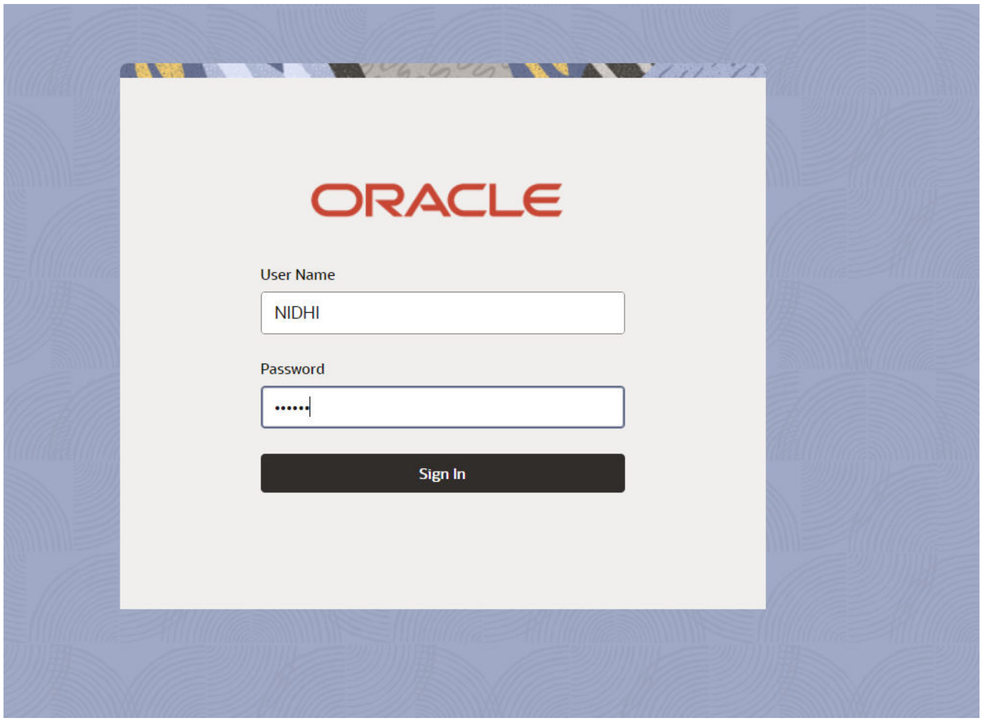
Collateral perfection has two process:

1. Collateral is initiated from **CFPM**: Here you create collateral through **Quick Initiation** process. For more information on how to initiate collateral from **CFPM**, refer the process from **Quick Initiation Steps** below.
2. Collateral is initiated from **External System**: When collateral is initiated from external system the task will directly be created in the enrichment stage. The user can select the task from the enrichment stage, where one party name will be defaulted. But, this party will not have any liability associated to it.
   However, it is mandatory that any collateral that is getting handed off needs to be associated to party who has a liability. Since, this initiation is done through an external system the party will not have any liability associated. So, before hand-off you can now create liability for external party in **Liability Details** stage. For more information on steps to create **Liability Details** for collateral initiated from external system, click Liability Details stage.

Quick Initiation Steps:

1. Login to **OBCFPM**. Enter your **User Name**, **Password** and click **Sign In**.

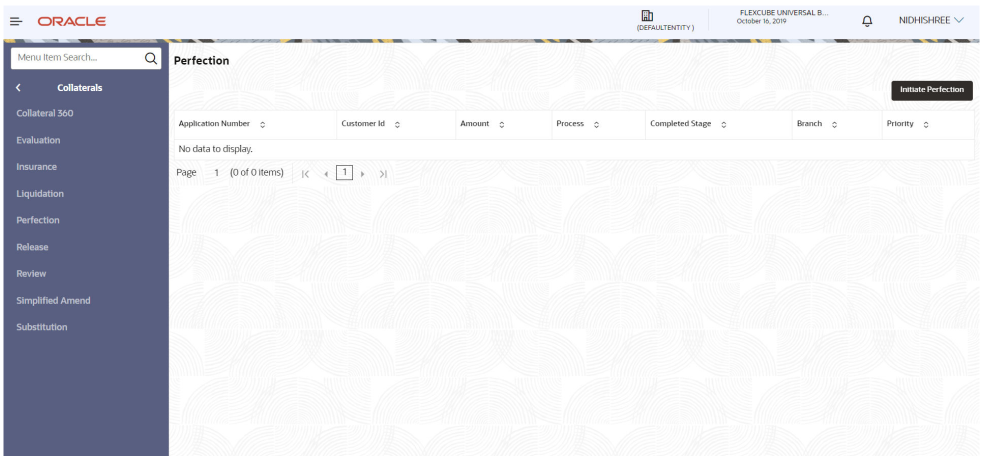
Figure 3-1 Login Screen



2. Navigate to **Collateral > Perfection** from the left menu.

   The **Perfection Initiation** screen is displayed.

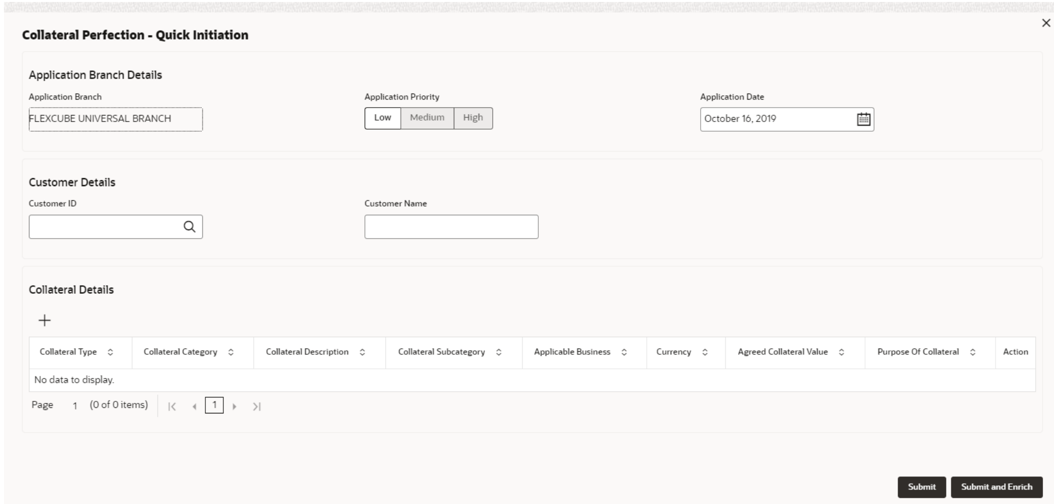
Figure 3-2 Collateral Perfection



3. Click **Initiate Perfection**.

   The **Quick Initiation** screen is displayed.

Figure 3-3 Quick Initiation



4. Enter or search all the details in the **Quick Initiation** window.

   For information on the fields in the **Quick Initiation** window, refer the below table.

Table 3-1 Quick Initiation - Application Branch Details - Field Description

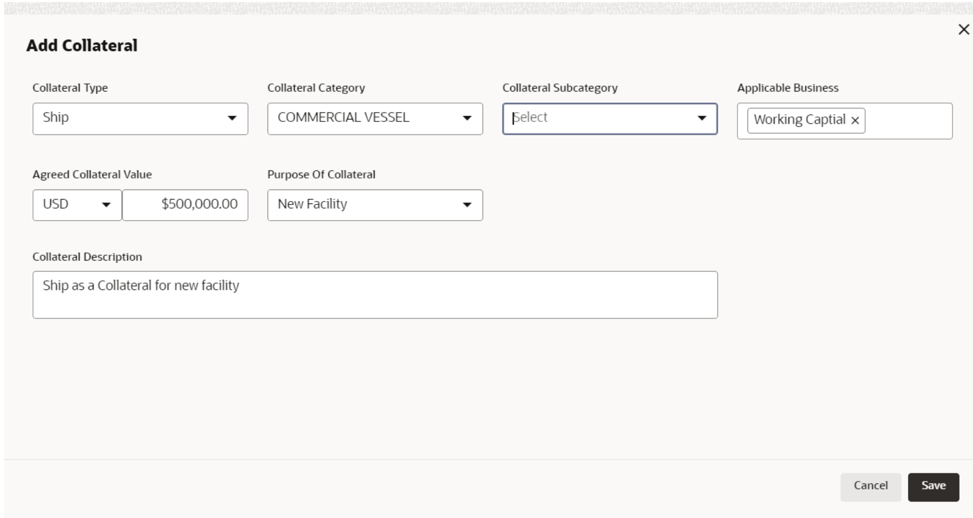
Field	Description
Application Branch	**Application Branch** is displayed by default.
Application Priority	Select **Application Priority**. The options available are: • Low • Medium • High
Application Date	Click **Calendar** icon and select **Application Date**.

Table 3-2 Quick Initiation - Customer Details - Field Description

Field	Description
Customer Id	Search and Select **Customer Id**. By default, corresponding **Customer Name** is displayed based on the customer id given in **Core Customer Maintenance** screen.

Click **+** in the **Collateral Details** section. The **Add Collateral** window is displayed.

Figure 3-4   Add Collateral



For information on the fields in the **Add Collateral** window, refer the below table.

Table 3-3 Add Collateral- Field Description

Field	Description
Collateral Type	Select **Collateral Type** from the drop-down list. The following options are available: • Account Receivables • Account Contracts • Agreements Undertaking • Aircraft • Bill of Exchange • Bond • Cash Collateral • Commercial Paper • Commodity • Corporate Deposits • Crop • Fund • Guarantee • Intangible Assets • Insurance • Inventory • Livestock • Machine • Miscellaneous • PDC • Perishable • Precious Metals • Promissory Note • Property • Ship • Stock • Vehicle
Collateral Category	Select **Collateral Category** from the drop-down list. The options are: • Commercial Vessel • Passenger Vessel **Note:** The **Collateral Category** options will appear based on the **Collateral Type** selection. The collateral type selected here is **Ship**, hence **Commercial Vessel** and **Passenger Vessel** options are listed in the drop-down list.
Collateral Subcategory	Select **Collateral Subcategory**. **Note**: The **Collateral Subcategory** options will also be displayed based on the **Collateral Type** and **Collateral Category** selection.
Applicable Business	Select **Applicable Business** from the drop-down list. The option are: • LT_Lending • Trade • Working Capital
Agreed Collateral Value	Specify **Agreed Collateral Value** of the collateral.
Currency	Specify the collateral currency.

Table 3-3 (Cont.) Add Collateral- Field Description

Field	Description
Purpose of Collateral	Select **Purpose of Collateral** from the drop-down list. The following options are available: • Augmentation Of Collateral • Enhancement Of Limit • New Facility • Replacement Of Collateral
Collateral Description	Enter **Collateral Description**.
Save	Click **Save**. The collateral details are added.

5. After adding collateral, click **Submit** in the **Quick Initiation** screen.

   The application is created and listed in **Free Tasks** screen.

4 Data Enrichment

4.1 Data Enrichment

The Data Enrichment stage allows you to capture additional details of the party and the collateral to enrich **Collateral Perfection** application. The details that can be enriched in this stage are:

- Basic Info with additional Collateral Details
- Collateral Ownership Details
- Collateral Type Details
  - Property
  - Vehicle
  - Ship
  - Aircraft
  - Insurance
  - Deposits
  - Precious Metals
  - Guarantee
  - Machine
  - Stocks
  - Bonds
  - Funds
- Comments

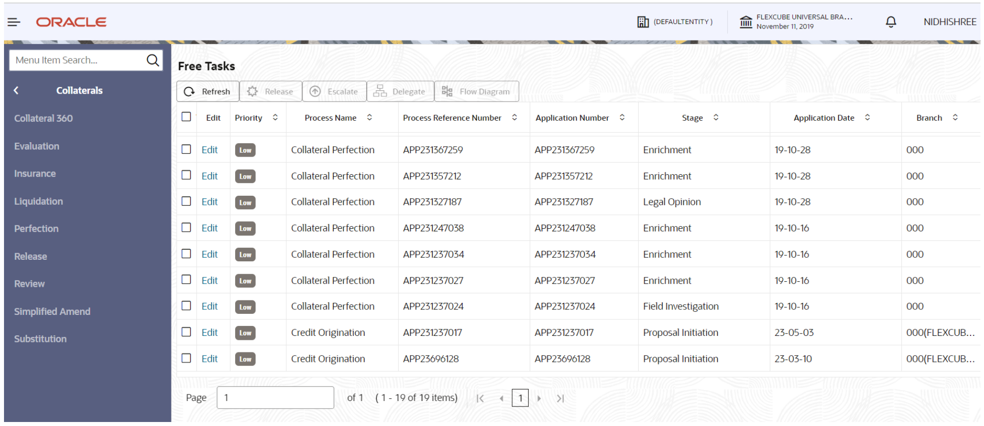
4.2 Basic Info

The system defaults the collateral and application details captured as part of initiation in this data segment. You can modify these details, if required. Based on the Application category selected, the system defaults the documents to be uploaded and the checklists applicable for the stage in the **Document Upload** and **Checklists** screens, respectively.

1. Navigate to **Tasks > Free Tasks** from the left menu.

   The **Free Task** screen is displayed.

Figure 4-1 Free Task



2. **Acquire & Edit** the required Data Enrichment task.

   The **Data Enrichment - Basic Info** screen is displayed.

Figure 4-2 Data Enrichment - Basic Info

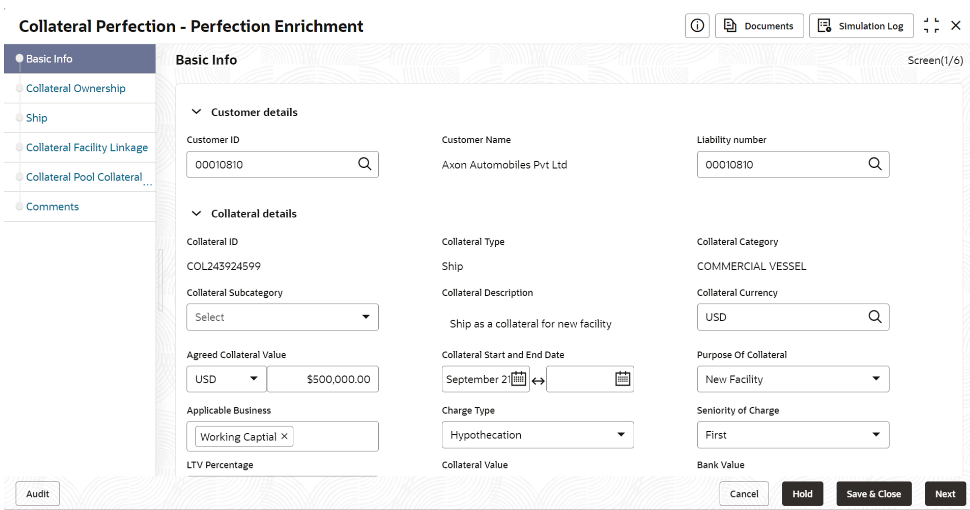
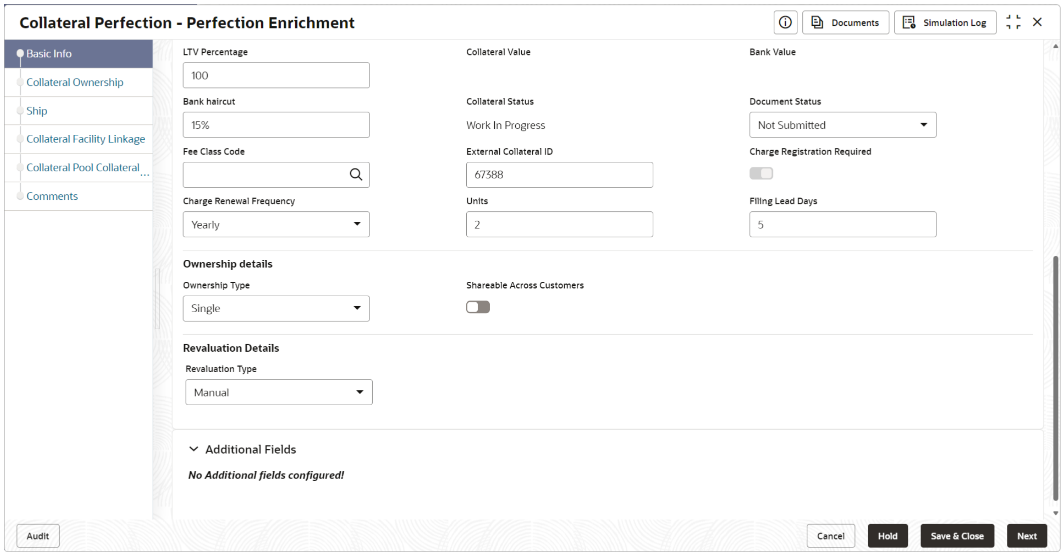


Figure 4-3 Data Enrichment - Basic Info



3. Enter or Select all the details in the **Data Enrichment - Basic Info** screen. For field level information, refer the following table.

Table 4-1 Data Enrichment - Basic Info

Field	Description
Customer Id	**Customer Id** selected in the **Quick Initiation** screen is displayed. You can change the **Customer Id**, if required.
Customer Name	**Customer Name** is displayed based on the selected **Customer Id**.
Liability Number	Search and select **Liability Number**.
Collateral Id	**Collateral Id** is a unique identifier generated for the collateral. This is system generated and you cannot modify as all the details are maintained in **Maintenance** screen.
Collateral Type	**Collateral Type** selected in the **Quick Initiation** screen is displayed here. You cannot modify this.
Collateral Category	Select **Collateral Category**. Collateral Categories applicable for the selected **Collateral Type** are displayed in the drop-down list.
Collateral Subcategory	Select **Collateral Subcategory** from the drop-down list.
Collateral Description	**Collateral Description** provided in the Initiation stage is displayed here. You can modify this if required.
Collateral Currency	**Collateral Currency** specified in the Initiation stage is displayed here. You can modify this if required.
Agreed Collateral Value	**Agreed Collateral Value** of the collateral specified in the Initiation stage is displayed here. You can modify this if required.
Collateral Start and End Date	Select **Collateral Start and End Date** from calendar icon.
Purpose of Collateral	**Purpose of Collateral** selected in the Initiation stage is displayed here. You can modify this if required.

Table 4-1 (Cont.) Data Enrichment - Basic Info

Field	Description
Applicable Business	Select the business for which the collateral is applicable. The options available are: • LT_Lending • Trade • Working Capital
Charge Type	Select **Charge Type** from the drop-down list. The following options are available: • Assignment • Equitable Mortgage • Hypothecation • Lien • Mortgage • Negative lien • Pledge • Registered Mortgage • Setoff
Seniority of Charge	Select **Seniority of Charge** from the drop-down list. The following options are available: • Exclusive • First • First Pari passu charge • Second • Second Pari passu charge • Subservient Charge • Third
LTV Percentage	Enter **LTV Percentage**.
Bank haircut	**Bank haircut** provided in the Initiation stage is displayed here. You can modify this if required.
Collateral Status	**Collateral Status** is displayed as **Work In Progress** by default.
Document Status	Select the status of the collateral. The following options are available in the drop-down list: • Not Submitted • Released • Submitted
Fee Class Code	Search and select **Fee Class Code**. **Note**: To view **Fee Class Code** screen, refer to **Fee Class Code** section.
External Collateral ID	Enter **External Collateral ID**.
Charge Renewal Frequency	Select **Charge Renewal Frequency** from drop-down list. The options available are: • Daily • Half Yearly • Monthly • Quarterly
Units	Enter **Units**.
Filing Lead Days	Enter **Filing Lead Days**.

Fee Class Code

The Fee Class Code screen is displayed as below:

Figure 4-4 Fee Class Code Screen

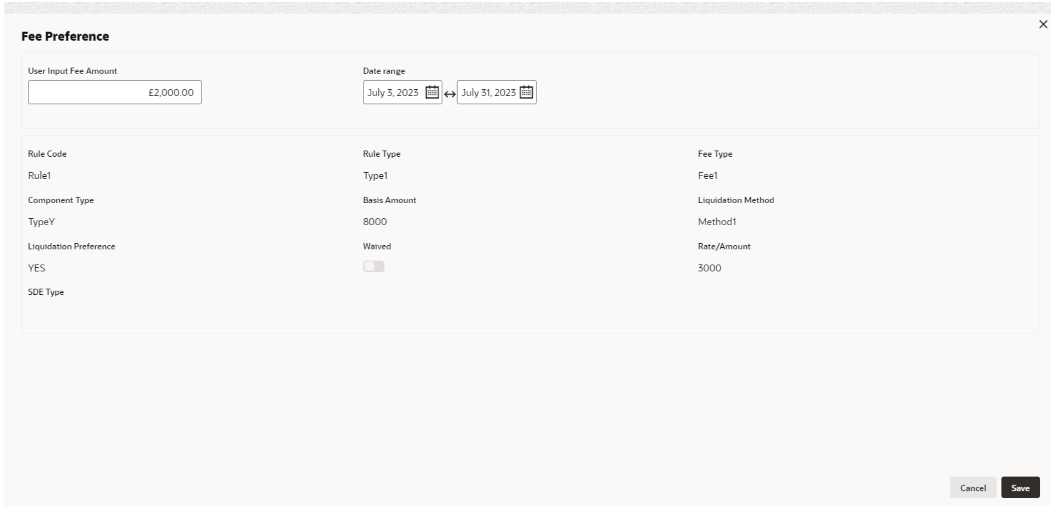


Table 4-2 Basic Info - Ownership Details - Field Description

Field	Description
Ownership Type	Select **Ownership Type** from the drop-down list. The following options are available: • Joint • Others • Single • Tenants in Common
Shareable Across Customers	Enable **Shareable Across Customers** option, if the collateral is shareable with multiple party's.

Table 4-3 Basic Info - Revaluation Details Description

Field	Description
Revaluation Type	Select **Revaluation Type** from the drop-down list. The following options are available: • Automatic • Manual
Automatic	If you select **Automatic** following options are displayed. Enter the required details for below fields. • Revaluation Method • Revaluation Frequency • Revaluation Start Month • Revaluation Day • Useful Life
Additional Fields	By default **No Additional fields configured!** message is displayed.

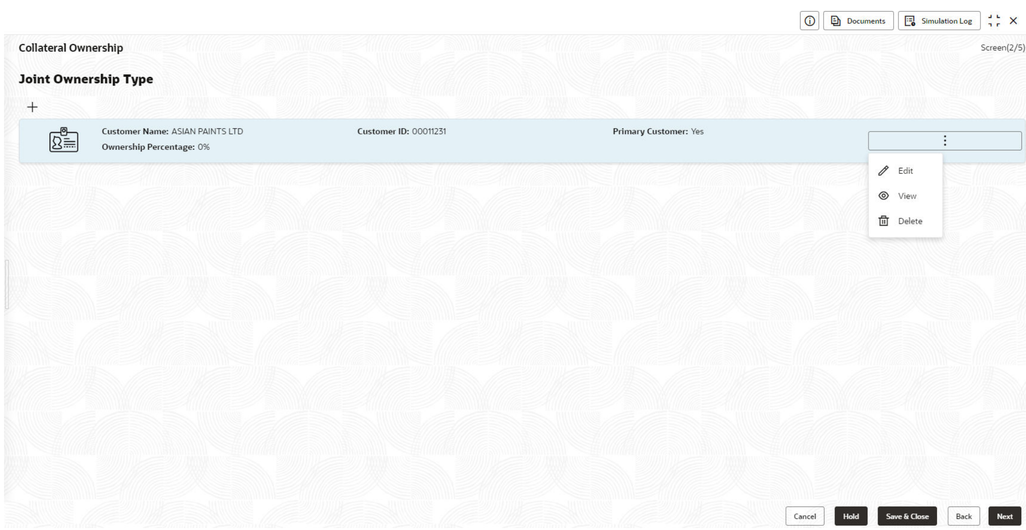
4. Click **Next.**

4.3 Collateral Ownership

In Collateral Ownership data segment, the system defaults primary customer's collateral ownership details captured as part of application creation. In case the **Ownership Type** is selected as **Joint**, the system defaults the ownership percentage of primary customer as zero and displays the add icon. You must change the primary customer's ownership percentage and add all the ownership details by clicking the **Add** icon.

Click **Next** in the **Basic Info** data segment, the **Collateral Ownership** screen is displayed.

Figure 4-5 Collateral Ownership



1. To view the primary customer's collateral ownership details, click **Action** icon and select **View**.
2. To add other customer's ownership detail, click **+** icon.

   For detailed information on adding ownership details, refer **Collateral Ownership** topic in the **Collateral Evaluation User Guide**.
3. After adding the ownership details, click **Next**.

4.4 Ship

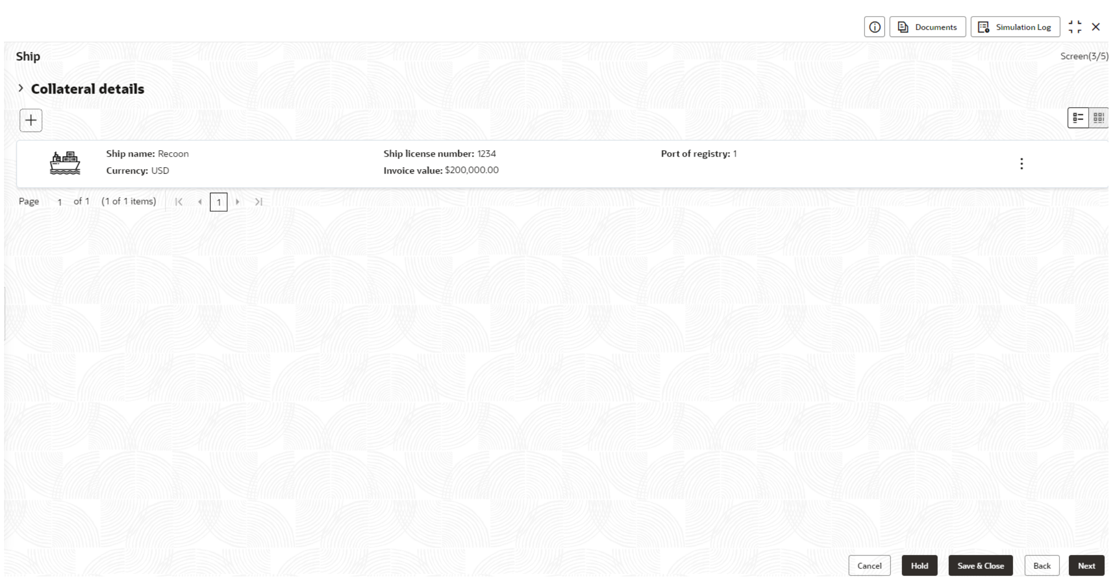
The system displays the Collateral Type data segment based on the **Collateral Type** selected in previous data segment or stage. Following are the various collateral types supported in **OBCFPM**:

- Account Receivables
- Accounts Contracts
- Aircraft
- Bill Of Exchange

- Bond
- Cash Collaterals
- Commercial Paper
- Commodity
- Corporate Deposits
- Crop
- Fund
- Guarantee
- Insurance
- Inventory
- Machine
- Miscellaneous
- Other Bank Deposits
- PDC
- Perishable
- Precious Metals
- Promissory Note
- Property
- Ship
- Stock
- Vehicle

Click **Next** in the **Collateral Ownership** data segment, the **Collateral Type (Ship)** screen is displayed. In this user guide, Ship is shown as sample Collateral Type.

Figure 4-6 Data Enrichment - Ship

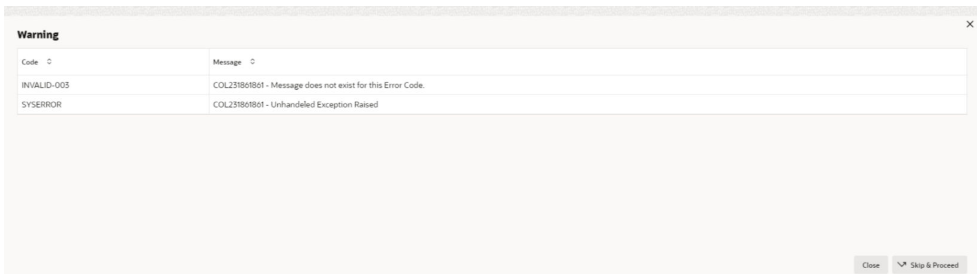


1. To view the basic collateral details, click and expand **Collateral Details** section.
2. To add the collateral specific details, click **+** icon.

   For detailed information on adding collateral specific details, refer the corresponding **Collateral Type** section in the **Collateral Evaluation User Guide**.
3. After adding collateral details, click **Next**.

   Note: If any error occurs in the saved collateral, then Simulation Error is displayed as shown below. You can close and fix the data issue or skip and proceed to the next step.

Figure 4-7 Simulation Error



The same process will happen in the collateral details screen for all the below mentioned stages of the same data segment.

- Risk Evaluation
- External Valuation
- Legal Opinion
- External Check
- Field Investigation
- Collateral Approval
- Draft Generation
- Customer Acceptance
- Charge Registration
- Awaiting Registration
- Safekeeping
- Handoff - Manual Retry

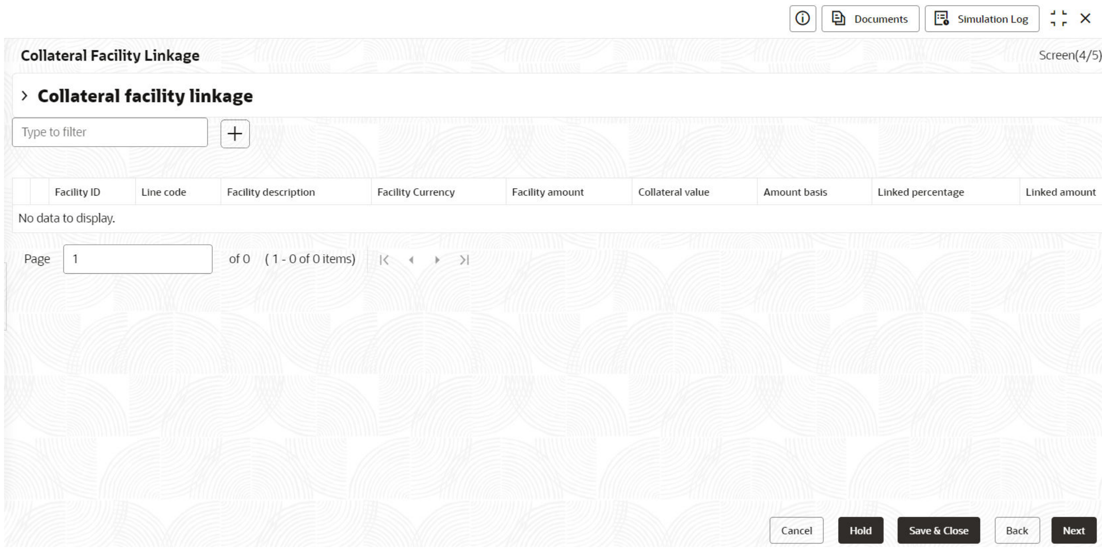
.

4.5 Collateral Facility Linkage

In the Collateral Facility Linkage data segment, you can add the existing collateral facility linked to the collateral.

Click **Next** in the **Collateral Type (Ship)** data segment, the **Collateral Facility Linkage** screen is displayed.

Figure 4-8 Collateral Facility Linkage



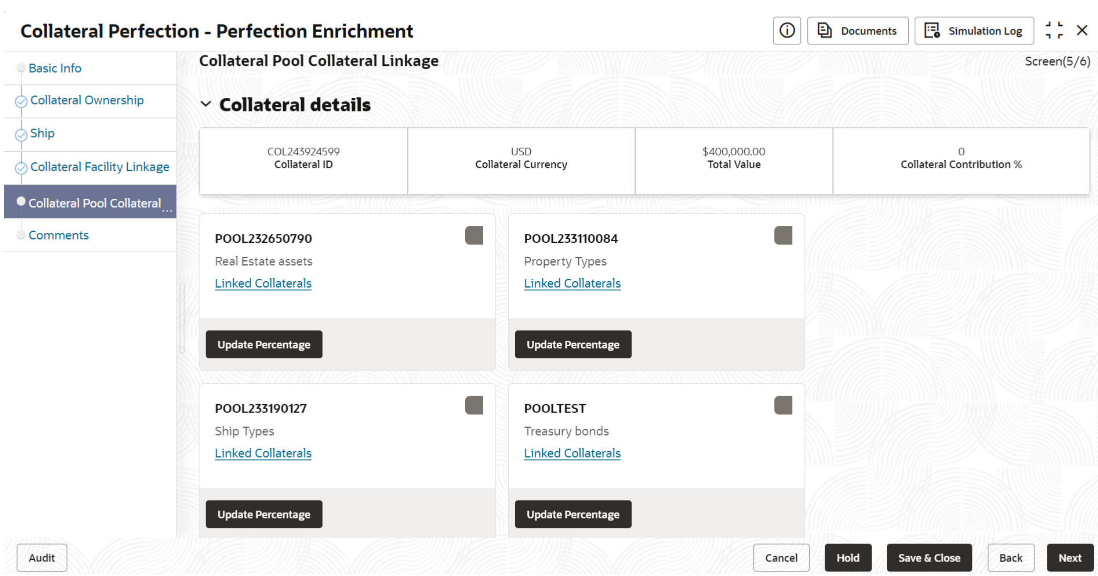
1. To add Collateral Facility Linkage, click the **+** icon.
2. After adding the collateral facility linkage, click **Next**.

4.6 Collateral Pool Collateral Linkage

In the Collateral Pool Collateral Linkage data segment, you can update collateral pools and link the collateral. The collaterals can be linked by giving percentage, and you can view the percentage given for each collateral. The collateral amount and collateral contribution for the linked collaterals is displayed in the Pool Allocation details screen.

Click **Next** in the **Collateral Facility Linkage** data segment, the **Collateral Pool Collateral Linkage** screen is displayed.

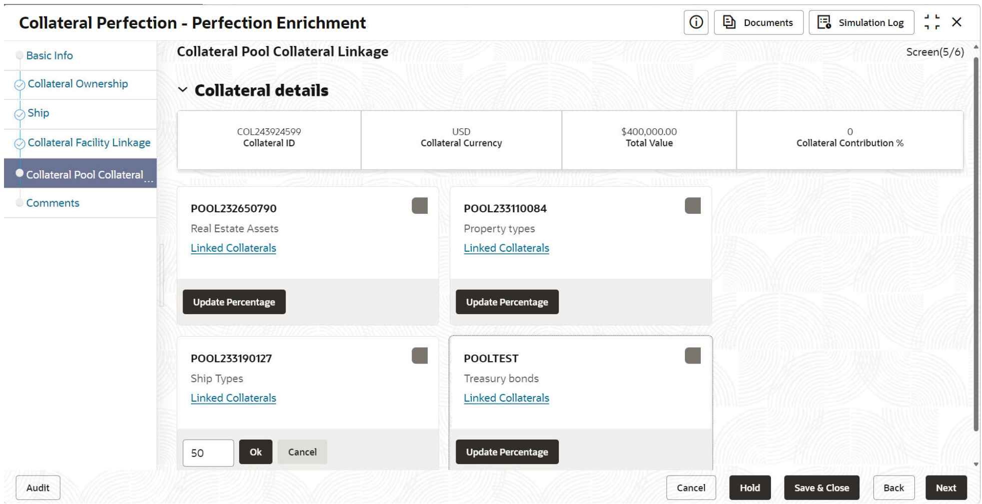
Figure 4-9 Collateral Pool Collateral Linkage



.

1. To link collateral, click **Update Percentage** enter the percentage for the collateral. The total percentage needs to be 100 percent or less than 100 percent.

Figure 4-10 Collateral Pool Collateral Linkage



2. Click **Ok**, the collateral is linked.
3. Click **Linked Collateral** to view the details of **Pool Allocation**.

Figure 4-11 Collateral Pool Collateral Linkage

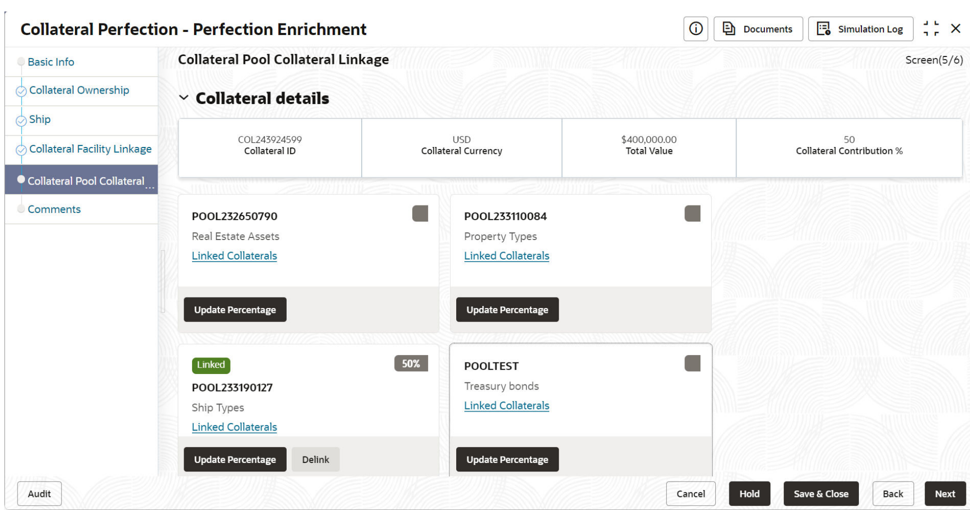
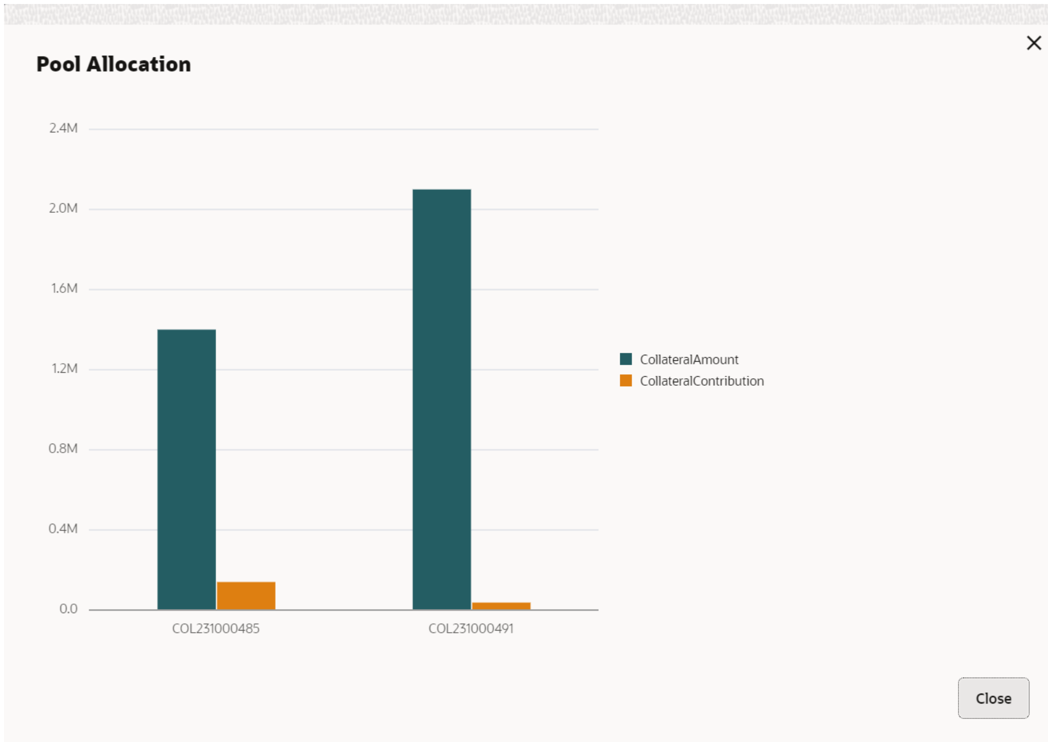


Figure 4-12 Collateral Pool Collateral Linkage



4. Click **Delink**, to remove collateral from the collateral pool collateral linkage.

4.7 RWA Eligibility Maintenance

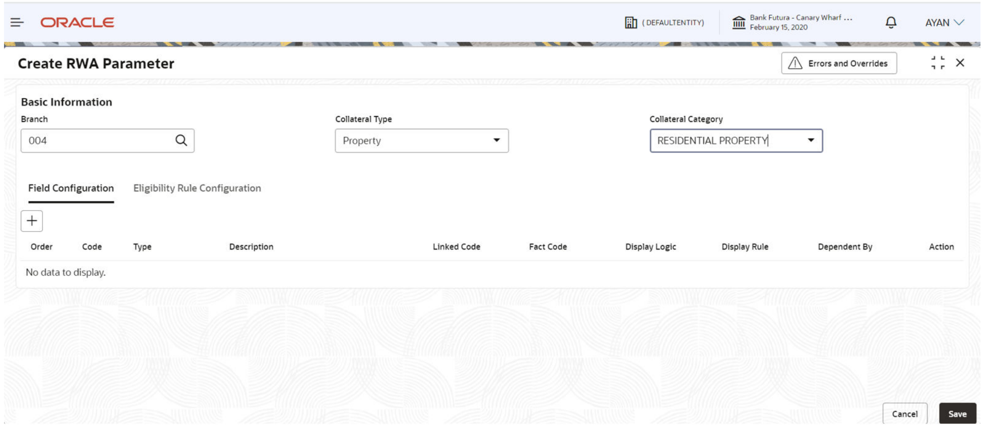
4.7.1 Create RWA Parameter

The **Create RWA Parameter** provides an option to define the Collateral Parameters that should be checked in order to derive the RWA eligibility. This maintenance also allows the user to define the rule which should run using the collateral parameters selected.

Steps to set Collateral parameters:

1. Navigate to **Credit Facilities** > **Maintenance** > **RWA Parameter Maintenance**> **Create RWA Parameter**.
   The **Create RWA Parameter** appears as shown below:

Figure 4-13 Create RWA Parameter



The RWA parameter has to be based on **Branch**, **Collateral Type** and **Collateral Category**. During a collateral transaction, this will be considered while suggesting the RWA rule to be used.

2. Provide the details in the fields as per the description in the table below.

Table 4-4 Create RWA Parameter - Field Description

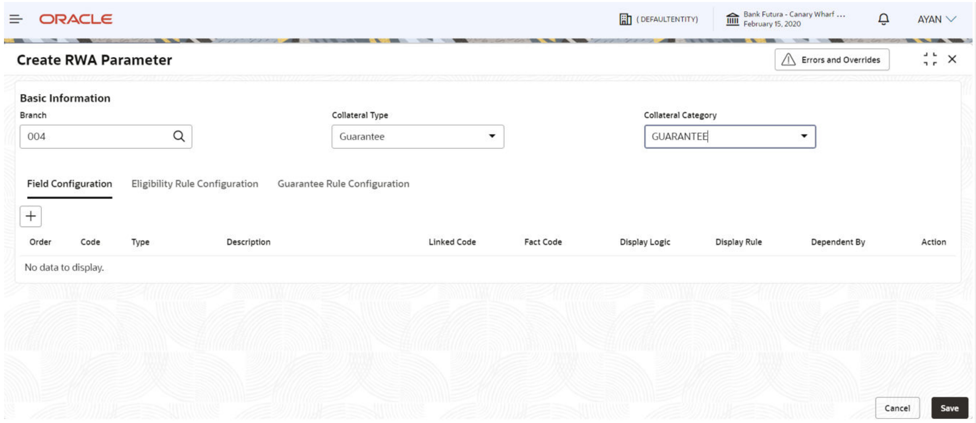
Field	Description	Sample Value
Branch	Select the Branch for which the RWA Parameter should be set for the collateral type and category combination.	Refer screenshot.
Collateral Type	Select the collateral type for which the RWA parameter is being set.	Refer screenshot.
Collateral Category	Select the collateral category under the collateral type for which the RWA parameter is being set.	Refer screenshot.

Once the **Branch**, **Collateral Type** and **Collateral Category** selection has been done the user can carry out the following.

Do the **Field Configuration** where the user can select the individual parameters which decide the eligibility of the collateral and also do the **Eligibility Rule Configuration** where the user can set the rules which will be applied using the parameters to determine the collateral's RWA eligibility.

Please note that only in case of Collateral type **Guarantee**, apart from **Field Configuration** and **Eligibility Rule Configuration**, the user will also set the **Guarantor Rule Configuration** as per the below screenshot.

Figure 4-14 Collateral Type Guarantee

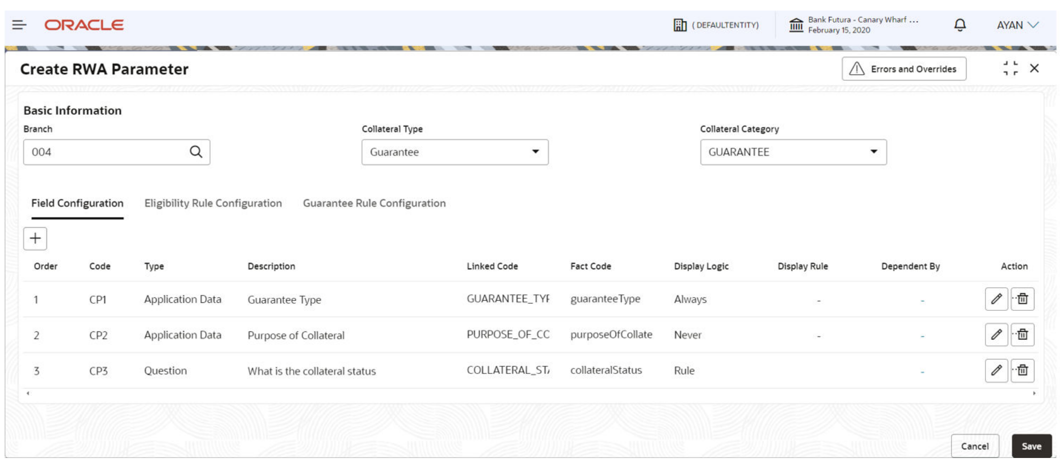


In this section we will explain how the **RWA Parameter Maintenance** can be done for **Guarantee** type of collateral. Lets look at how the **Field Configuration**, **Eligibility Rule Configuration**, and the **Guarantor Rule Configuration** will be done.

Field Configuration

In this section the user will select the attributes of the collateral which needs to be checked to find out the collateral RWA eligibility.

Figure 4-15 Field Configuration



User needs to mention the following in the fields.

Table 4-5 Field Configuration - Field Description

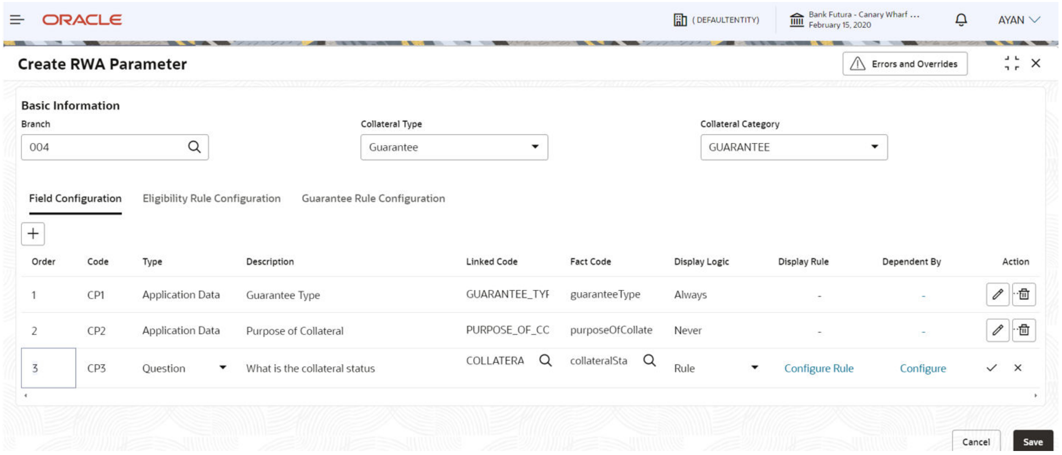
Field	Description	Sample Value
Order	This is the order of the collateral parameter and is defaulted by the system.	Refer screenshot.
Code	This is the code of the collateral parameter and is defaulted by the system.	Refer screenshot.

Table 4-5 (Cont.) Field Configuration - Field Description

Field	Description	Sample Value
Type	The user needs to mention the type of collateral parameter.	Refer screenshot. The available values are • – **Application Data** - These collateral parameters will come from the collateral attributes captured in the application. – **Question** - These values will come as part of the questions asked for the collateral type and category combination in the UI.
Description	User will need to mention a short description of the collateral parameter.	Refer screenshot.
Linked Code	The collateral parameter code will be factory shipped and are the list of codes / information that are captured for collateral.	Refer screenshot.
Fact Code	The collateral parameter linked code will need to be associated with the available list of Fact Codes that are already created in the system. These fact codes will be used to create the rules which will decide the RWA eligibility.	Refer screenshot.
Display Logic	The user needs to define whether the Collateral parameter will be displayed by default or using some logic.	Refer screenshot. The possible values are: • Always • Never • Rule

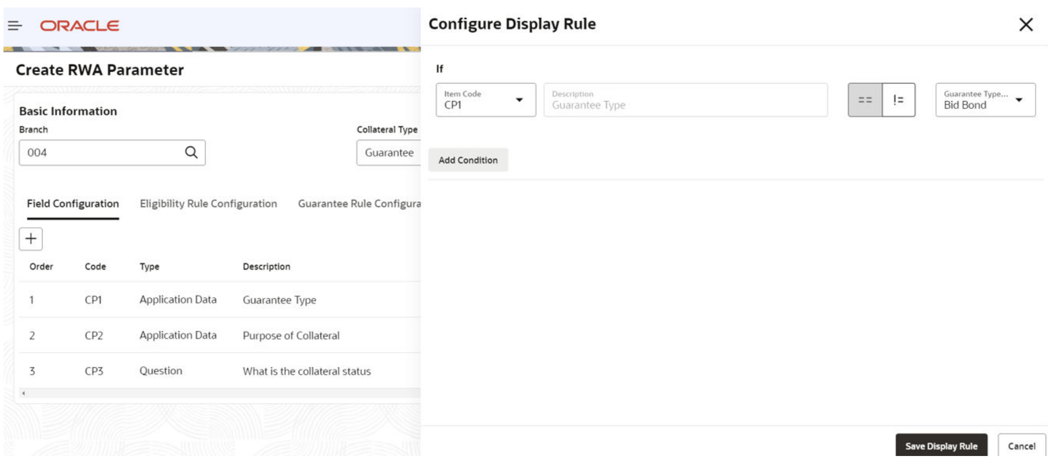
If the user selects **Display Logic** as **Always** and **Never**, then the collateral parameter will be shown by default or will not be shown in the screen respectively. However, if the user selects the **Display Logic** as **Rule**, then they have to set the **Display Rule**.

Figure 4-16 Display Logic



In the **Display Rule** field the user has to click on **Configure Rule** so that the rule deciding when that collateral parameter will be displayed on the screen can be set as below.

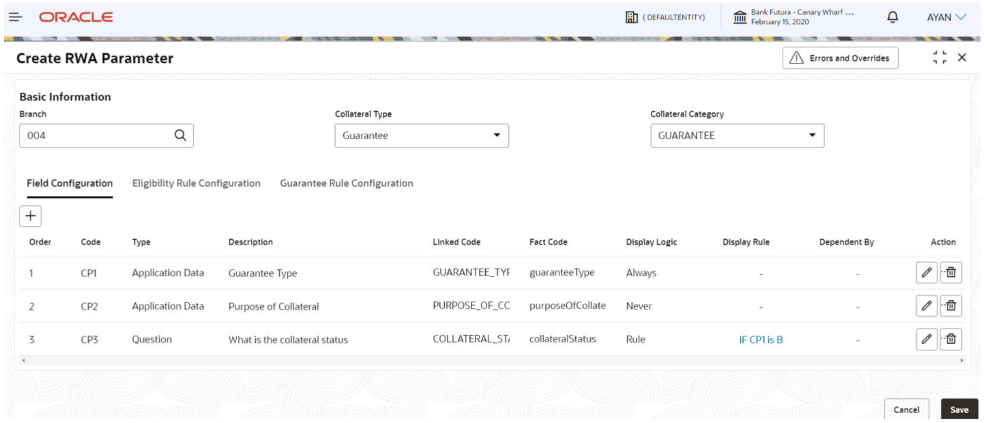
Figure 4-17 Configure Rule



In the above screenshot the user can mention that if the value of **CP1** is equal to **Bid Bond**, then the **CP3 Collateral Parameter** should be displayed on the **RWA Eligibility** screen.

User can click on the **Save Display Rule** option in order to save the **Display Rule** for **CP3**.

Figure 4-18 Save Display Rule



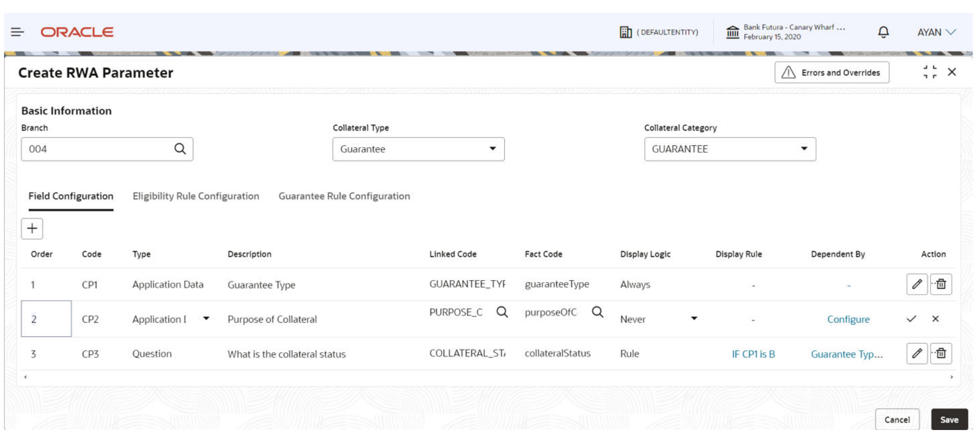
As in the above screenshot once the display rule has been saved, the value for the following field will be updated.

Table 4-6 Save Display Rule - Field Description

Field	Description	Sample Value
Display Rule	The value will be defaulted as per the rule that has been configured in the **Display Logic Configuration** screen.	Refer screenshot. In this example the CP3 collateral parameter will be displayed only when the CP1 value is Bid Bond.

The user will also be able to mention if a particular collateral parameter is dependent on any other collateral parameter by clicking **Configure** under **Dependent On**.

Figure 4-19 Configure



On clicking **Configure** the user will be able to indicate the fields or the collateral parameter added before on which this particular collateral parameter will depend on. For example in the below screenshot the collateral parameter collateral status depends on whether the first two collateral parameters have been captured or not.

Figure 4-20 Configure Dependent Fields

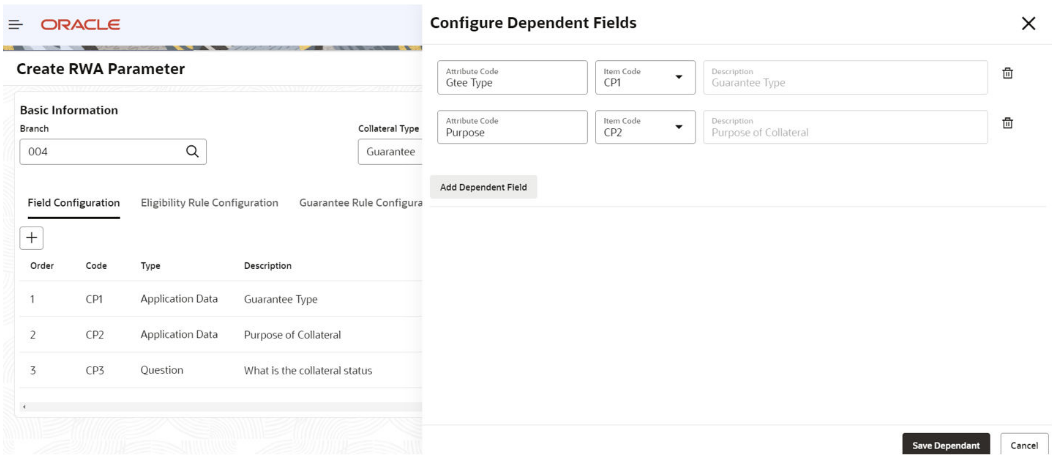
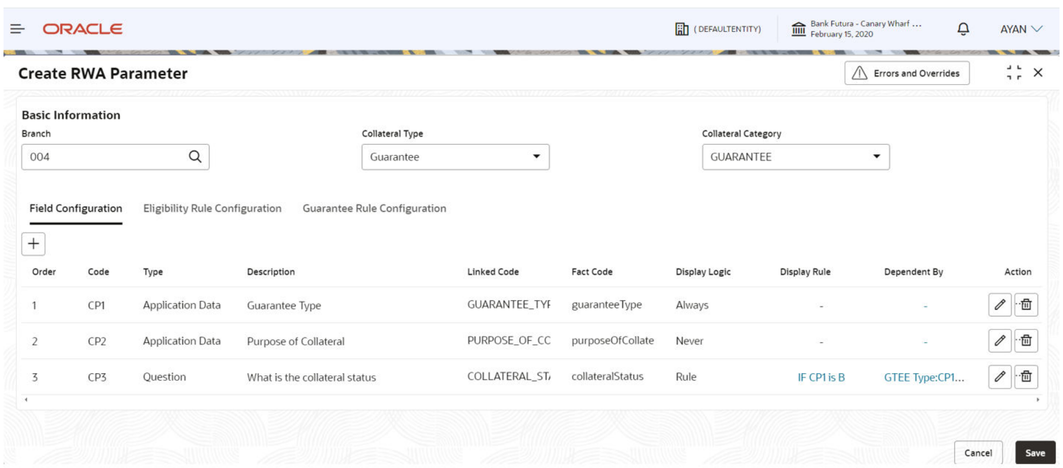


Figure 4-21 Configure Dependent Fields



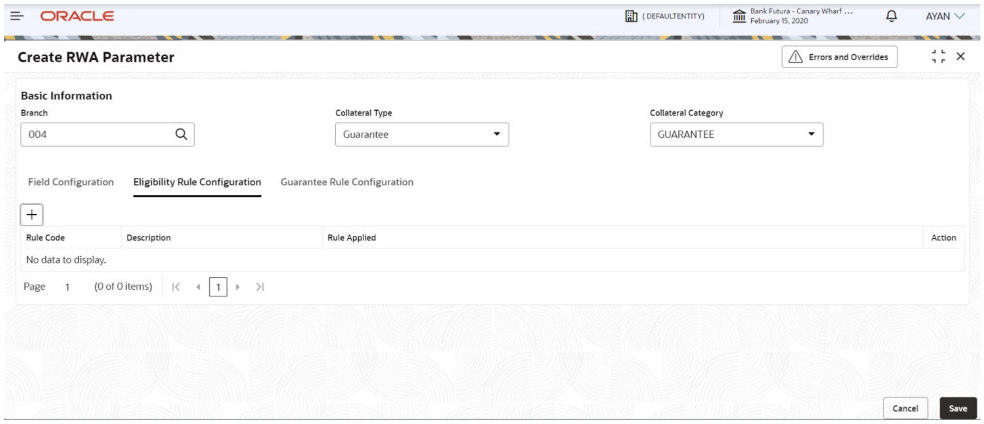
To add further, with **Display Rule** the user will be able to indicate if a field will be shown on the screen depending on the value of a particular field and with **Dependent By** the user will be able to indicate whether a field is dependent on capture of a particular field or not.

Eligibility Rule Configuration

After setting the collateral parameters the user can now set the **Eligibility Rule Configuration**. This is the rule which will use all the facts set in the previous screen to figure out the RWA eligibility.

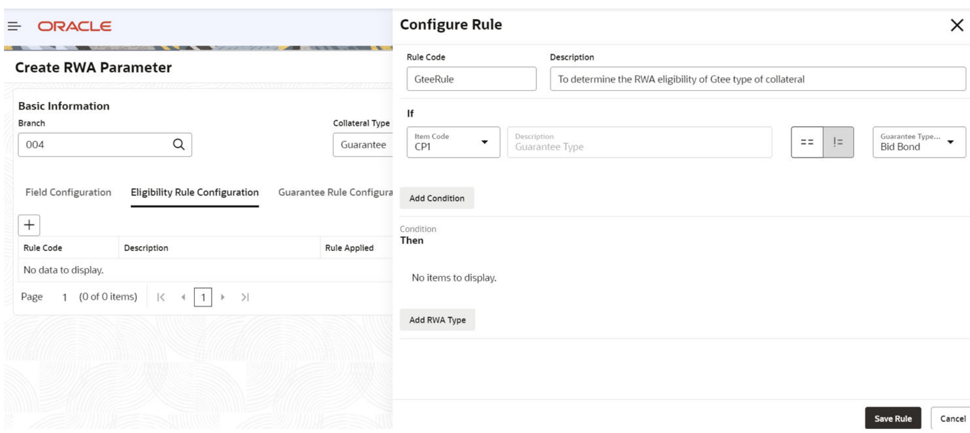
Click on **Eligibility Rule Configuration**.

Figure 4-22 Eligibility Rule Configuration



Click **+** to add a new rule.

Figure 4-23 Configure Rule



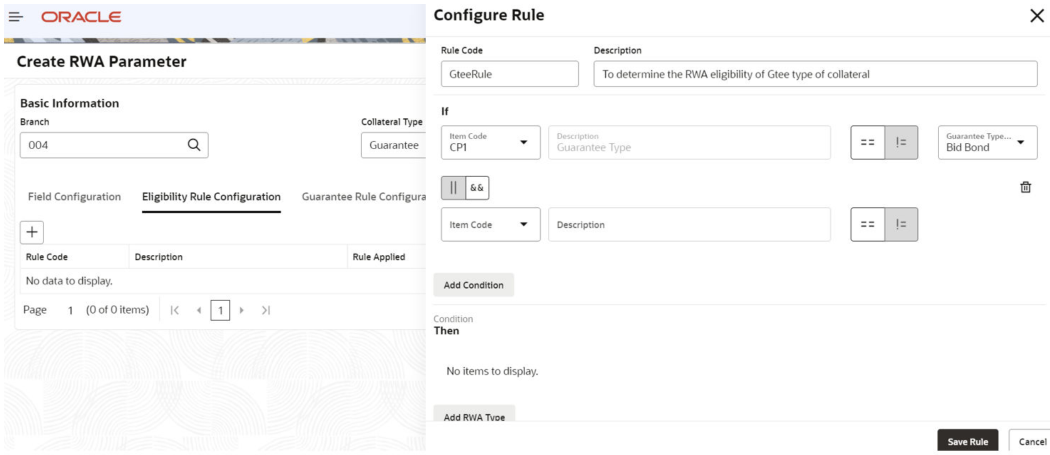
The user will need to capture the following fields to set up the rule.

Table 4-7 Configure Rule - Field Description

Field	Description	Sample Value
Rule Code	Provide a code to identify the rule which will determine the RWA eligibility of the collateral type using the parameters set in this rule configuration screen.	Refer screenshot.
Description	A short description in order to mention more about the rule being set.	Refer screenshot.

Once the code and description of the rule has been mentioned the user can select the **Collateral Parameters** and their respective values which will determine the **RWA Eligibility**.

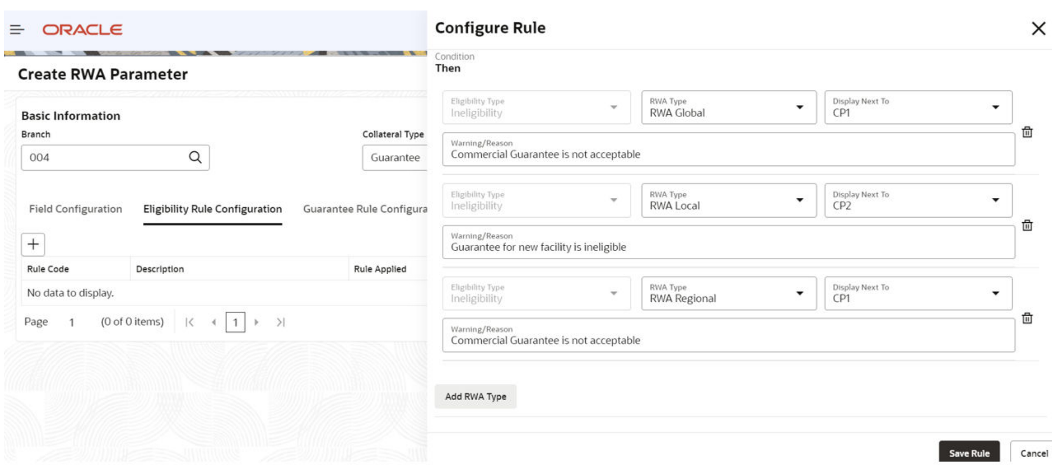
Figure 4-24 Configure Rule RWA Eligibility



In the above screenshot the user has indicated what are the collateral parameters that will decide the **RWA Eligibility** for e.g. **CP1** which is guarantee type is equal to a commercial guarantee and **CP2** which is purpose of collateral equal to **New Facility**.

The user needs to specify the **Result** after selecting the collateral parameters.

Figure 4-25 Configure Rule - Result



Using the **Rule Configuration** screen the user will be able to set the result for three types of **RWA Checks**:

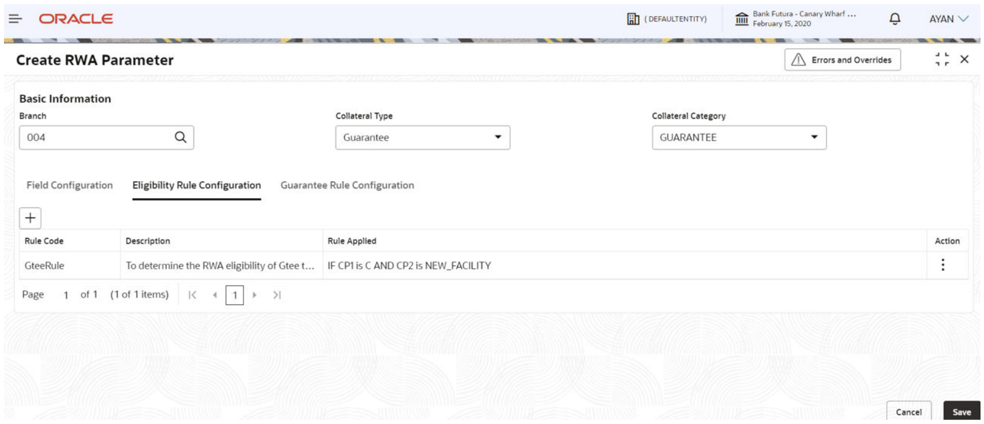
- RWA Global
- RWA Local
- RWA Regional

Also, the user will be able to mention the **Warning** / **Reason** for the ineligibility should be displayed beside which collateral parameter using the field **Display Next to**. This drop-list will list all the Collateral parameters added as part of the **Field configuration** screen.

The user can specify the warning/reason in the **Warning** / **Reason** field.

Once the user is satisfied setting the fact value and the condition, they need to click **Save** to save the rule.

Figure 4-26 Create RWA Parameter - Save



The user can save multiple rules for each of the collateral parameter that has been added as part of the **Field Configuration** screen and in case any of the value of the collateral parameter matches as per rule set in the rule configuration, the result will be RWA ineligible.

Guarantor Rule Configuration

For Guarantee type of collateral one of the parameters to be checked for the **RWA Eligibility** is **Guarantee Rating**. The guarantors rating in this case becomes the guarantee rating however when there are more than one guarantor for the same guarantee then the user will have an added option for **Guarantor Rule Configuration**. Using this rule maintenance the user will be able to define which parameters and the condition of the guarantor that will decide whether guarantor is eligible or not for its rating to be considered for the **Guarantee Rating**.

Figure 4-27 Configure Guarantee - Rule

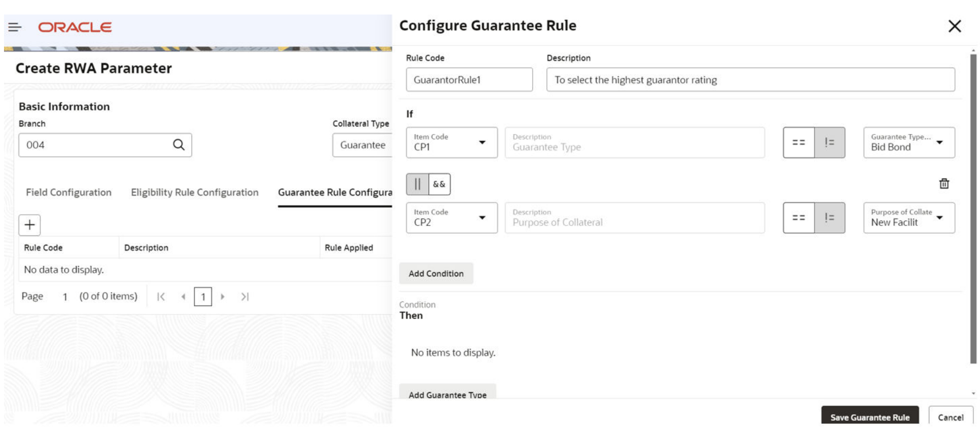
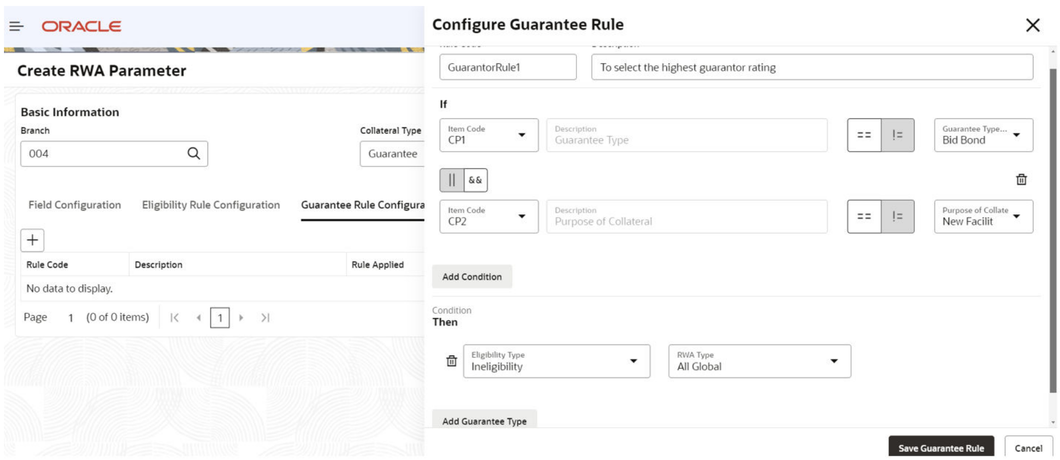


Table 4-8 Configure Guarantee - Rule - Field Description

Field	Description	Sample Value
Rule Code	Provide a code to identify the rule which will determine the parameters of the guarantor to be considered to determine the eligibility of the guarantor.	Refer screenshot.
Description	A short description in order to mention more about the rule being set to determine the eligibility of the guarantor.	Refer screenshot.

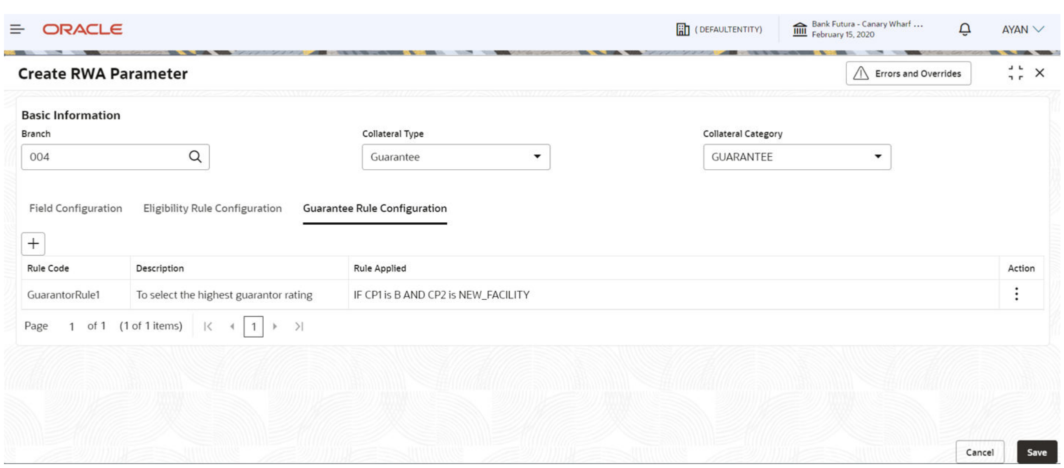
Figure 4-28 Configure Guarantee - Rule



Once the user has defined the **Rule Code** and description the user will be able to mention under **Condition** section, whether the parameters are of particular values then whether the Guarantor is eligible or not for its rating to be considered for the overall guarantee rating.

The user needs to click on **Save Guarantee Rule** to save the **Guarantor Rule**.

Figure 4-29 Save Guarantee Rule



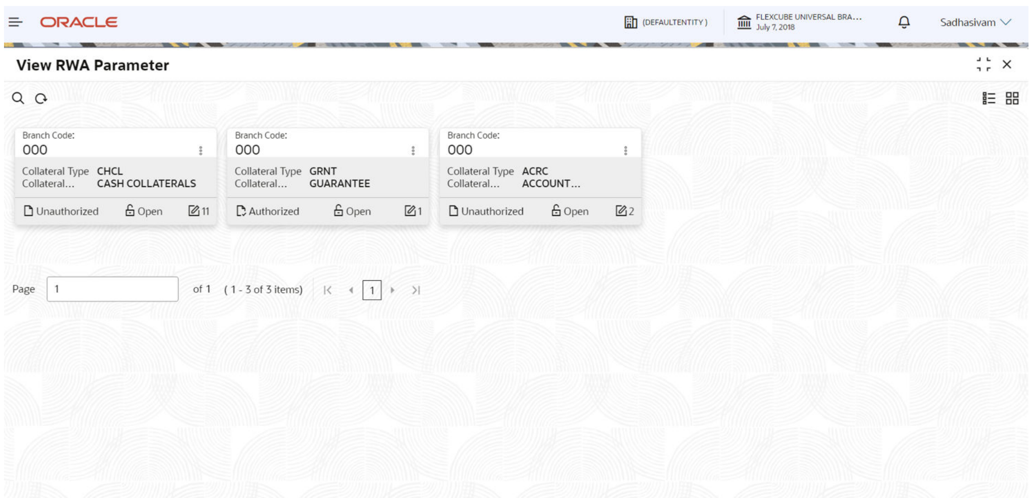
The user needs to click **Save** to save the **RWA Parameter** after saving the:

- **Guarantor Rule** in case of Guarantee type of collateral
  or
- **Eligibility Rule** in case of any other collateral type

4.7.2 View Parameter

To view parameter in the **RWA Eligibility Maintenance**, the record must be in an authorized state. The unauthorized record can be modified only by the user who created the record.

Figure 4-30 View Parameter

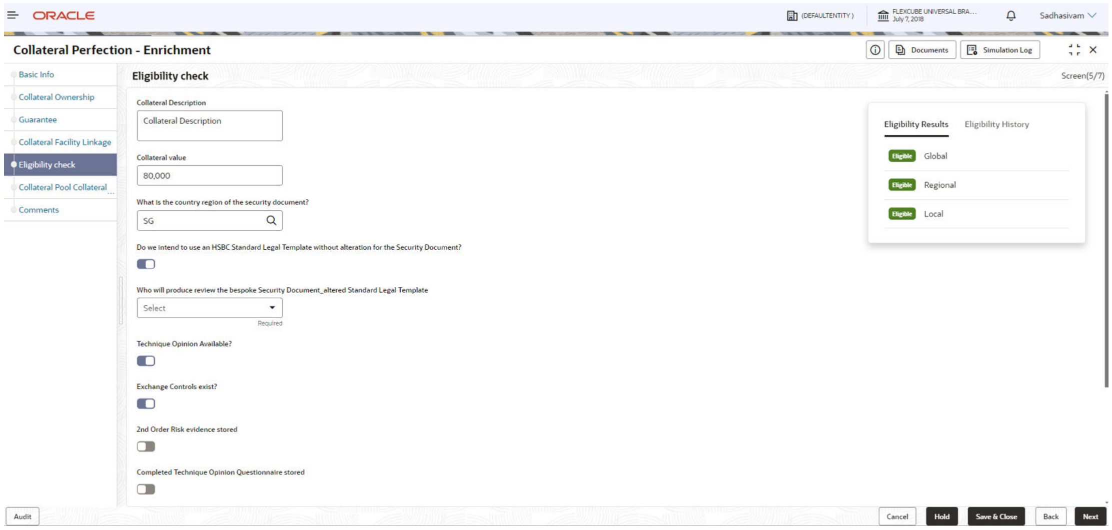


4.8 RWA Eligibility Check

The **RWA Eligibility Check** appears as a data segment in the Collateral Perfection flow. **Collateral Description** and **Collateral Value** are the application data and all other field details the user needs to capture. **Eligibility Results** displayed on the right side of the screen is generated by the system.

> **Note:**
>
> The fields displayed in **RWA Eligibility Check** screen will differ from collateral to collateral depending on the maintenance done using the RWA create parameter.

Figure 4-31 RWA Eligibility Check

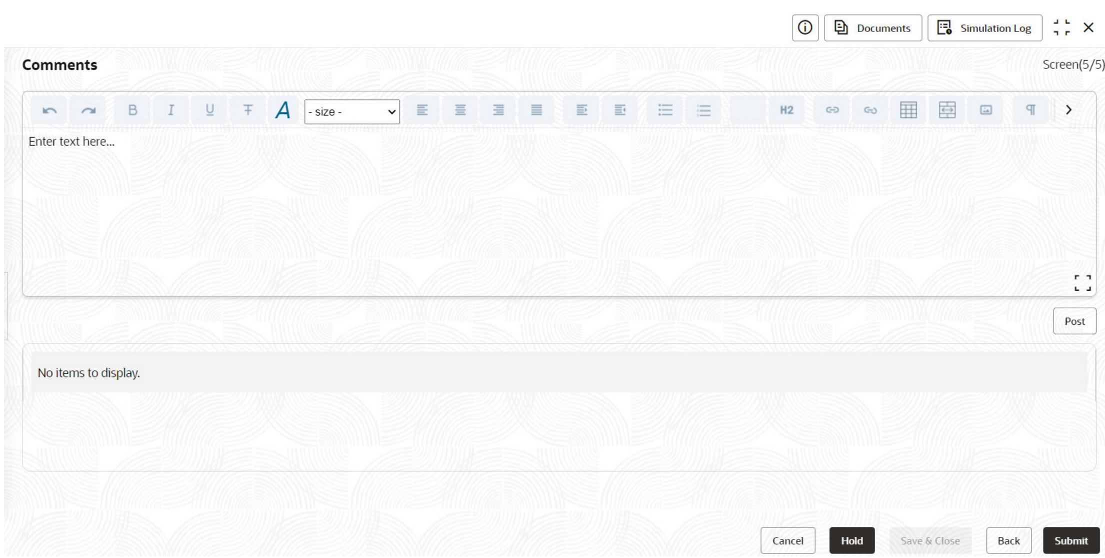


4.9 Comments

The Comments data segment in **Data Enrichment** stage allows you to add your overall comments for the enrichment stage. Adding comments helps the user of next stage to better understand the application.

Click **Next** in the **Collateral Pool Collateral Linkage** data segment, the **Comments** screen is displayed.

Figure 4-32 Data Enrichment - Comments



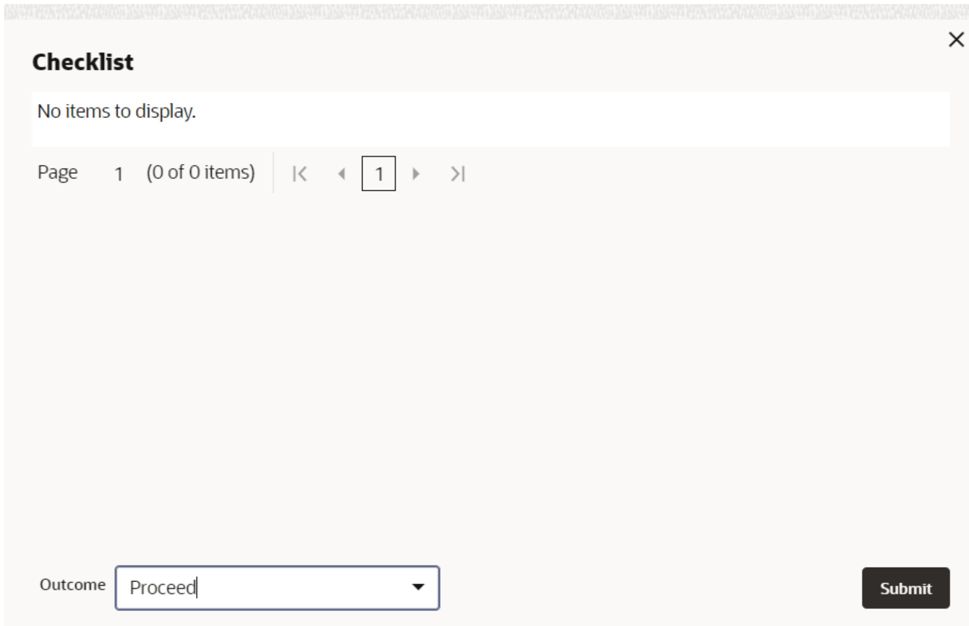
1. Enter comments for Data Enrichment stage in the **Comments** text box.
2. Click **Post**.

Comments are posted below the **Comments** text box.

3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 4-33 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select **Outcome** as **Proceed**.
6. Click **Submit**.

   The **Collateral Perfection** application is moved to the next stage.

5
Risk Evaluation

5.1 Risk Evaluation

The **Risk Evaluation** task is generated, if the Risk Evaluation stage is configured for the selected collateral type in the Business Process configuration. The Risk Officer or the user authorized to edit this task must review the collateral and its documents to verify if the collateral can secure bank's exposure.

The following data segments are available in the Risk Evaluation stage:

- Collateral Summary
- Risk Evaluation
- Comments

5.2 Collateral Summary

In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

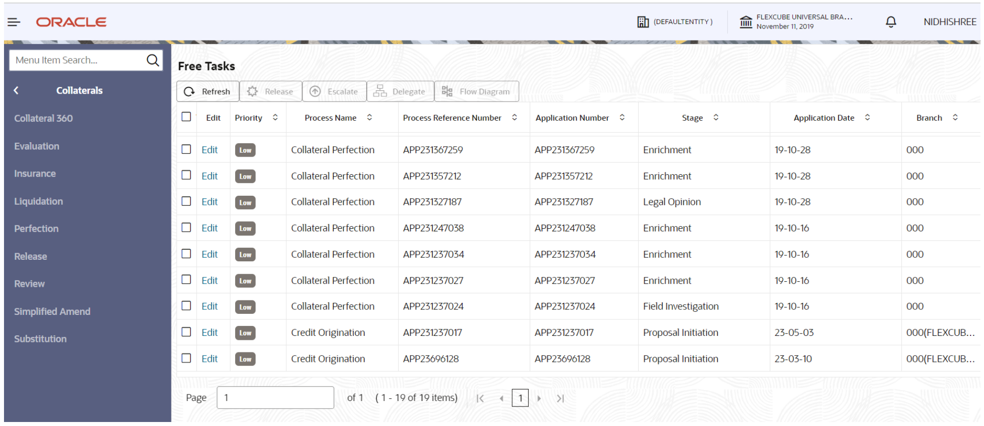
- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

> **Note:**
>
> The Configured Stage Status is updated based on the status of parallel tasks generated in the system.

1. To launch the **Risk Evaluation - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

Figure 5-1 Free Tasks



2. Click **Acquire & Edit** in the required Risk Evaluation task.

   The **Risk Evaluation - Collateral Summary** screen is displayed.

Figure 5-2 Risk Evaluation - Collateral Summary

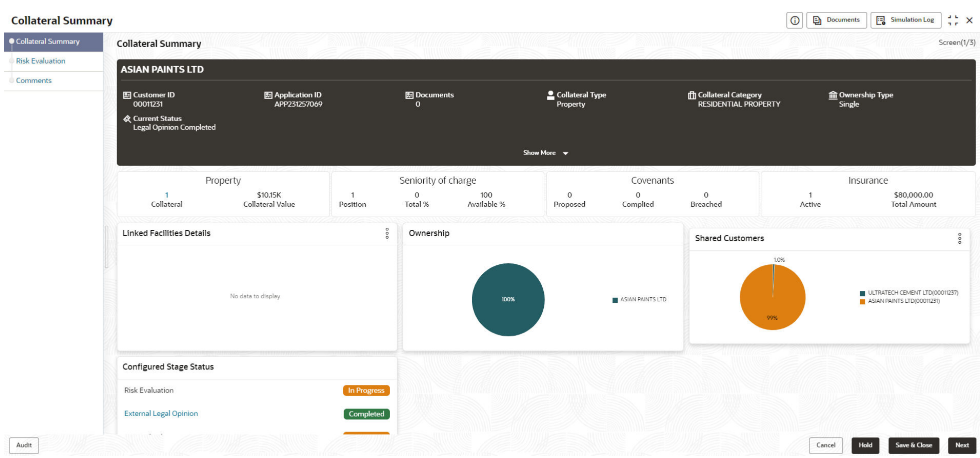
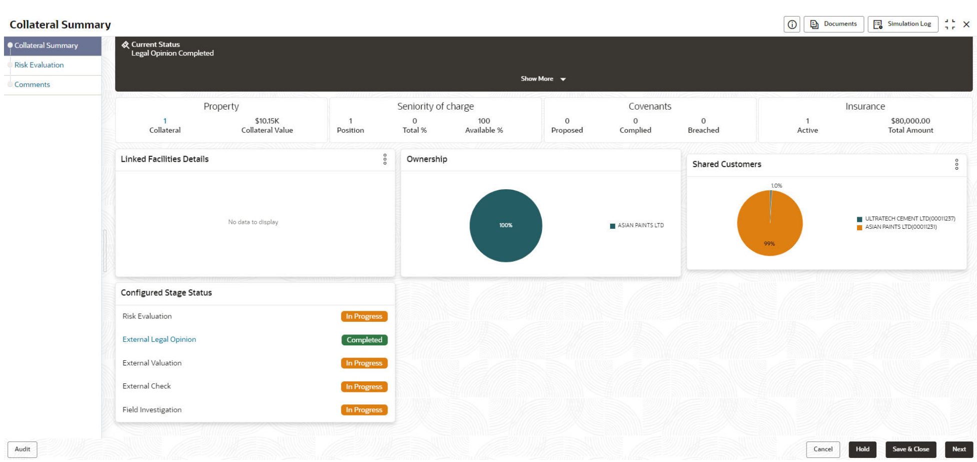


Figure 5-3 Risk Evaluation - Collateral Summary

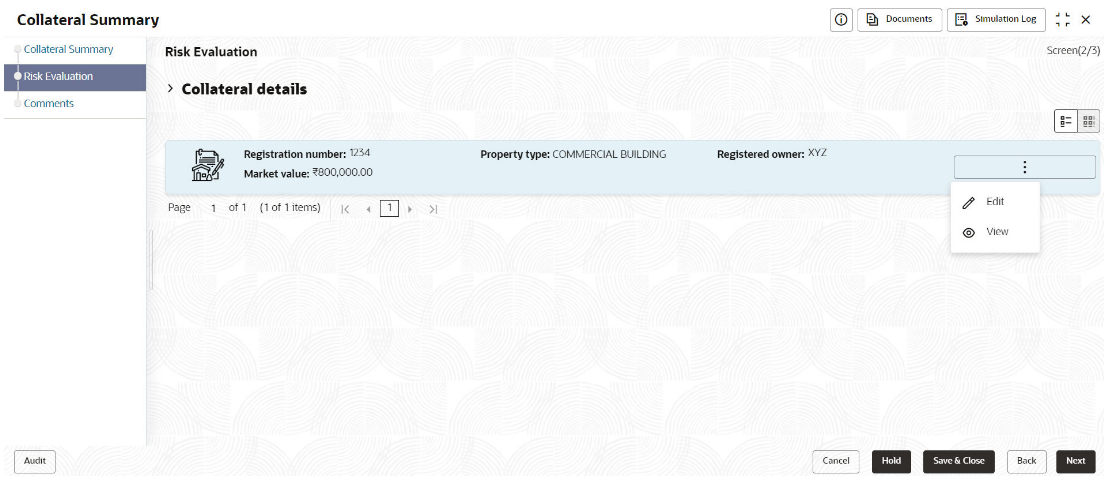


3. View the Collateral Summary and click **Next**.

5.3 Risk Evaluation

Click **Next** in the **Risk Evaluation - Collateral Summary** screen, the Risk Evaluation data segment is displayed.

Figure 5-4 Risk Evaluation

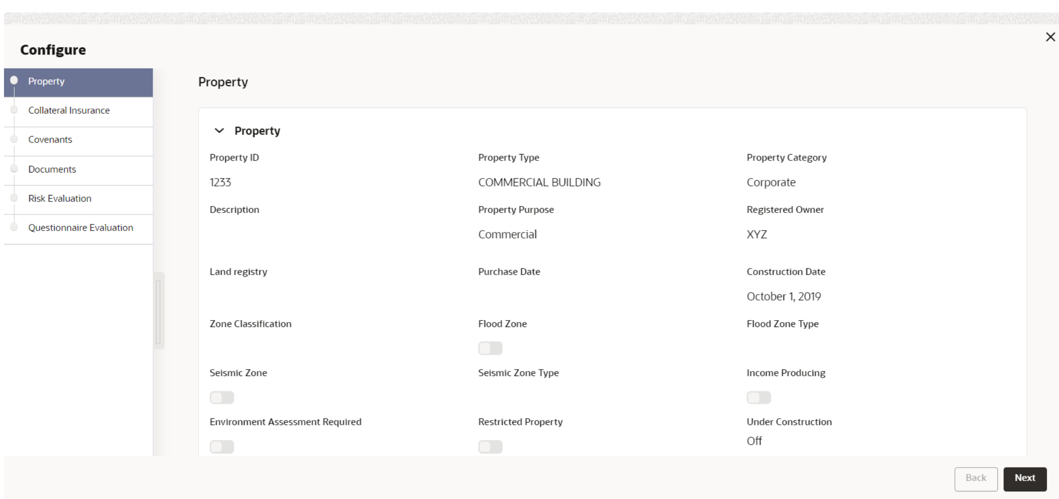


To evaluate the collateral in terms of risk:

1. Click **Action** icon in the collateral record and select **Edit**.

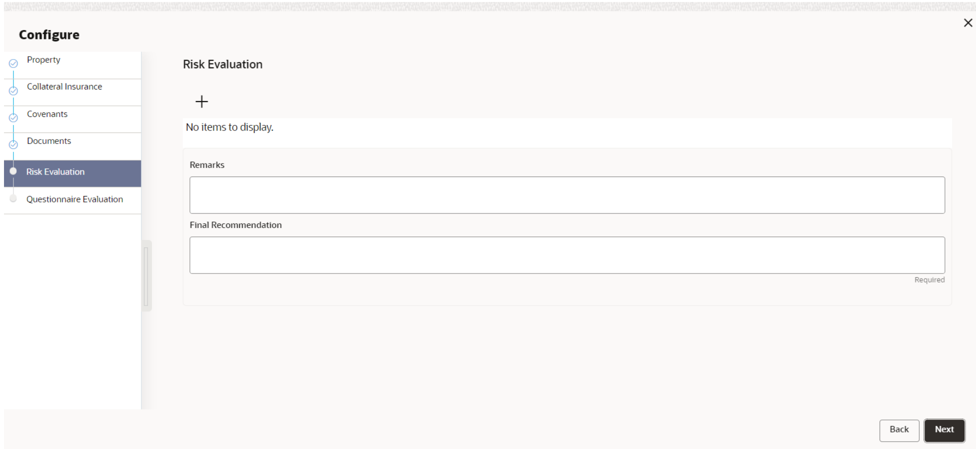
   The **Risk Evaluation - Configure - Collateral Type** screen is displayed.

   Figure 5-5 Risk Evaluation - Configure - Collateral Type

2. Click **Next** and navigate to the **Risk Evaluation** menu.

Figure 5-6 Risk Evaluation - Configure - Risk Evaluation



3. Click **+** icon in the **Risk Evaluation - Configure - Risk Evaluation** screen.

   The **Risk Evaluation Details** window is displayed.

Figure 5-7 Risk Evaluation Details

4. Enter or select the risk evaluation details in the above screen.

   For field level explanation, refer the below table.

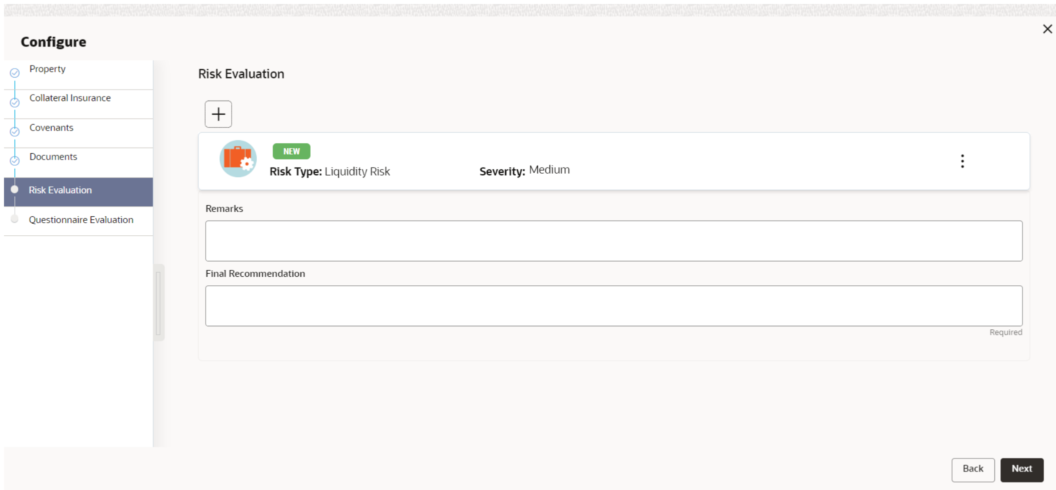
Table 5-1 Risk Evaluation Details - Field Description

Field	Description
Risk Type	Select **Risk Type** from the drop-down list. The options available include but are not limited to: • Currency Risk • Natural Hazardous Risk • Liquidity Risk • Operational Risk • Geo Political Risk • Issue Credit Risk
Severity	Specify **Severity** of risk.
Comments	Specify your risk evaluation **Comments** for the collateral.
Approver Comments	Enter **Approver Comments** for the collateral.

5. Click **+** in the **Risk Evaluation Details** window.

   The risk evaluation details are added and displayed as shown below.

Figure 5-8 Risk Evaluation - Configure - Risk Evaluation Added

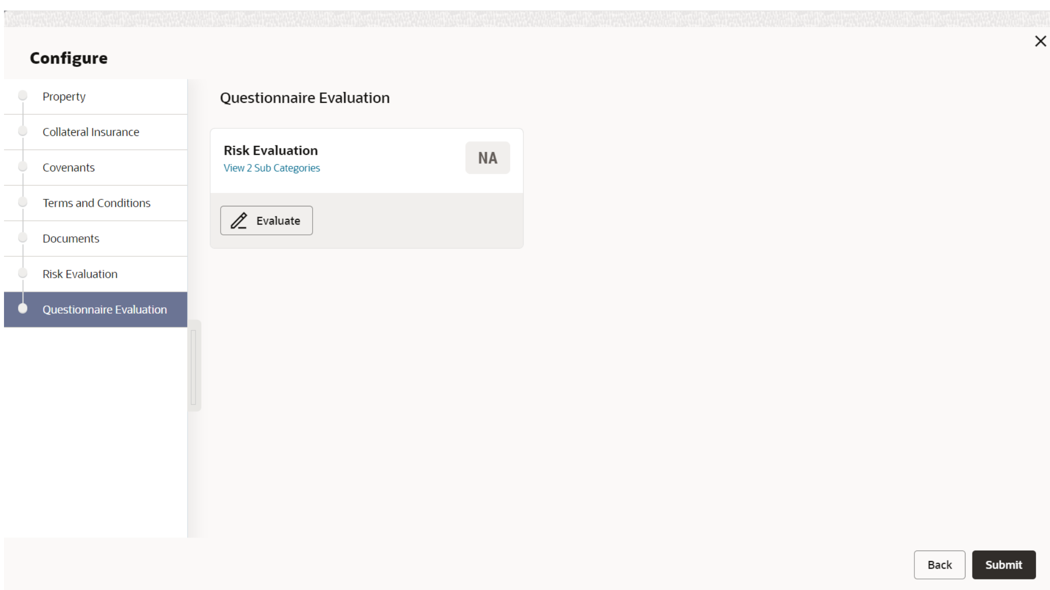


You can **Edit**, **View**, or **Delete** the added risk evaluation detail by clicking **Action** icon and selecting the required option.

6. After capturing risk evaluation details, click **Next**.

   The **Risk Evaluation - Configure - Questionnaire Evaluation** screen is displayed.

Figure 5-9 Risk Evaluation - Configure - Questionnaire Evaluation



Note:

In the above screen, the questionnaires linked to the Risk Evaluation stage in Business Process configuration are displayed. You can manage the questionnaire process linkage in **Maintenance** module.

7. Click **Evaluate**.

   The **Questionnaire** window is displayed.

Figure 5-10 Questionnaire

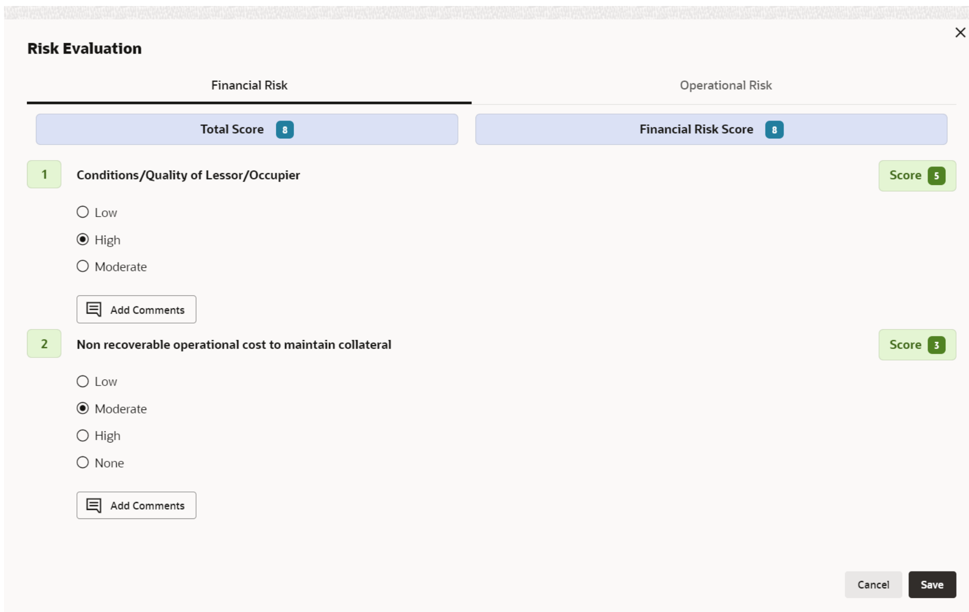
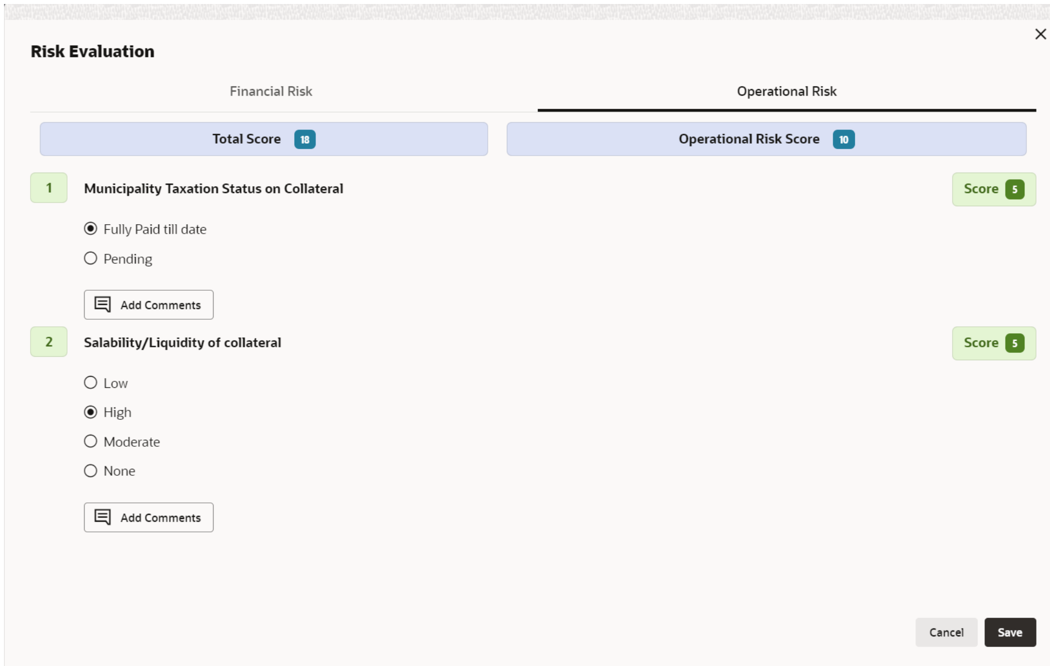


Figure 5-11 Questionnaire

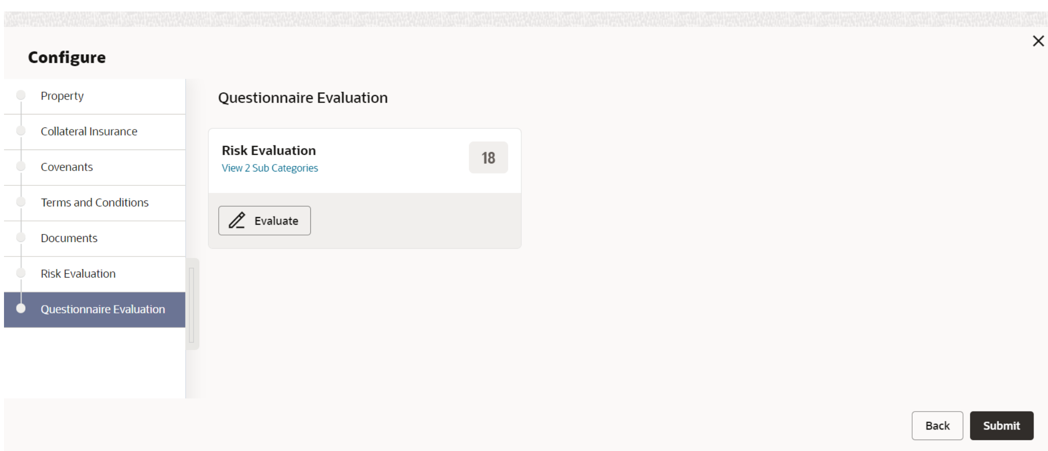


8. Select correct answer for all the displayed questions in **Financial Risk** and **Operational Risk** and click **Save**.

   In case of multiple questions, the right arrow appears in the **Questionnaire** screen. Click the right arrow to view next question.

   Once the evaluation is completed, the system displays the overall score for evaluation in **Risk Evaluation - Configure - Questionnaire** screen based on the score generated for each answer provided in the **Questionnaire** screen.

Figure 5-12 Questionnaire



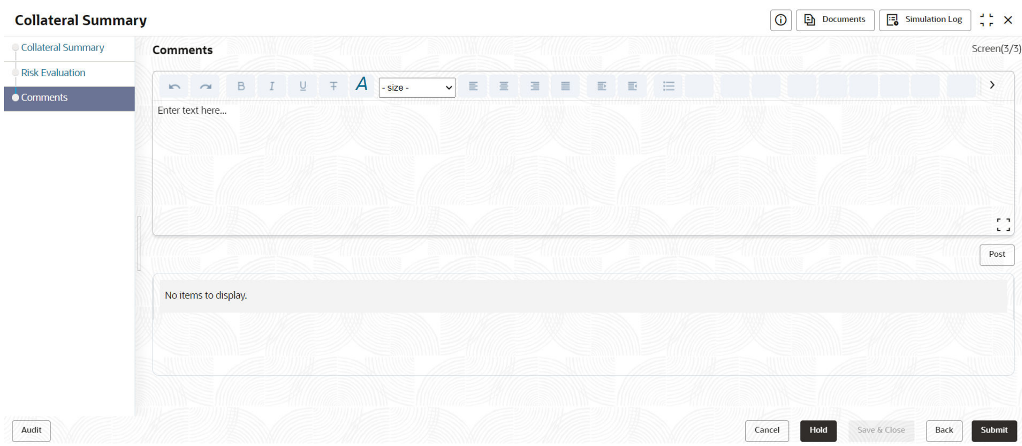
9. After performing all the evaluation, click **Submit**.

5.4 Comments

The Comments data segment allows you to post overall comments for the Risk Evaluation stage. Posting comments helps the user of next stage to better understand the application.

Click **Next** in the **Risk Evaluation** screen, the **Comments** data segment is displayed.

Figure 5-13 Risk Evaluation - Comments

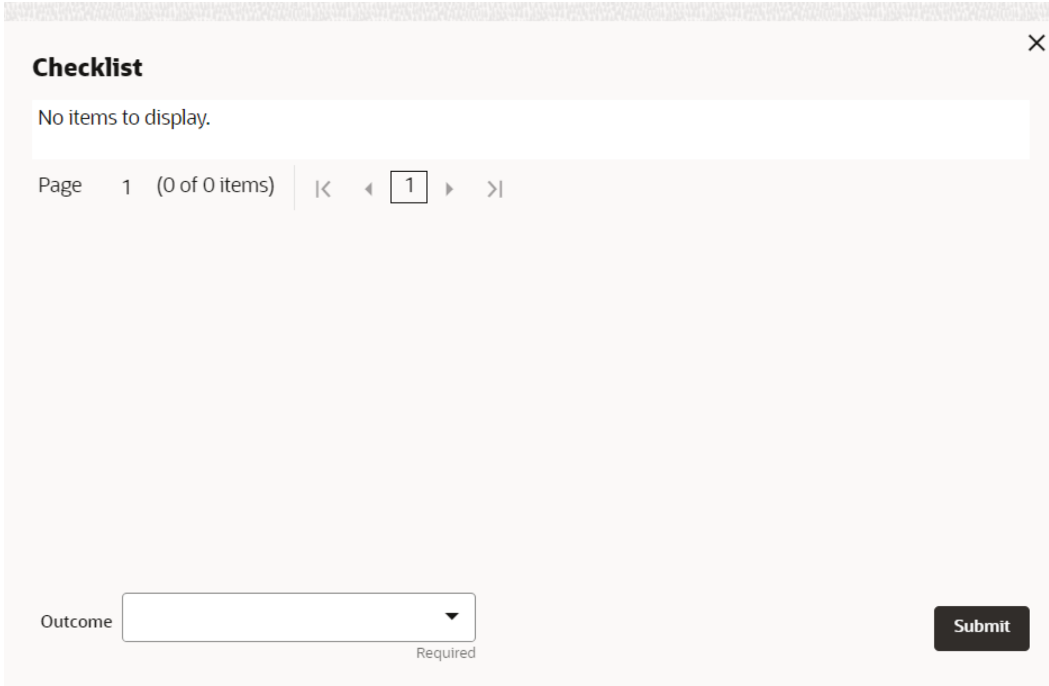


1. Enter your comments for the Risk Evaluation stage in the **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below the **Comments** text box.
3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 5-14 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select the required **Outcome** and click **Submit**.

   The options available in the drop-down list are:

   - Proceed
   - Additional Info

   If **Proceed** is selected as the **Outcome**, the application is moved to the next stage after successful completion of all the parallel stages.

   If **Additional Info** is selected as the **Outcome**, the application is moved back to the previous stage.

6
External Valuation

6.1 External Valuation

External valuation of collateral is applicable for certain collateral types like Property for which external advice is required. During external valuation, the external agencies specialized in valuation perform various analysis and arrive at the collateral's market value. In this stage of Collateral Perfection process, the Credit Officer must capture and store the external valuation details collected from the external agencies.

The following data segments are available in the External Valuation stage:

- Collateral Summary
- External Valuation
- Comments

6.2 Collateral Summary

In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

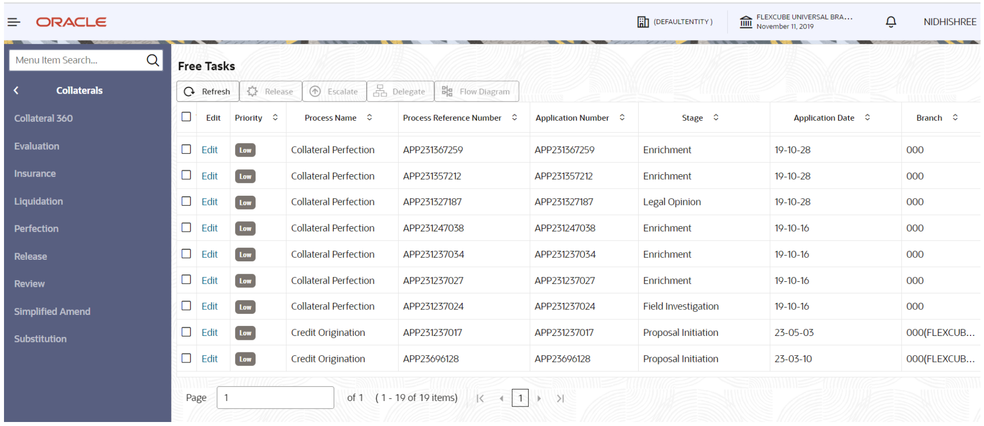
- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

> **Note:**
>
> The Configured Stage Status is updated based on the status of parallel tasks generated in the system.

1. To launch the **External Valuation - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

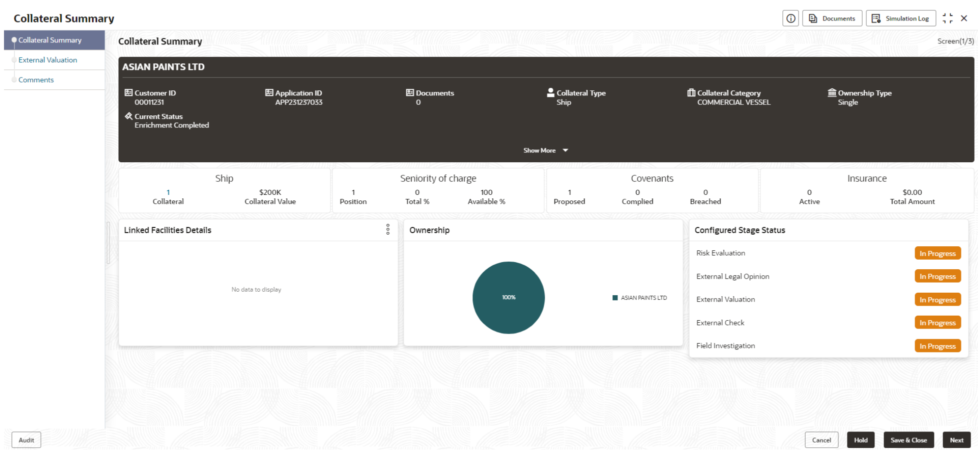
Figure 6-1 Free Tasks



2. Click **Acquire & Edit** in the required External Check task.

   The **External Valuation - Collateral Summary** screen is displayed.

Figure 6-2 External Valuation - Collateral Summary

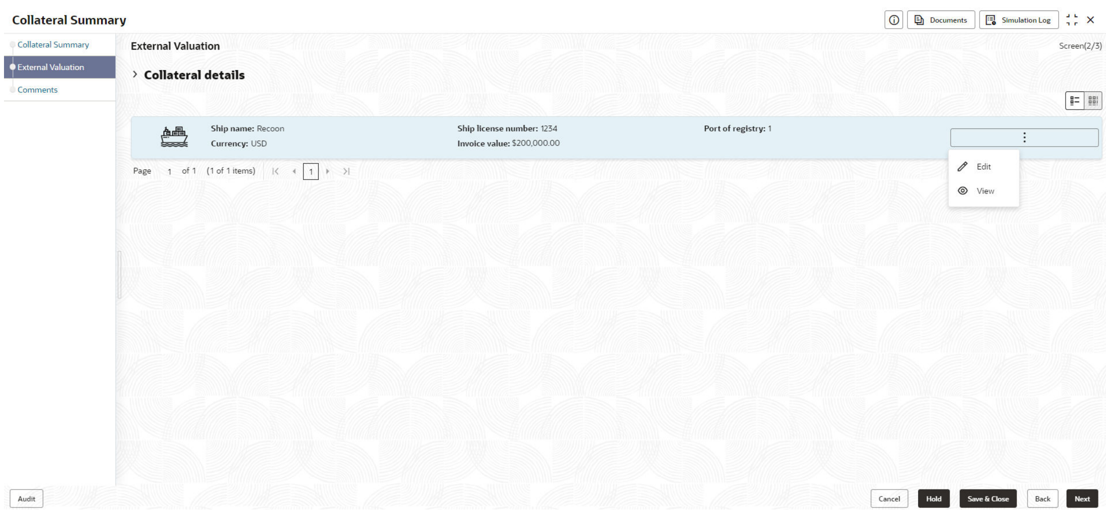


3. View the Collateral Summary and click **Next.**

6.3 External Valuation

Click **Next** in the **External Valuation - Collateral Summary** screen, the External Valuation data segment is displayed.

Figure 6-3 External Valuation



To capture the external valuation details for the collateral:

1. Click **Action** icon in the collateral record and select **Edit**.

   The **External Valuation - Configure - Collateral Type** screen is displayed.

   Figure 6-4 External Valuation - Configure - Collateral Type

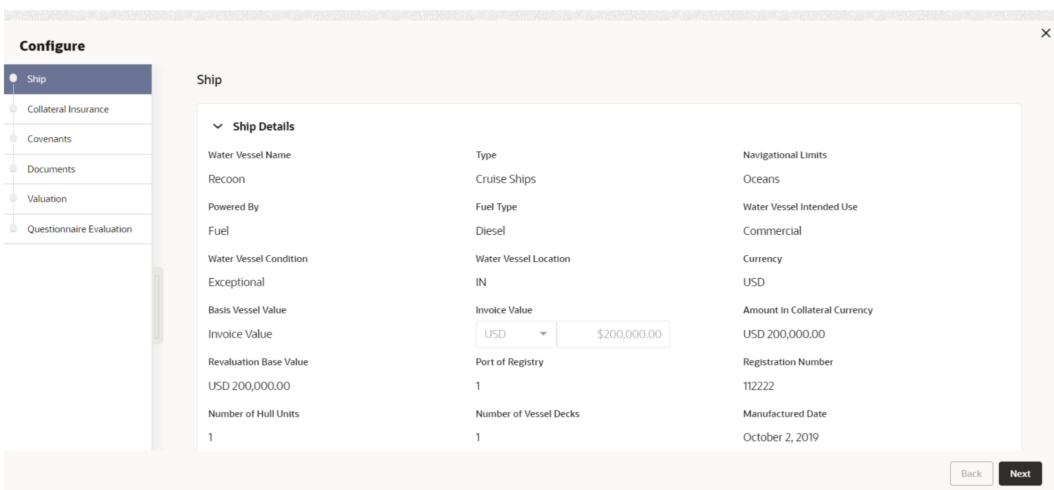
   

Figure 6-5 External Valuation - Configure - Collateral Type

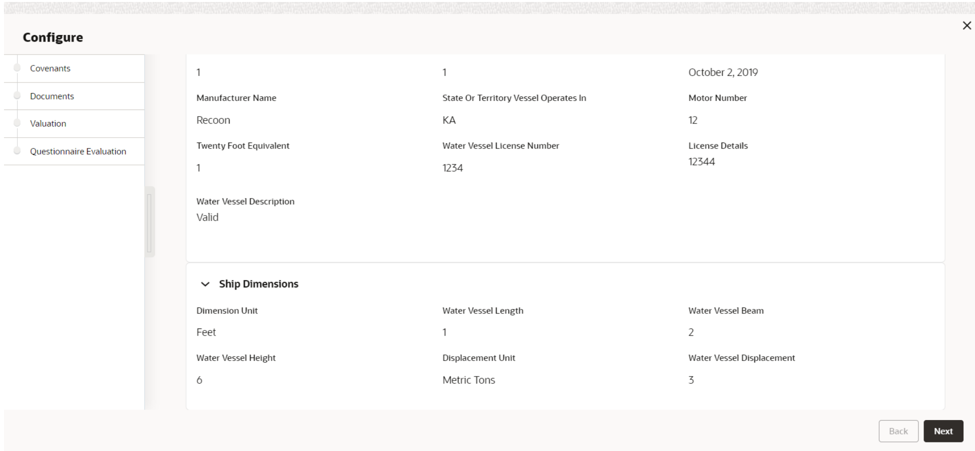
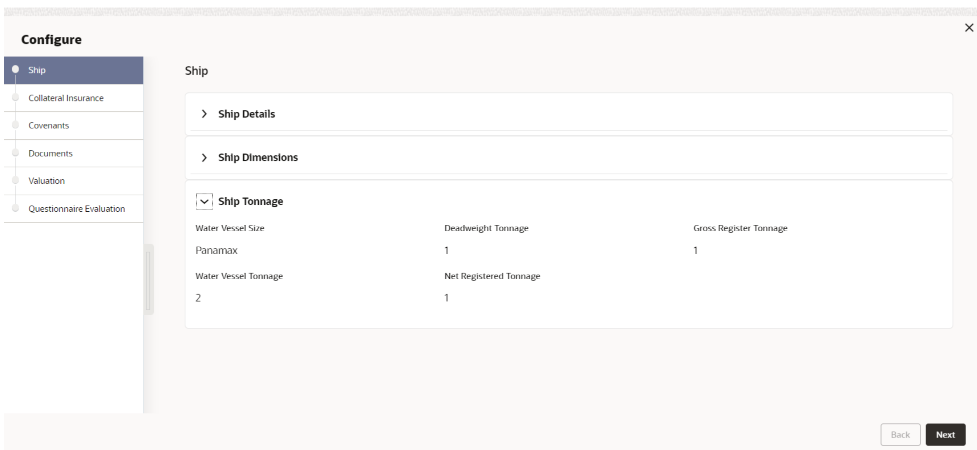
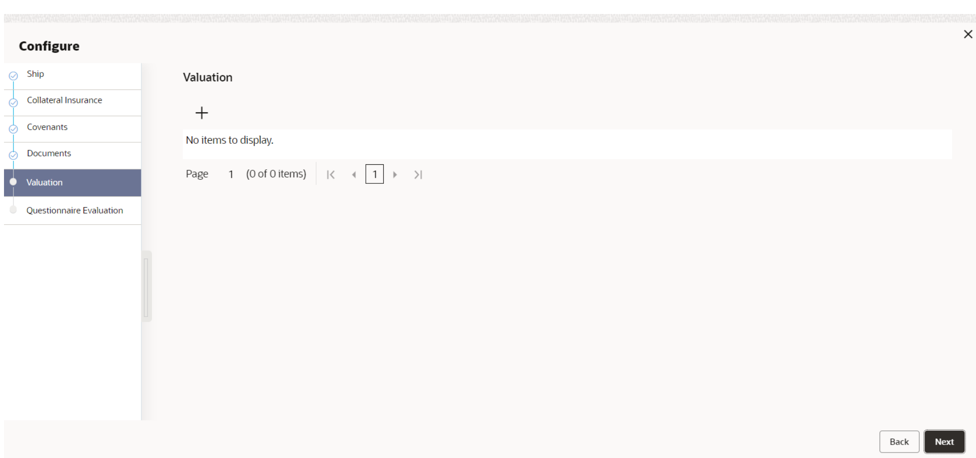


Figure 6-6 External Valuation - Configure - Collateral Type



2. Click **Next** and navigate to **Valuation** menu.

Figure 6-7 External Valuation - Configure - Valuation



3. Click **+** icon in **External Valuation - Configure - Valuation** screen.

   The **External Valuation Details** window is displayed.

Figure 6-8 External Valuation Details

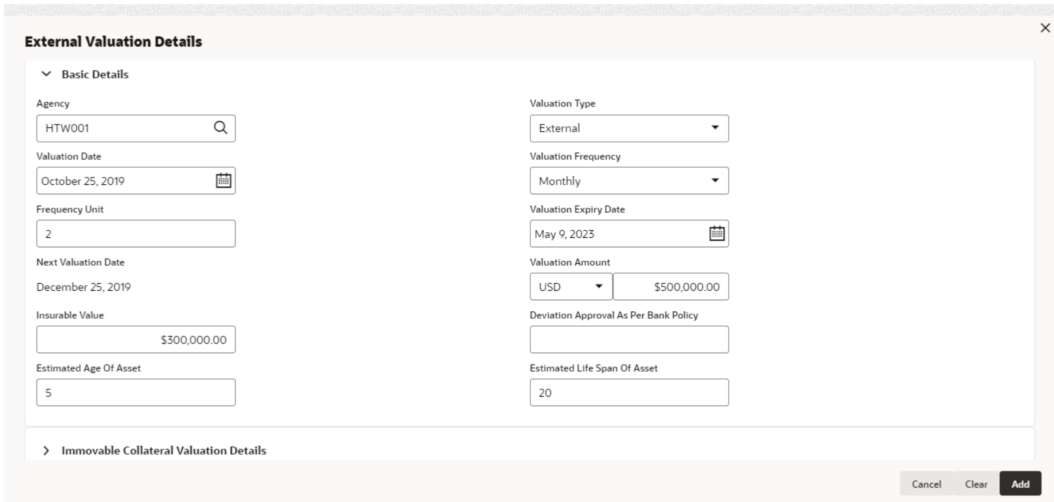
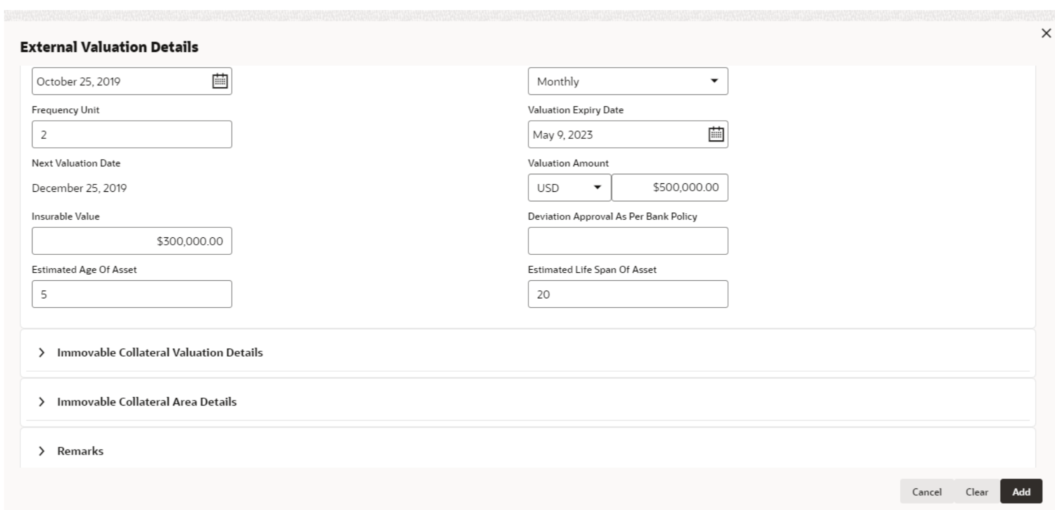


Figure 6-9 External Valuation Details



4. Enter or select external valuation details in the above screen.

   For field level explanation, refer the below table.

Table 6-1 Basic Details - Field Description

Field	Description
Agency	Search and select **Agency** which performed external valuation.
Valuation Type	Select **Valuation Type** as **External**.
Valuation Date	Specify the date on which the external valuation is carried out.

Table 6-1 (Cont.) Basic Details - Field Description

Field	Description
Valuation Frequency	Select **Valuation Frequency** from the drop-down list.
Frequency Unit	Specify the number of times the valuation must be done in the selected **Valuation Frequency**.
Valuation Expiry Date	Specify the date till which the valuation is valid.
Next Valuation Date	**Next Valuation Date** is displayed based on the specified **Valuation Date, Valuation Frequency** and **Frequency Unit**.
Valuation Amount	Select a currency and specify the collateral **Valuation Amount**.
Insurable Value	Specify **Insurable Value** of the asset.
Deviation Approval As Per Bank Policy	Provide the approval details in case there is any deviation in the construction from the approved plan and the bank has approved the deviation.
Estimated Age of Asset	Specify **Estimated Age of Asset**.
Estimated Life Span of Asset	Specify **Estimated Life Span of Asset**.

Figure 6-10 Immovable collateral valuation details

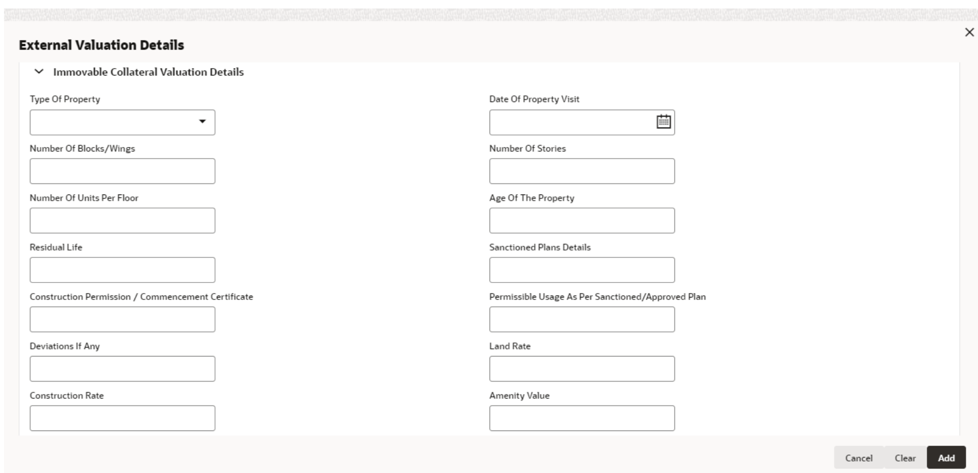


Figure 6-11 Immovable collateral valuation details

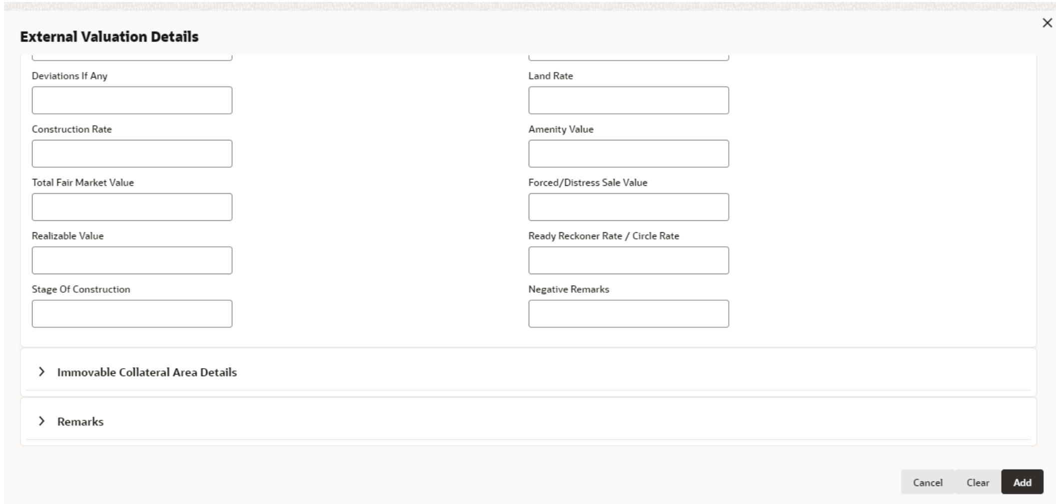


Table 6-2 Immovable Collateral Valuation Details - Field Description

Field	Description
Type of Property	Select **Type of Property** from the drop-down list. The options available are: • Urban • Rural • Semi-Urban
Date of Property Visit	Specify the date on which the valuation agency has visited the property.
Number of Blocks/Wings	Specify the number of blocks or wings in the property.
Number of Stories	Specify **Number of Stories** available in the building.
Number of Units Per Floor	Specify **Number of Units Per Floor**.
Age of the Property	Specify **Age of the Property**.
Residual Life	Specify the remaining life of the building in years.
Sanctioned Plan Details	Provide details about the plan sanctioned for building construction.
Construction Permission / Commencement Certificate	Provide details of construction permission from the local authority.
Permissible Usage As Per Sanctioned/ Approved Plan	Specify the purpose of building as per the permission obtained from the local authority.
Deviations If Any	If there is any deviation in the construction from the approved plan, specify the deviation details.
Land Rate	Specify **Land Rate** in the locality.
Construction Rate	Specify cost of construction per unit.
Amenity Value	Specify value of other amenities provided to the party's.
Total Fair Market Value	Specify fair market value of the building or apartment or unit.
Forced/Distress Sale Value	Specify possible sale value in case of default by party.
Realizable Value	Specify value of realization in case of sale.
Ready Reckoner Rate/ Circle Rate	Specify indexed rate or prevailing rate in the locality.

Table 6-2 (Cont.) Immovable Collateral Valuation Details - Field Description

Field	Description
Stage of Construction	Specify current **Stage of Construction**.
Negative Remarks	Capture **Negative Remarks** from the External Valuator, if any.

Figure 6-12 Immovable Collateral Area Details

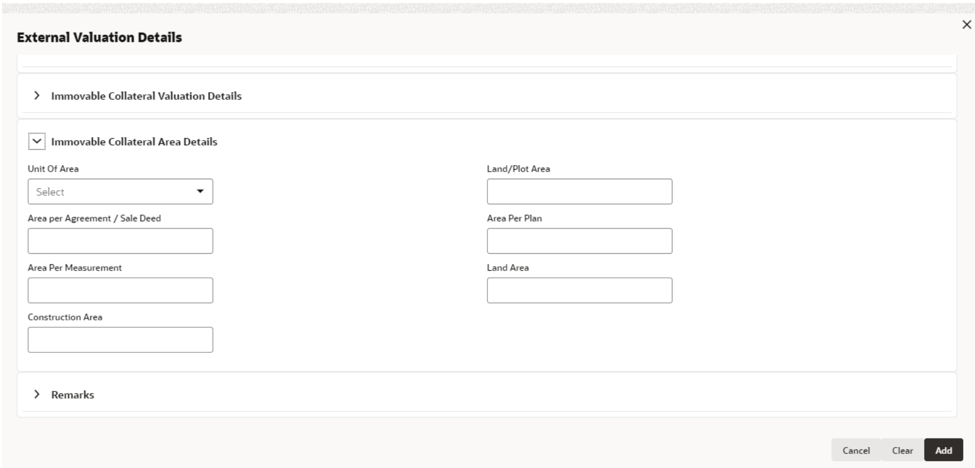


Figure 6-13 Immovable Collateral Area Details

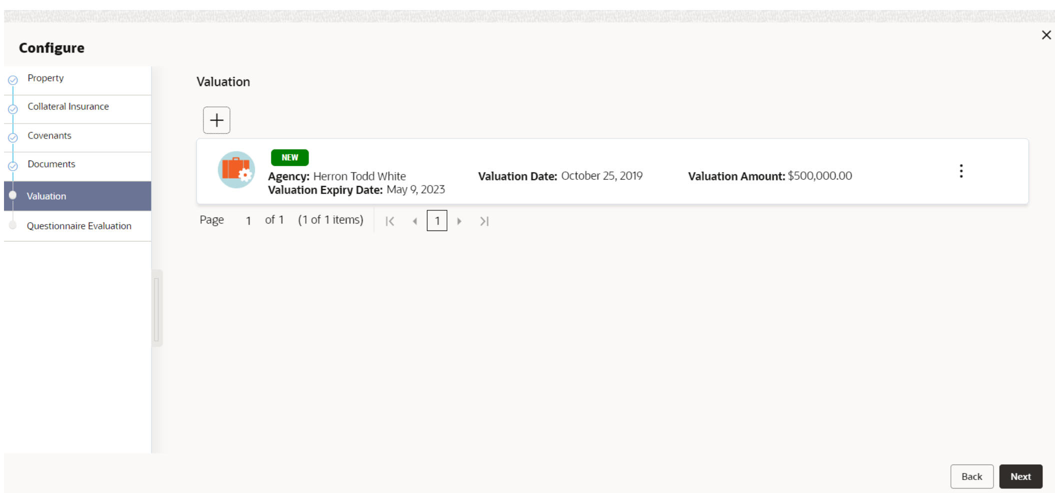
Table 6-3 Immovable Collateral Valuation Details - Field Description

Field	Description
Unit of Area	Select **Unit of Area** from the drop-down list. The options available are: • Acre • Hectare • Square Meter • Square Yard
Land/Plot Area	Specify **Land/Plot Area** in the selected unit.
Area per Agreement / Sale Deed	Specify area as mentioned in the sale deed or agreement.
Area Per Plan	Specify area covered per flat as per the building plan.
Area Per Measurement	Specify property area as per measurement.
Land Area	Specify **Land Area** in the selected unit.
Construction Area	Specify total **Construction Area** on the land.
Remarks	Specify bank user **Remarks**.
Valuer Remarks	Capture **Valuer Remarks** for the collateral.

5. Click **+** in the **External Valuation Details** window.

   The external valuation details are added and displayed as shown below.

Figure 6-14 External Valuation Details

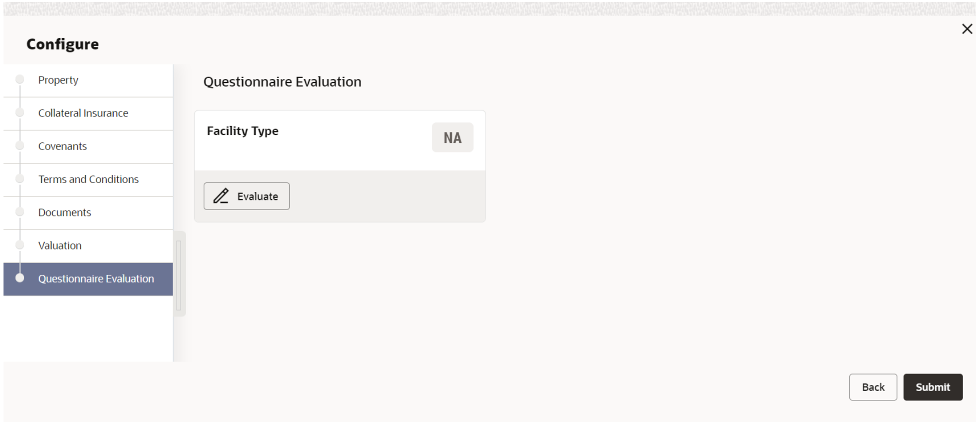


   You can **Edit**, **View**, or **Delete** the added external valuation detail by clicking the **Action** icon and selecting the required option.

6. After capturing external valuation details, click **Next**.

   The **External Valuation - Configure - Questionnaire Evaluation** screen is displayed.

Figure 6-15 External Valuation - Configure - Questionnaire Evaluation

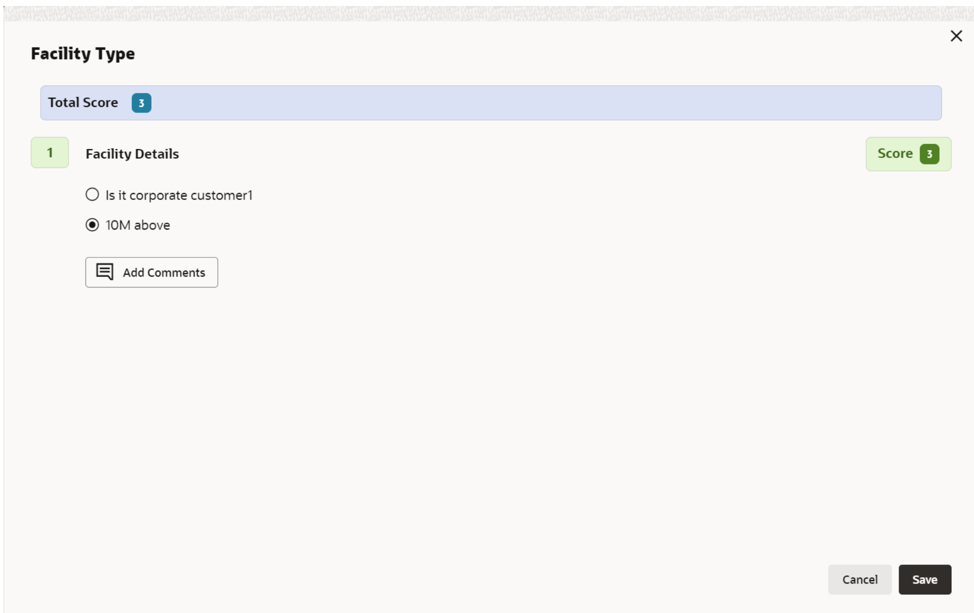


> **Note:**
>
> In the above screen, the questionnaires linked to the External Valuation stage in Business Process configuration are displayed. You can manage the questionnaire process linkage in **Maintenance** module.

7. Click **Evaluate**.

   The **Questionnaire** window is displayed.

Figure 6-16 Questionnaire

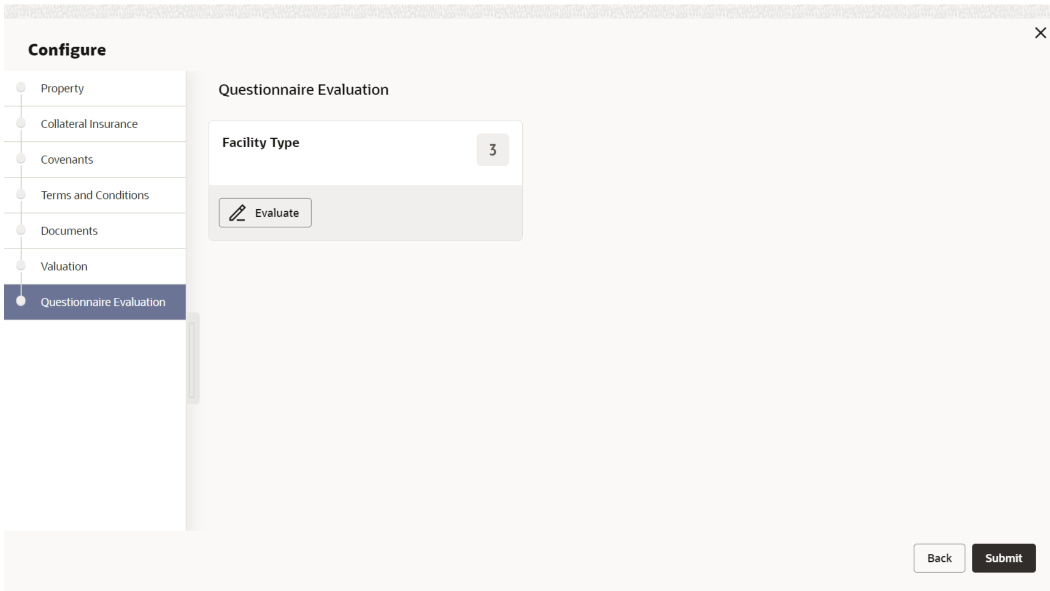


8. Select correct answer for the displayed question and click **Save**.

   In case of multiple questions, the right arrow appears in the **Questionnaire** screen. Click the right arrow to view next question.

Once the evaluation is completed, the system displays the overall score for evaluation in **External Valuation - Configure - Questionnaire Evaluation** screen based on the score generated for each answer provided in the **Questionnaire** screen.

Figure 6-17 Questionnaire



9. After performing all the evaluation, click **Submit**.

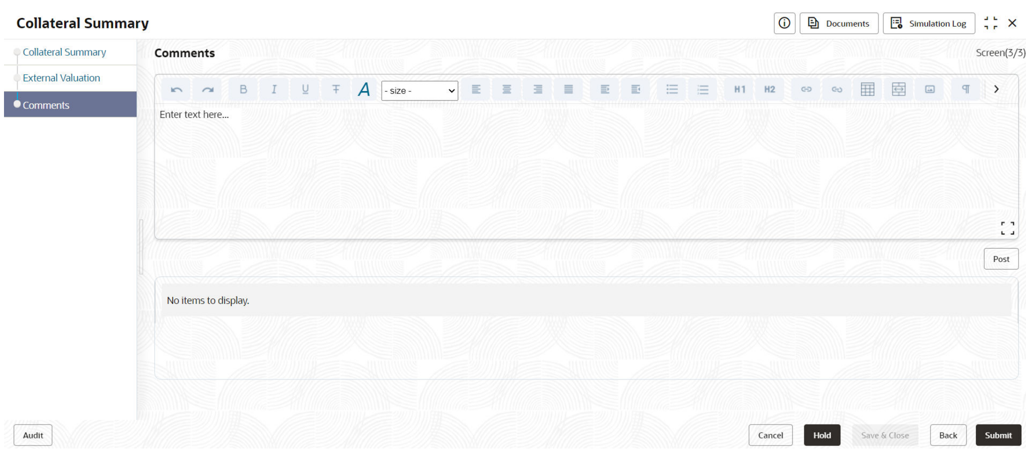
> **Note:**
>
> If the minimum number of external valuation record is not added, the system prompts an error message based on the configured rule. You can capture the appropriate remarks and proceed to the next stage by obtaining exception approval or add the external valuation records at a later date.

6.4 Comments

The Comments data segment allows you to post overall comments for the External Valuation stage. Posting comments helps the user of next stage to better understand the application.

Click **Next** in the **External Valuation** screen, the **Comments** data segment is displayed.

Figure 6-18 External Valuation - Comments

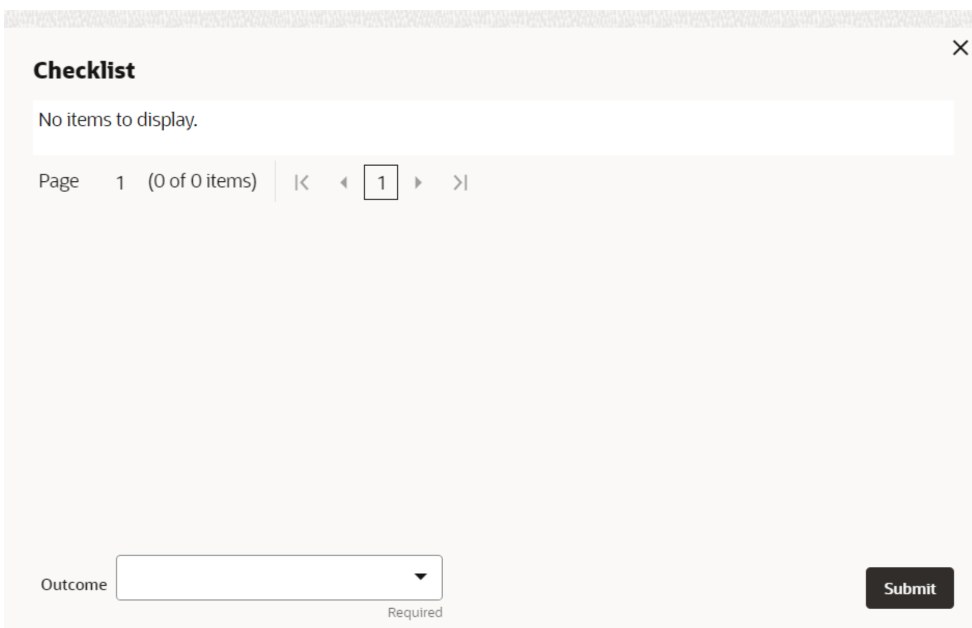


1. Enter your comments for the External Valuation stage in the **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below the **Comments** text box.
3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 6-19 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select the required **Outcome** and click **Submit**.

   The options available in the drop-down list are:

   - Proceed

- Additional Info

If **Proceed** is selected as the **Outcome**, the application is moved to the next stage after successful completion of all the parallel stages.

If **Additional Info** is selected as the **Outcome**, the application is moved back to the previous stage.

7

Legal Opinion

7.1 Legal Opinion

The Legal Opinion task is generated, if the Legal opinion stage is configured for the selected collateral type in the Business Process configuration. The user authorized to edit this task must capture the external legal opinion for the collateral from external agencies. The following data segments are available in the Legal Opinion stage:

- Collateral Summary
- Legal Opinion
- Comments

7.2 Collateral Summary

In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

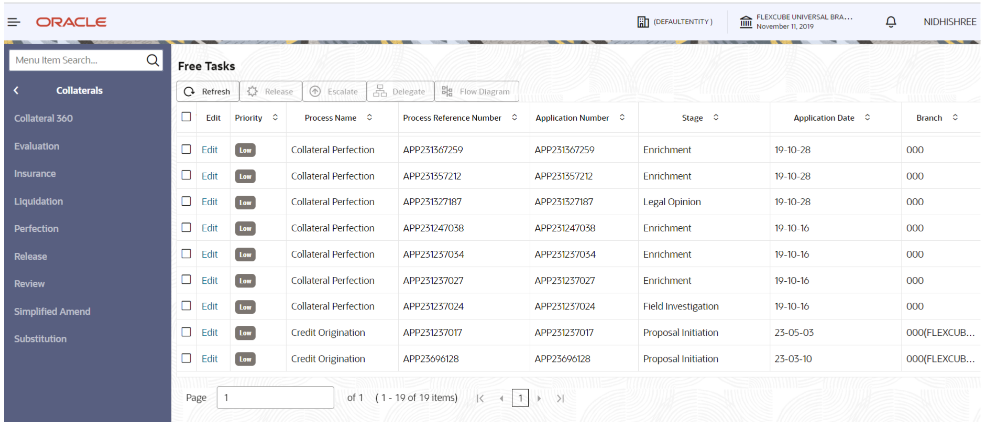
- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

> **Note:**
>
> The Configured Stage Status is updated based on the status of parallel tasks generated in the system.

1. To launch the **Legal Opinion - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

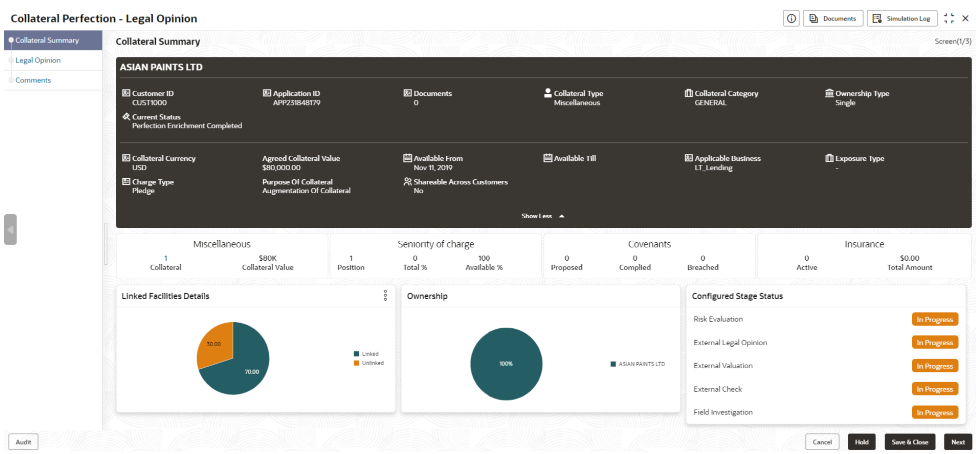
Figure 7-1 Free Tasks



2. Click **Acquire & Edit** in the required Legal Opinion task.

   The **Legal Opinion - Collateral Summary** screen is displayed.

Figure 7-2 Legal Opinion - Collateral Summary

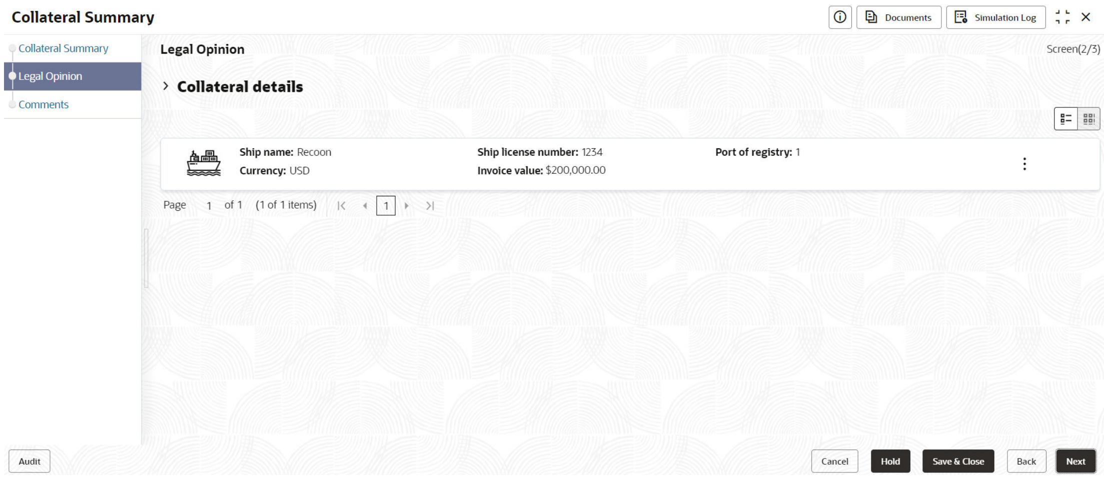


3. View the Collateral Summary and click **Next**.

7.3 Legal Opinion

Click **Next** in the **Legal Opinion - Collateral Summary** screen, the Legal Opinion data segment is displayed.

Figure 7-3 Legal Opinion

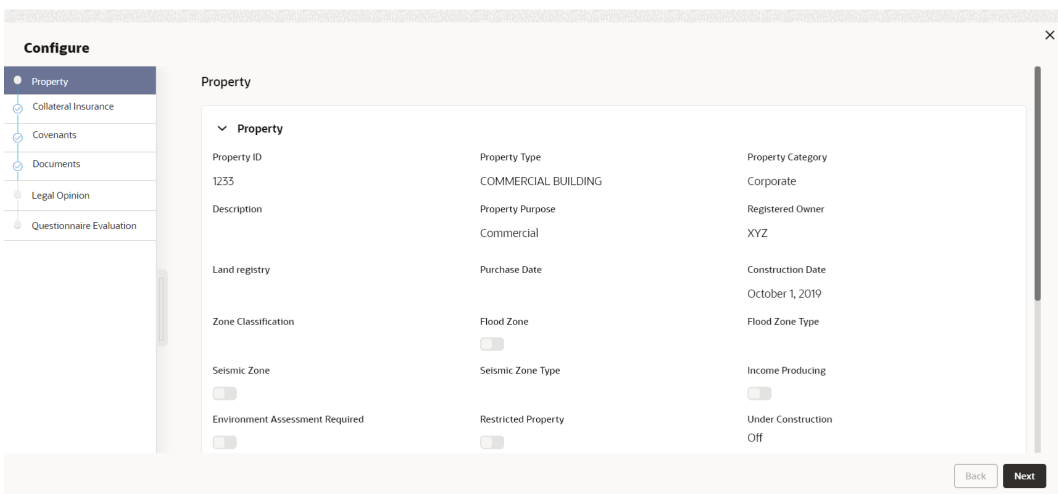


To capture the Legal Opinion for the collateral:

1. Click **Action** icon in the collateral record and select **Edit**.

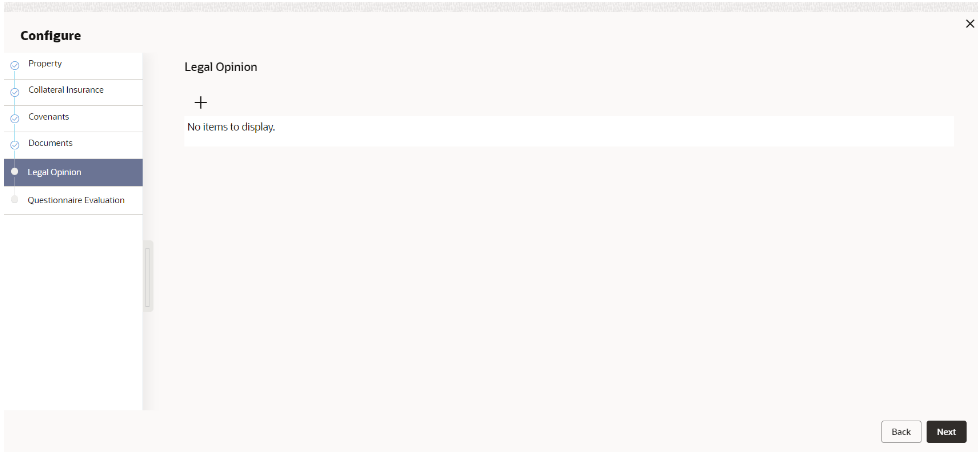
   The **Legal Opinion - Configure - Collateral Type** screen is displayed.

   ### Figure 7-4 Legal Opinion - Configure - Collateral Type

2. Click **Next** and navigate to the **Legal Opinion** menu.

Figure 7-5 Legal Opinion - Configure - Legal Opinion



3. Click **+** icon in **Legal Opinion - Configure - Legal Opinion** screen.

   The **Legal Opinion Details** window is displayed.

Figure 7-6 External Legal Opinion Details

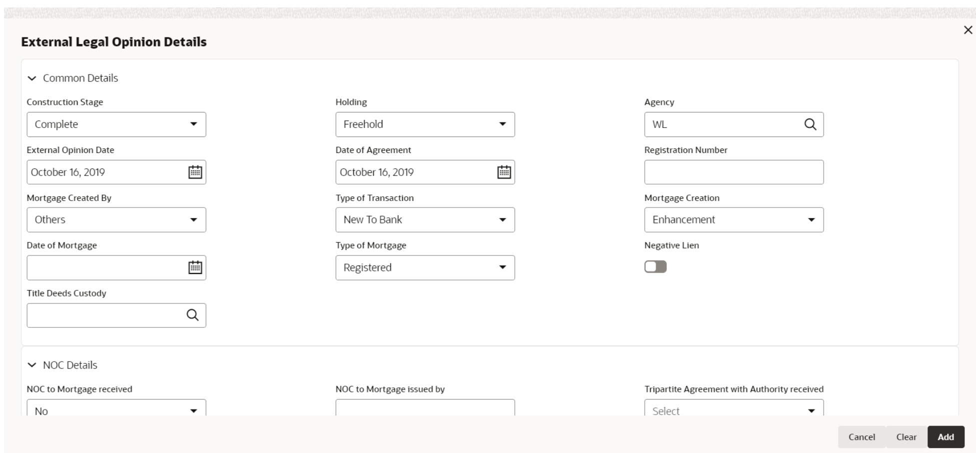


Figure 7-7 Legal Opinion Details

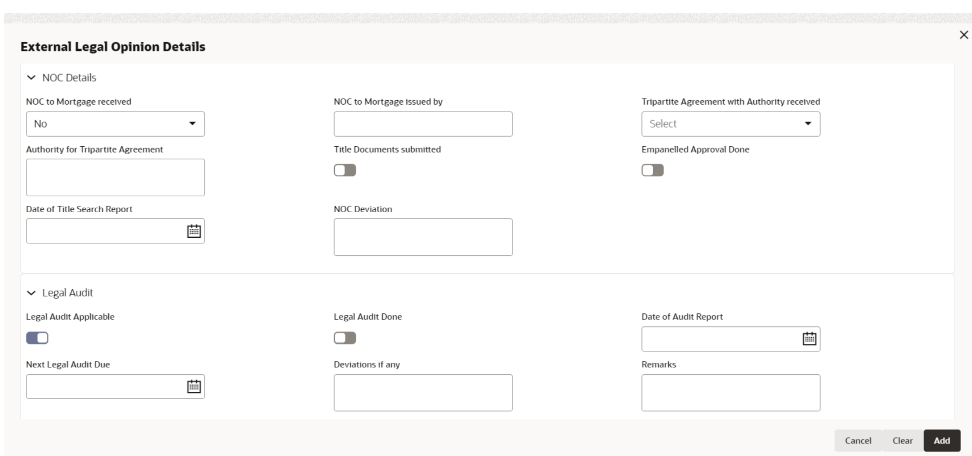
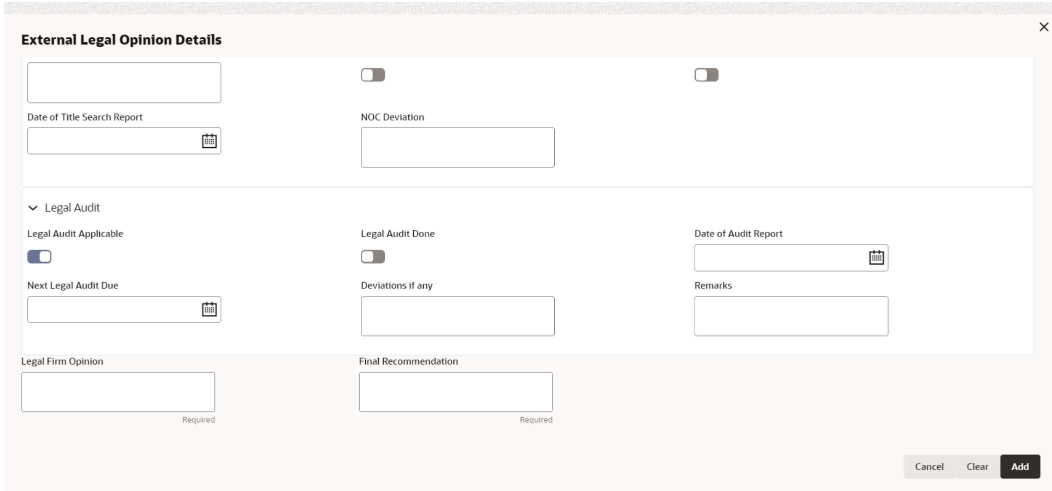


Figure 7-8 Legal Opinion Details



4. Enter or select external legal opinion details in the above screen.

   For field level explanation, refer the below table.

Table 7-1 Common Details - Field Description

Field	Description
Construction Stage	Select the stage of construction from the drop down list. The options available are: • Complete • Under Construction
Holding	Specify if the property is **Freehold** or **Leasehold**.
Agency	Select **Agency** from which the legal opinion is obtained.
External Opinion Date	Specify the date on which the external legal opinion is captured.
Date of Agreement	Specify the date of lease agreement.
Registration Number	Specify the property **Registration Number**.
Mortgage Created By	Select the bank or security trustee who created the mortgage. The options available in the drop-down list are: • Own Bank • Others
Type of Transaction	Specify whether the party is **New To Bank** or **Existing** party.
Mortgage Creation	Select **Mortgage Creation** as **Fresh** or **Enhancement** of existing mortgage value.
Date of Mortgage	Specify the mortgage creation date.
Type of Mortgage	Specify the type of mortgage as **Equitable** or **Registered**.
Negative Lien	Enable **Negative Lien** option, if negative lien is executed covering the collateral.
Title Deeds Custody	Search and select the name of bank which is holding the title deeds.

Table 7-2 NOC Details - Field Description

Field	Description
NOC to Mortgage received	Specify if NOC for creating mortgage is received. The following options are available in the drop-down list. • Yes • No • Not Applicable
NOC to Mortgage issued by	Specify the details of other participating lenders that issued the NOC to mortgage.
Tripartite Agreement with Authority received	Specify if the Tripertite Agreement is received from the authority. The following options are available in the drop-down list. • Yes • No • Not Applicable
Authority for Tripartite Agreement	Specify the authority which executed the tripartite agreement.
Title Documents Submitted	Enable **Title Documents Submitted** option, if the party has submitted all the property related title documents to the Bank or security trustee.
Empanelled Approval Done	Enable **Empanelled Approval Done**option, if empanelled approval is in place for deviation. Also, if any section of the title documents is not submitted by the party.
Date of Title Search Report	Specify the date on which the bank obtained search report from the company secretory of the client.
NOC Deviation	Provide details of deviation in obtaining NOC from other participating banks, if any.

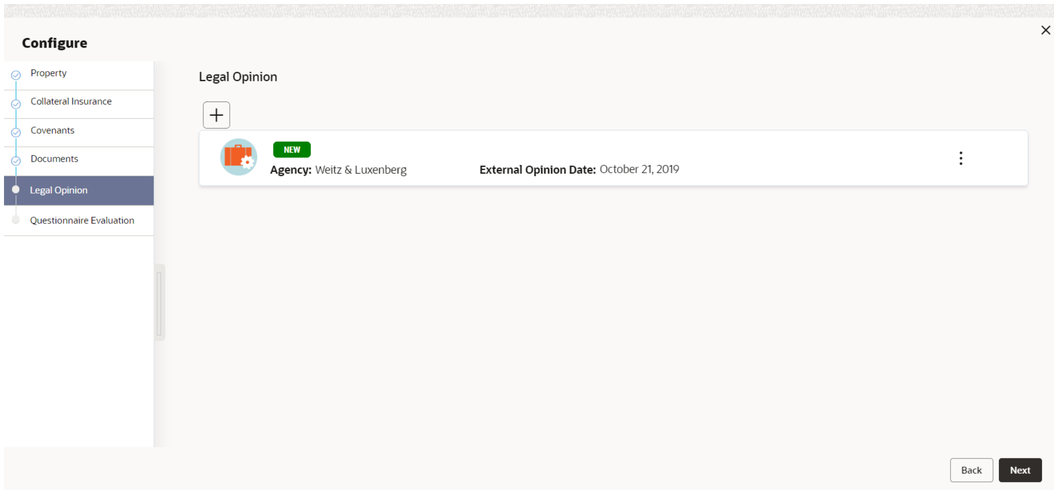
Table 7-3 Legal Audit - Field Description

Field	Description
Legal Audit Applicable	Enable **Legal Audit Applicable**option, if legal audit is required for the collateral asset.
Legal Audit Done	Enable **Legal Audit Done** option, if legal audit is done.
Date of Audit Report	Specify the date on which legal audit report is obtained.
Next Legal Audit Due	Specify the next due date for legal audit.
Deviations if any	Provide details of deviation in the legal audit as per Bank policy, if any.
Remarks	Enter **Remarks**, if any.
Legal Firm Opinion	Enter **Legal Firm Opinion**.
Final Recommendation	Enter **Final Recommendation** for the collateral from the external legal firm.

5. Click **+** in the **Legal Opinion Details** window.

The **Legal Opinion** details are added and displayed as shown below.

Figure 7-9   Legal Opinion



You can **Edit**, **View**, or **Delete** the added legal opinion detail by clicking **Action** icon and selecting the required option.

6. After capturing legal opinion details, click **Next**.

   The **Legal Opinion - Configure - Questionnaire Evaluation** screen is displayed.

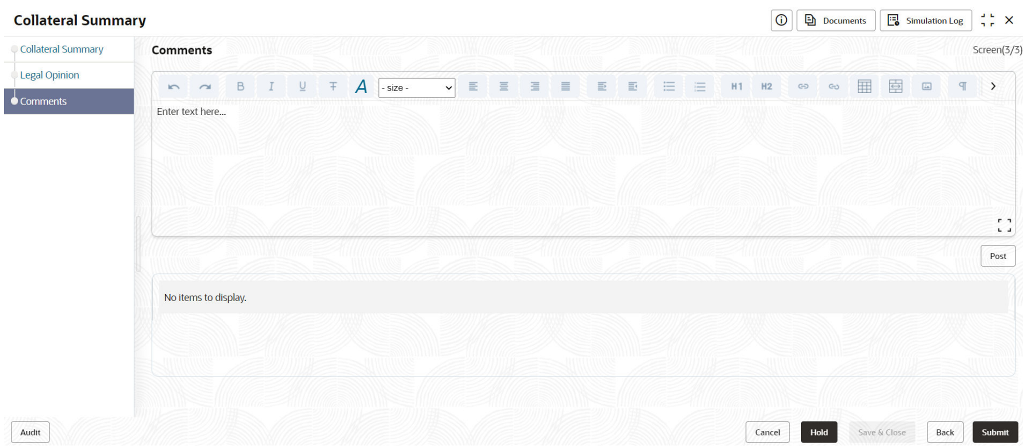
> **Note:**
>
> The screen is same as **Risk Evaluation - Configure - Questionnaire Evaluation** and **External Valuation - Configure - Questionnaire Evaluation** screen. For more information, refer the chapters **Risk Evaluation** and **External Valuation** in this User Guide.

7.4 Comments

The Comments data segment allows you to post overall comments for the Legal Opinion stage. Posting comments helps the user of next stage to better understand the application.

Click **Next** in the **Legal Opinion** screen, the **Comments** data segment is displayed.

Figure 7-10 Legal Opinion - Comments

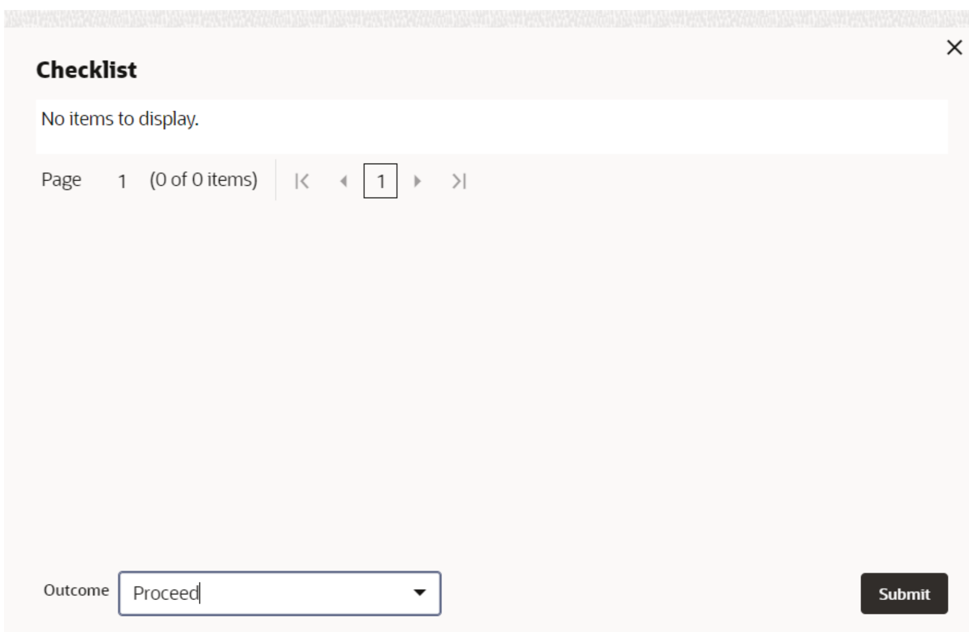


1. Enter your comments for the Legal Opinion stage in **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below **Comments** text box.
3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 7-11 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select the required **Outcome** and click **Submit**.

   The options available in the drop-down list are:
   - Proceed

- Additional Info

If **Proceed** is selected as the **Outcome**, the application is moved to the next stage after successful completion of all the parallel stages.

If **Additional Info** is selected as the **Outcome**, the application is moved back to the previous stage.

8

External Check

8.1 External Check

In this stage, the Credit Officer verifies if the collateral submitted by the party has an existing charge in the external system and captures the external check details.

External systems are maintained by the external agencies like CERSAI of India and Land Registry of UK to store the data of mortgage registrations. The lenders inquire these external systems online to check if there is an existing charge on a property.

The following data segments are available in the External Check stage:

- Collateral Summary
- External Check
- Comments

8.2 Collateral Summary

In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

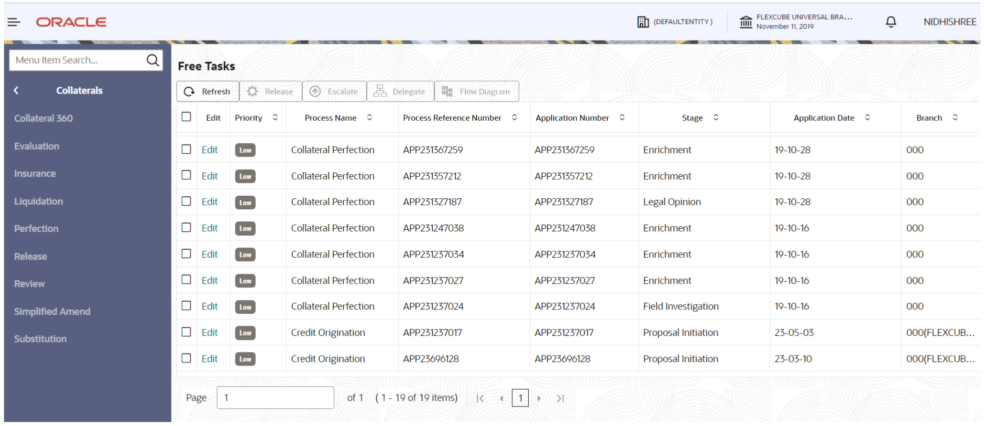
- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

> **Note:**
>
> The Configured Stage Status is updated based on the status of parallel tasks generated in the system.

1. To launch the **External Check - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

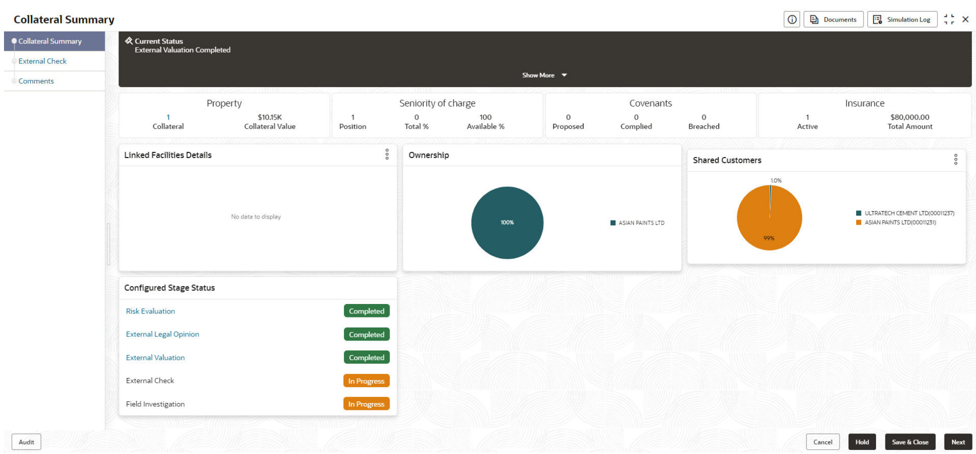
Figure 8-1 Free Tasks



2. Click **Acquire & Edit** in the required External Check task.

   The **External Check - Collateral Summary** screen is displayed.

Figure 8-2 External Check - Collateral Summary

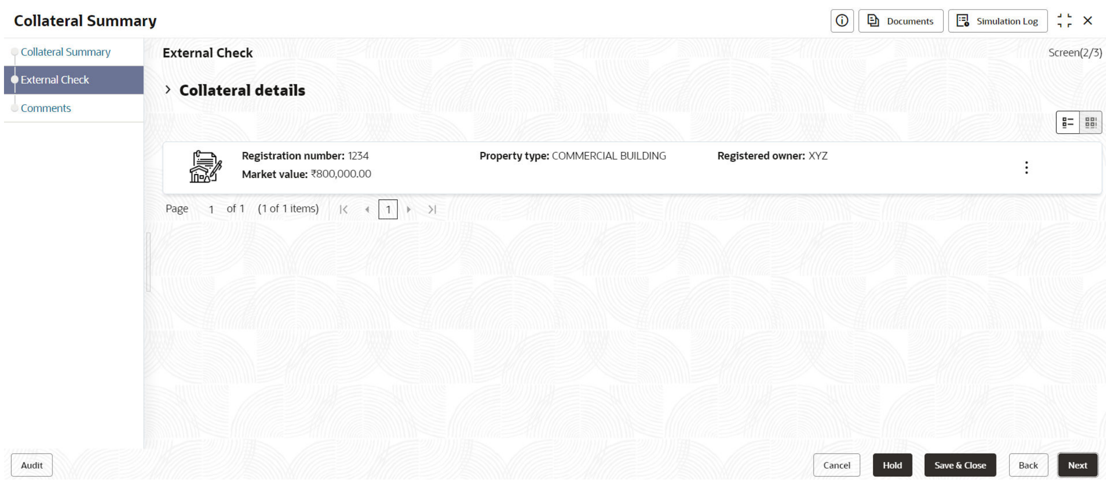


3. View the Collateral Summary and click **Next**.

8.3 External Check

Click **Next** in the **External Check - Collateral Summary** screen, the External Check data segment is displayed.

Figure 8-3 External Check



To capture the external check details for the collateral:

1. Click **Action** icon in the collateral record and select **Edit**.

   The **External Check - Configure - Collateral Type** screen is displayed.

Figure 8-4 External Check - Configure - Collateral Type

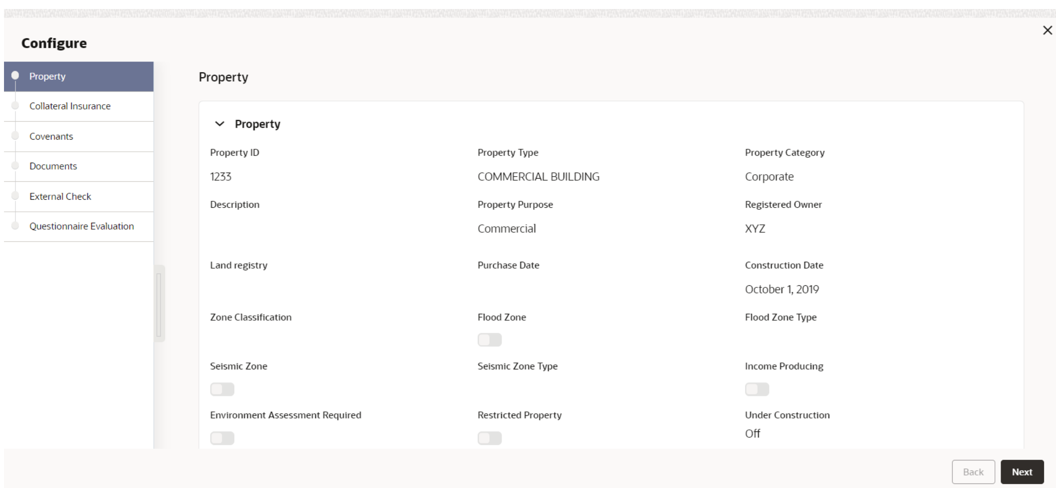


Figure 8-5 External Check - Configure - Collateral Type

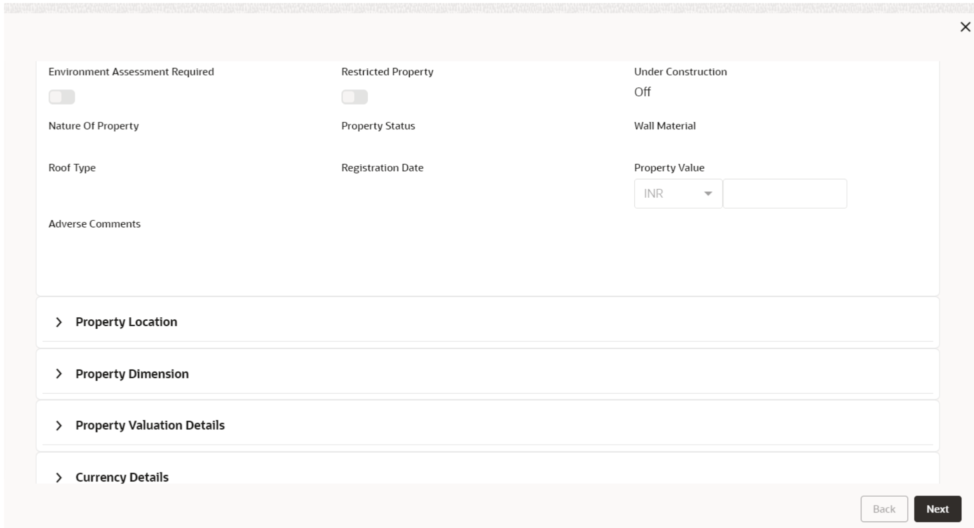
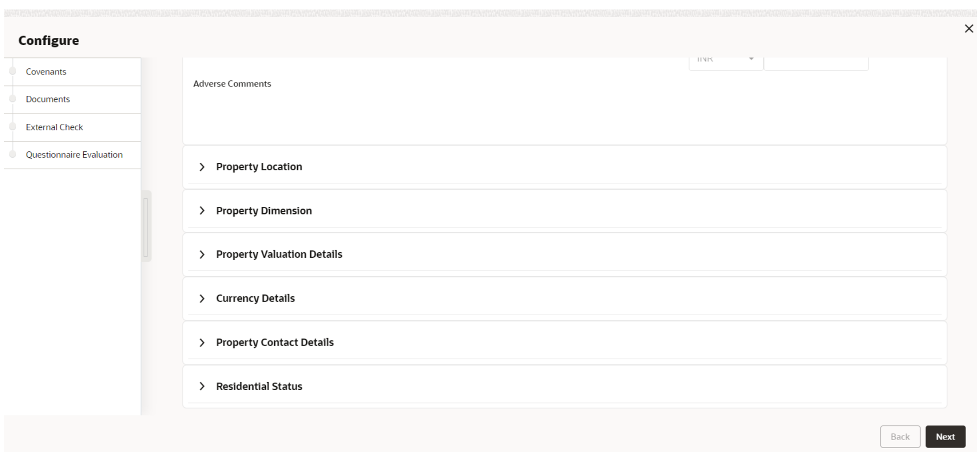
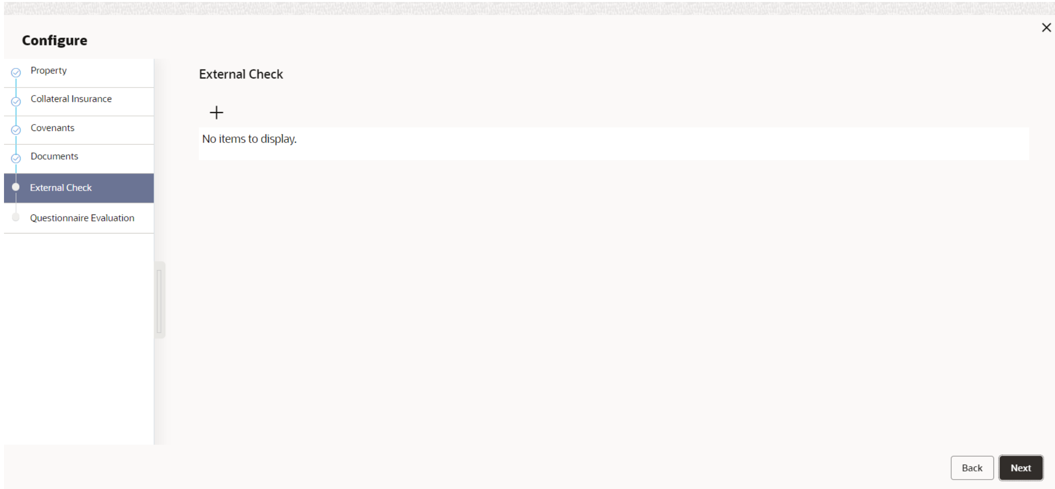


Figure 8-6 External Check - Configure - Collateral Type



2. Click **Next** and navigate to **External Check** menu.

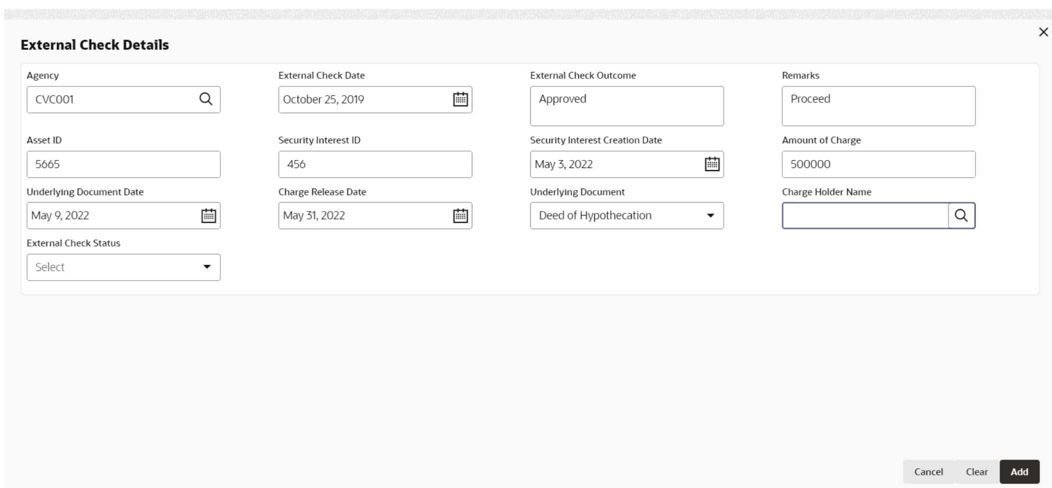
Figure 8-7 External Check - Configure - External Check



3. Click **+** icon in **External Check - Configure - External Check** screen.

   The **External Check Details** window is displayed.

Figure 8-8 External Check Details



4. Enter or select the external check details in the above screen.

   For field level explanation, refer the below table.

Table 8-1 External Check Details - Field Description

Field	Description
Agency	Select Agency from which the collateral registration details are obtained.
External Check Date	Specify the date on which the External Check is carried out.
External Check Outcome	Specify **External Check Outcome**.
Remarks	Enter **Remarks** for the collateral.
Asset ID	Specify **Asset ID**. For example, Registration ID.

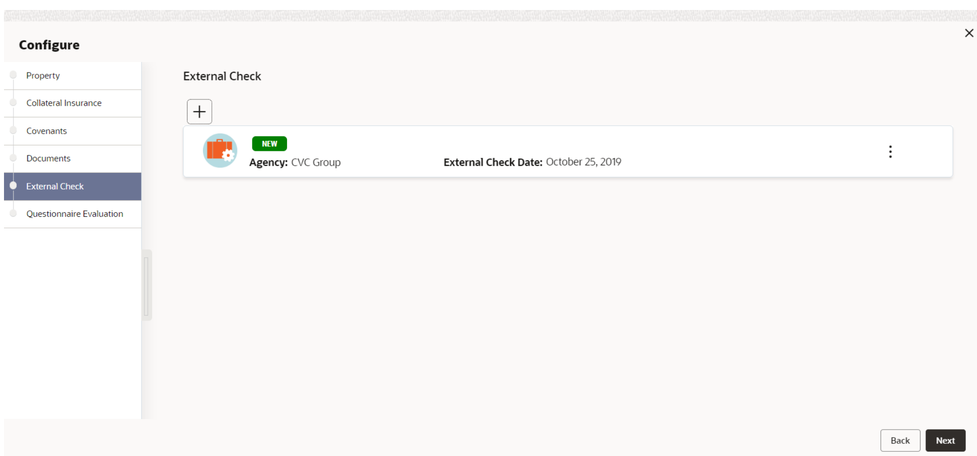
Table 8-1 (Cont.) External Check Details - Field Description

Field	Description
Security Interest ID	Specify the reference number of security interest registration at the regulatory Authority.
Security Interest Creation Date	Specify the date on which security interest is created.
Amount of Charge	Specify **Amount of Charge** created on the collateral.
Underlying Document Date	Specify execution date of underlying document.
Charge Release Date	If the bank has released the charge on collateral by executing release deed or release letter, specify the date of execution of such document.
Underlying Document	Select the name of document executed to create charge on the collateral. The following options are available in the drop-down list. • Deed of Hypothecation • Mortgage Deed
Charge Holder Name	Specify the bank or any other lender name which has created charge on the collateral.
External Check Status	Select **External Check Status** of the collateral. The following options are available in the drop-down list. • Satisfied • Creation • Modification

5. Click **+** in **External Check Details** window.

   The external check details are added and displayed as shown below.

Figure 8-9 External Check - Configure - External Check Details



You can **Edit**, **View**, or **Delete** the added external check detail by clicking **Action** icon and selecting the required option.

6. After capturing external check details, click **Next**.

   The **External Check - Configure - Questionnaire Evaluation** screen is displayed.

Note:

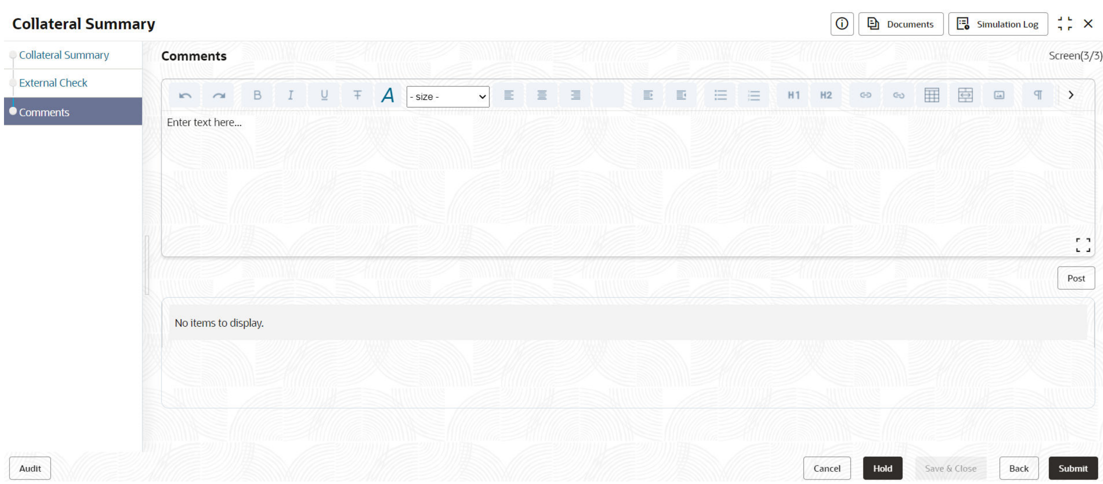
The screen is same as **Risk Evaluation - Configure - Questionnaire Evaluation** and **External Valuation - Configure - Questionnaire Evaluation** screen. For more information, refer the chapters **Risk Evaluation** and **External Valuation** in this User Guide.

8.4 Comments

The Comments data segment allows you to post overall comments for the External Check stage. Posting comments helps the user of next stage to better understand the application.

Click **Next** in the **External Check** screen, the **Comments** data segment is displayed.

Figure 8-10   External Check - Comments

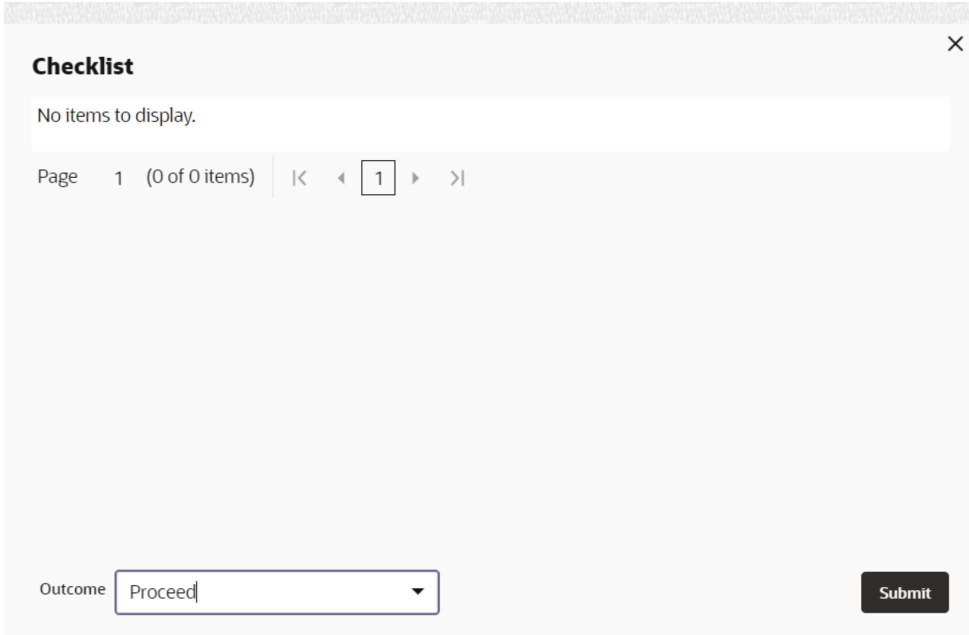


1. Enter your comments for the External Check stage in **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below **Comments** text box.
3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 8-11 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select the required **Outcome** and click **Submit**.

   The options available in the drop down list are:

   - Proceed
   - Additional Info

   If **Proceed** is selected as the **Outcome**, the application is moved to the next stage after successful completion of all the parallel stages.

   If **Additional Info** is selected as the **Outcome**, the application is moved back to the previous stage.

9

Field Investigation

9.1 Field Investigation

The Field Investigation task is generated, if the Field Investigation stage is configured for the selected collateral type in the Business Process configuration. Some of the collateral types for which field investigation is applicable are Vehicle, Machinery, and Property.

In general, field investigation is carried out by the specialized external field investigation agencies to prevent chances of fraud & misrepresentation of facts by party. In this stage, the user authorized for this stage must capture the field investigation details provided by the external agencies.

The following data segments are available in the Field Investigation stage:

- Collateral Summary
- Field Investigation
- Comments

9.2 Collateral Summary

In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

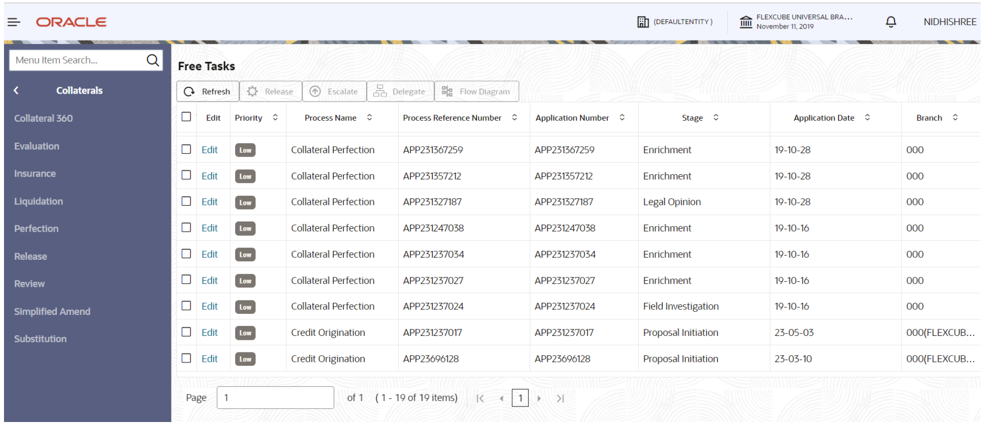
- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

> **Note:**
>
> The Configured Stage Status is updated based on the status of parallel tasks generated in the system.

1. To launch the **Field Investigation - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

Figure 9-1 Free Tasks



2. Click **Acquire & Edit** in the required Field Investigation task.

   The **Field Investigation - Collateral Summary** screen is displayed.

Figure 9-2 Field Investigation - Collateral Summary

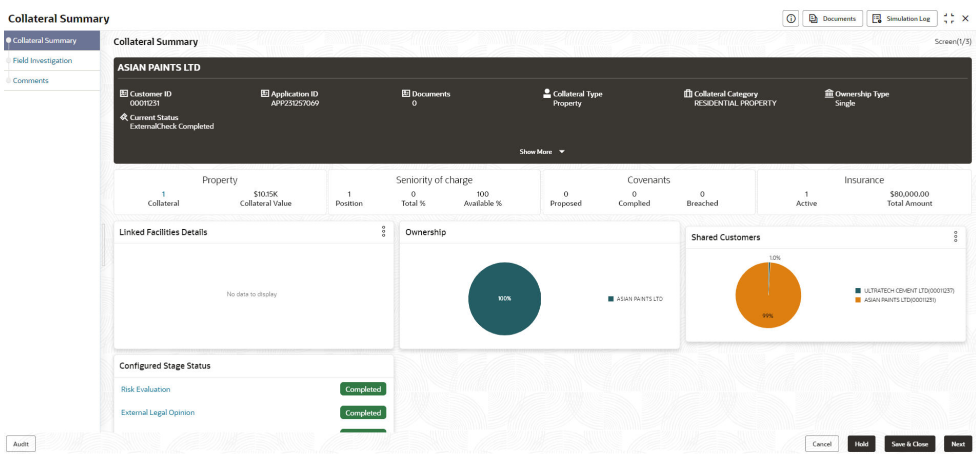
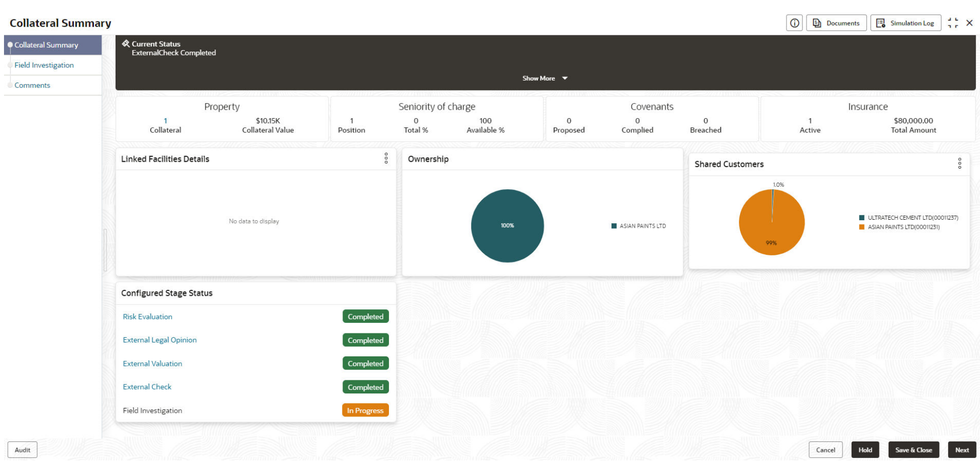


Figure 9-3 Field Investigation - Collateral Summary

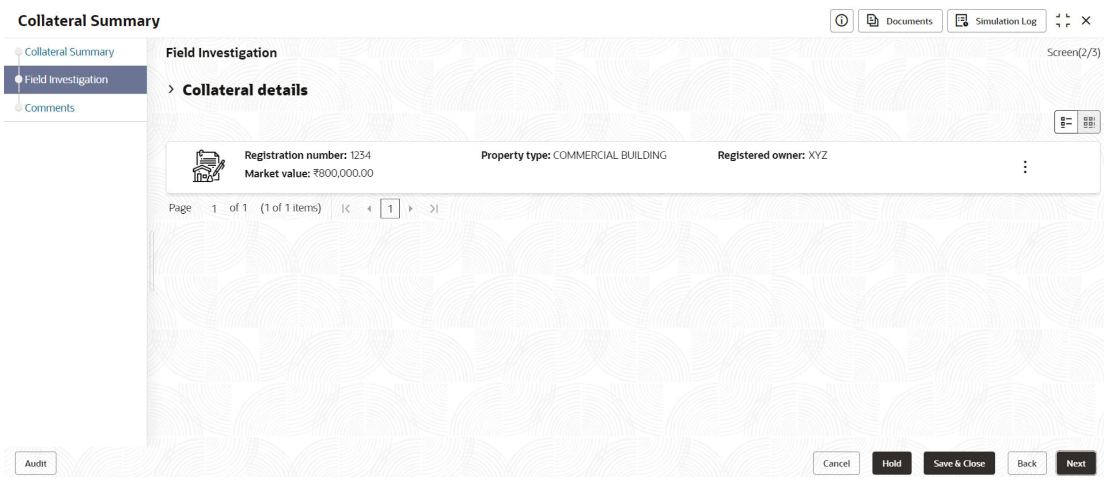


3. View the Collateral Summary and click **Next**.

9.3 Field Investigation

Click **Next** in the **Field Investigation - Collateral Summary** screen, the Field Investigation data segment is displayed.

Figure 9-4 Field Investigation



To capture the field investigation details for the collateral:

1. Click **Action** icon in the collateral record and select **Edit**.

   The **Field Investigation - Configure - Collateral Type** screen is displayed.

   Figure 9-5 Field Investigation - Configure - Collateral Type

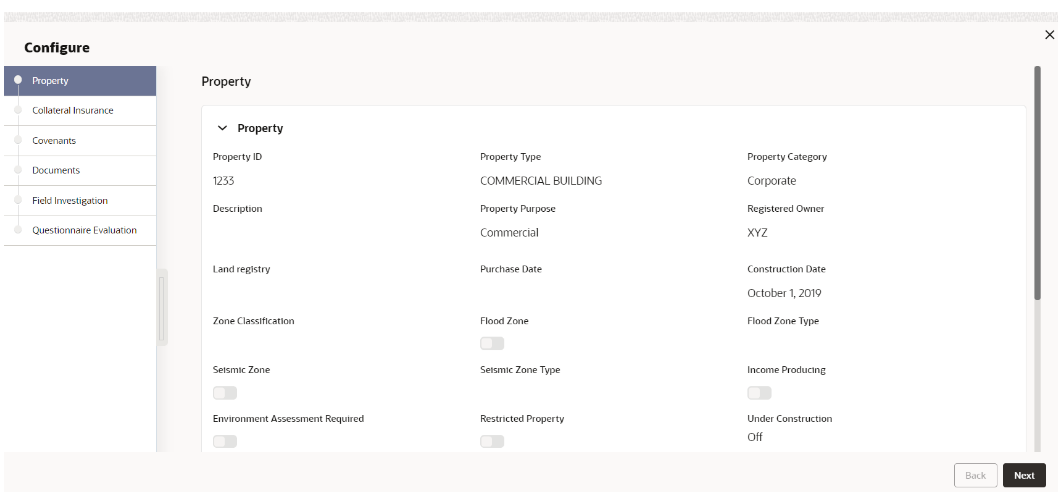


Figure 9-6 Field Investigation - Configure - Collateral Type

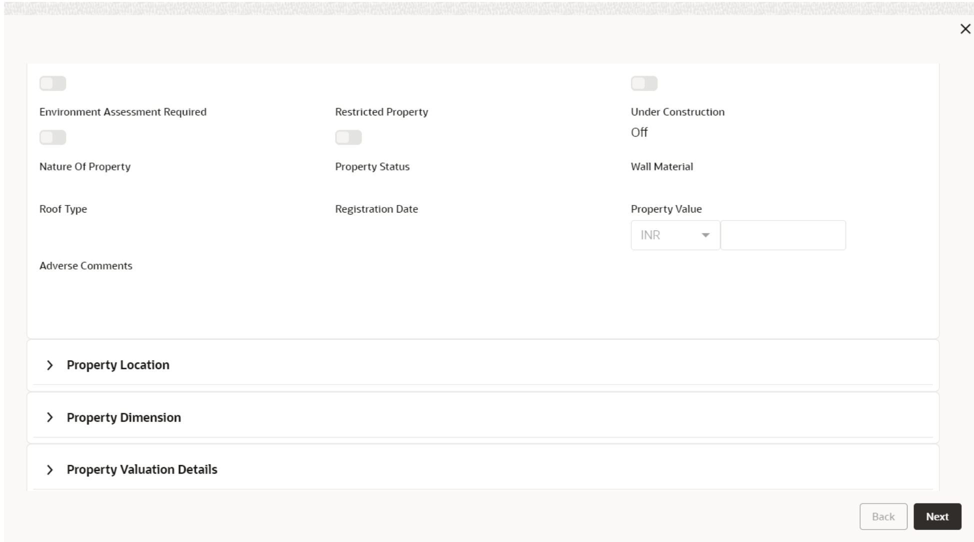
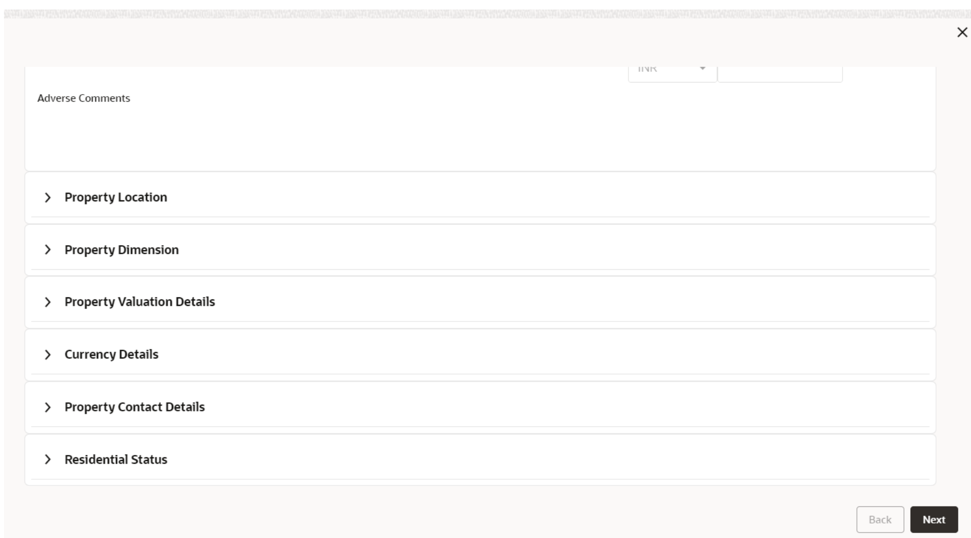
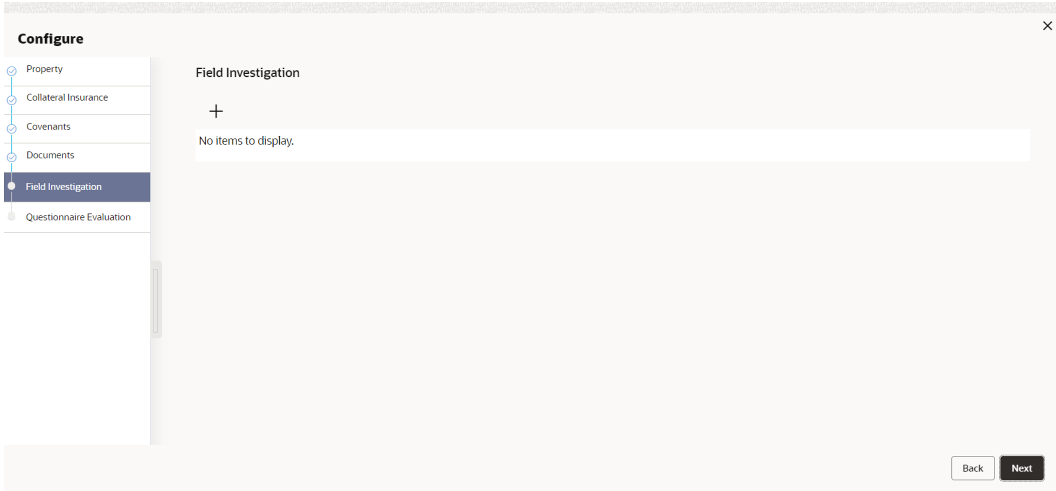


Figure 9-7 Field Investigation - Configure - Collateral Type



2. Click **Next** and navigate to the **Field Investigation** menu.

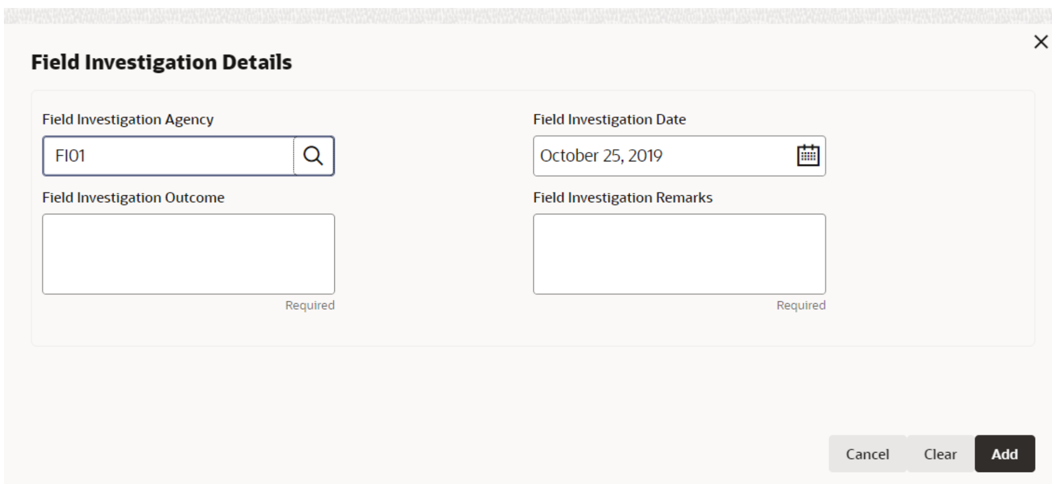
Figure 9-8 Field Investigation



3. Click **+** icon in the **Field Investigation - Configure - Field Investigation** screen.

   The **Field Investigation Details** window is displayed.

Figure 9-9 Field Investigation Details



4. Enter or select the field investigation details in the above screen.

   For field level explanation, refer the below table.

Table 9-1 Field Investigation Details - Field Description

Field	Description
Field Investigation Agency	Search and Select agency which carried out the field investigation for the collateral.
Field Investigation Date	Specify date on which the field investigation is carried out.
Field Investigation Outcome	Specify **Field Investigation Outcome**.

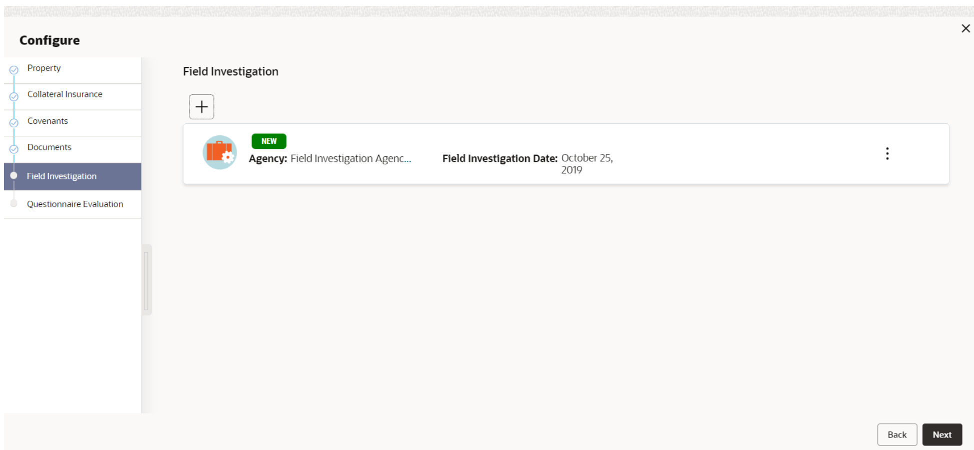
Table 9-1 (Cont.) Field Investigation Details - Field Description

Field	Description
Field Investigation Remarks	Enter **Field Investigation Remarks** for the collateral.

5. Click **+** in the **Field Investigation Details** window.

   The field investigation details are added and displayed as shown below.

   Figure 9-10 Field Investigation - Configure - Investigation Details Added

   You can **Edit**, **View** or **Delete** the added field investigation detail by clicking **Action** icon and selecting the required option.

6. After capturing field investigation details, click **Next**.

   The **Field Investigation - Configure - Questionnaire Evaluation** screen is displayed.

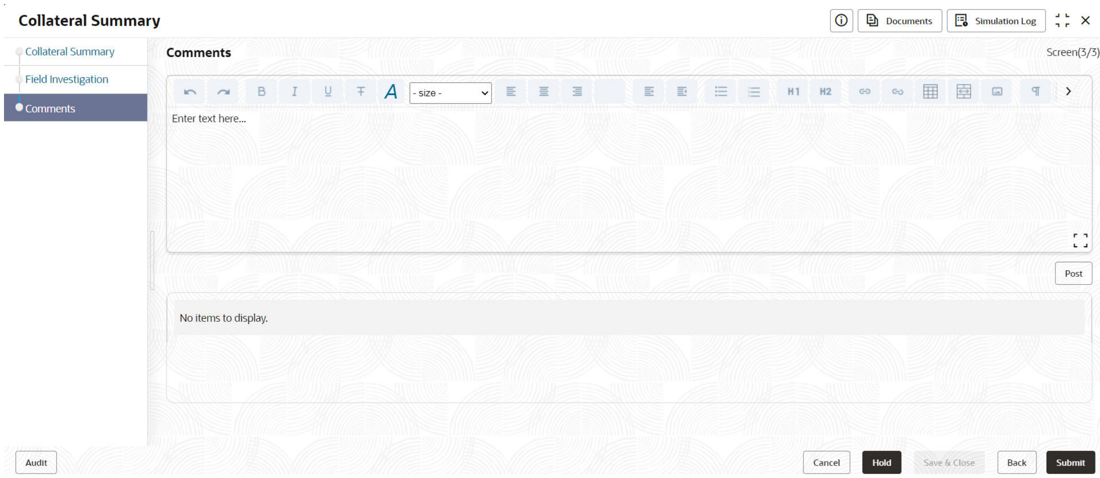
> **Note:**
>
> The screen is same as **Risk Evaluation - Configure - Questionnaire Evaluation** and **External Valuation - Configure - Questionnaire Evaluation** screen. For more information, refer the chapters **Risk Evaluation** and **External Valuation** in this User Guide.

9.4 Comments

The Comments data segment allows you to post overall comments for the Field Investigation stage. Posting comments helps the user of next stage to better understand the application.

Click **Next** in the **Field Investigation** screen, the **Comments** data segment is displayed.

Figure 9-11 Field Investigation - Comments

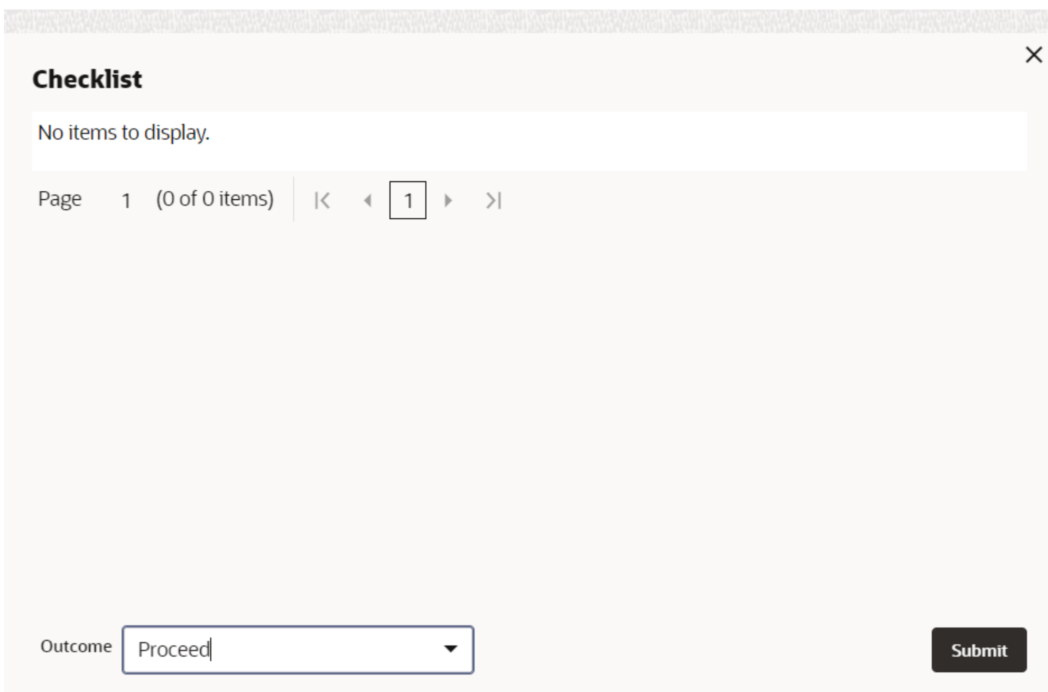


1. Enter your comments for the Field Investigation stage in **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below **Comments** text box.
3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 9-12 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select the required **Outcome** and click **Submit**.

The options available in the drop-down list are:

- Proceed
- Additional Info

If **Proceed** is selected as the **Outcome**, the application is moved to the next stage after successful completion of all the parallel stages.

If **Additional Info** is selected as the **Outcome**, the application is moved back to the previous stage.

10 Collateral Approval

10.1 Collateral Approval

In this stage, the Credit Approver in bank reviews the collateral details along with the Legal Opinion, Risk Evaluation and Valuation details from the corresponding department and then approves or rejects the Collateral.

The following data segments are available in the Collateral Approval stage:

- Collateral Summary
- Collateral Approval
- Comments

10.2 Collateral Summary

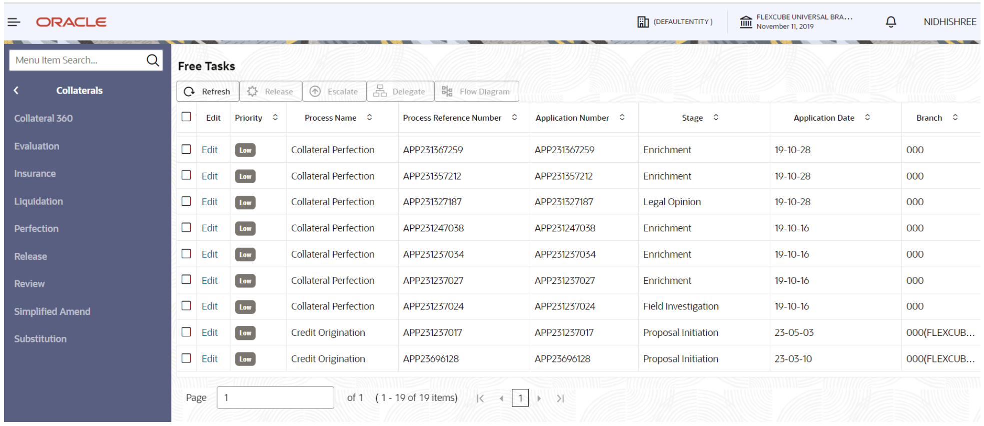
In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

1. To launch the **Collateral Approval - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

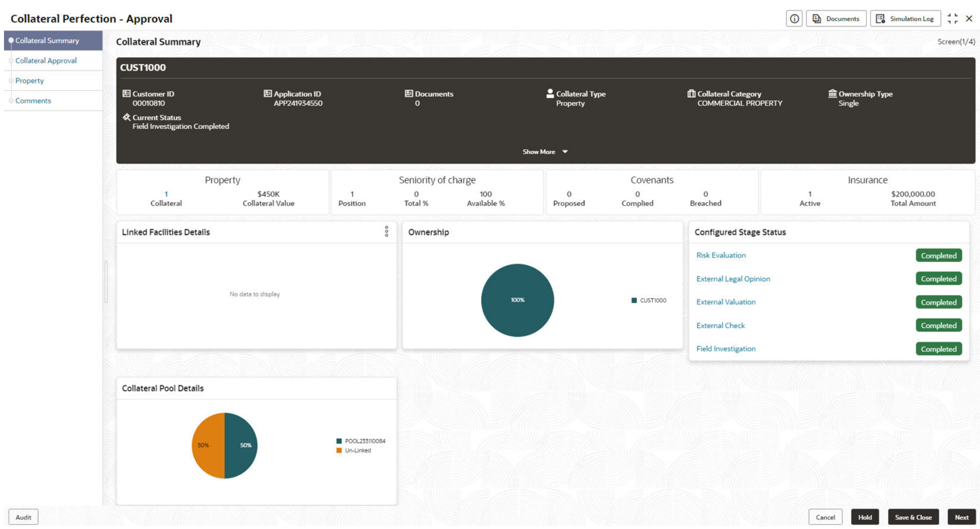
Figure 10-1 Free Tasks



2. Click **Acquire & Edit** in the required Collateral Approval task.

   The **Collateral Approval - Collateral Summary** screen is displayed.

Figure 10-2 Collateral Approval - Collateral Summary



3. View the Collateral Summary and click **Next**.

10.3 Collateral Approval

In this data segment the collateral details are displayed. The Credit Approver must go through the collateral details and recommendation to make final decision of approving or rejecting the collateral.

Figure 10-3 Collateral Approval

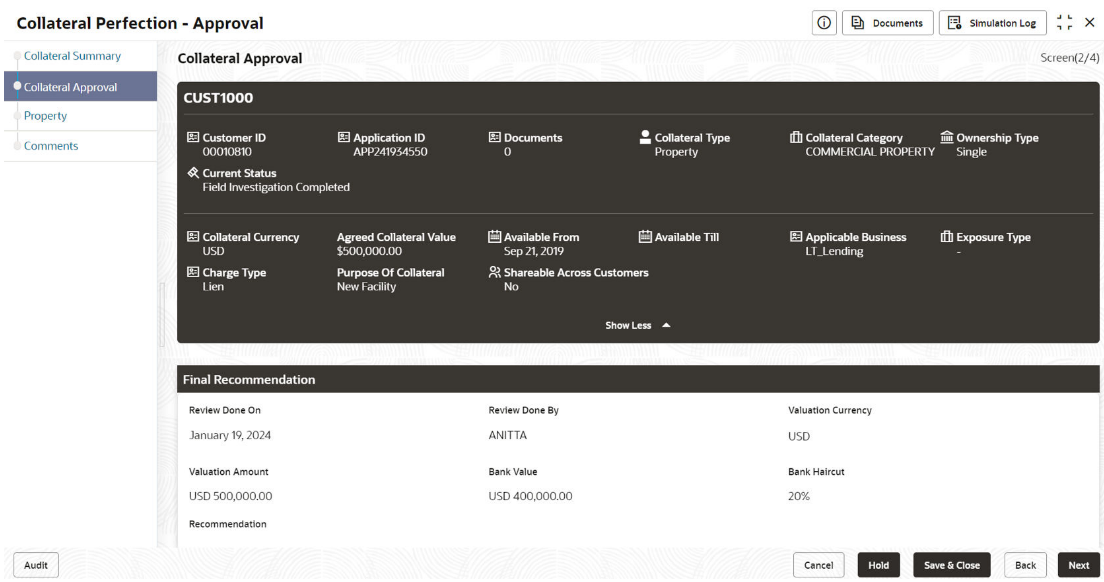
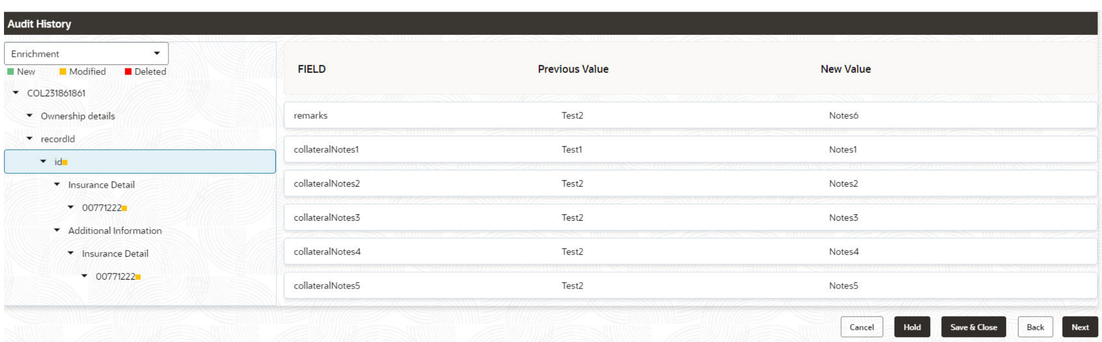


Figure 10-4 Collateral Approval - Audit Trail

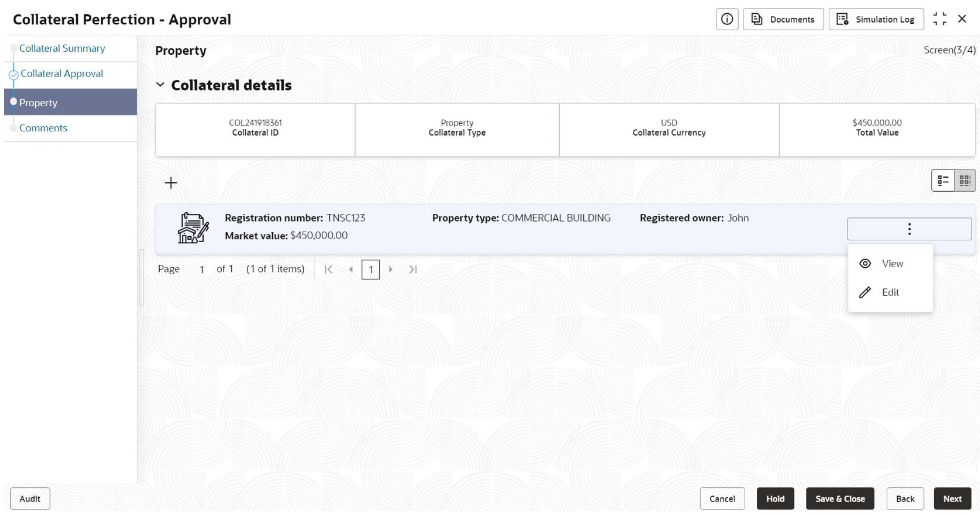


1. After viewing the collateral details and Recommendation, click **Next**.

> **Note:**
>
> **Audit Trail**- When a collateral Information is sent for Approval Stage and if the reviewer finds any changes to be done in the collateral Information. He can send that application back to the Enrichment stage to change the collateral information. Once, the changes are made again the application comes back to the approval stage and the changes made in previous collateral information and updated collateral information is displayed in the audit trail screen.

2. **Collateral Details** screen is displayed.

Figure 10-5 Collateral Details



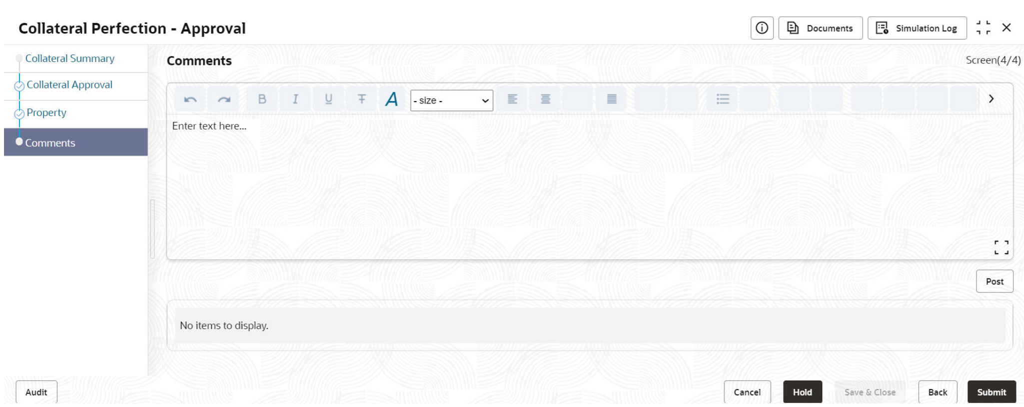
3. View the details and Click **Next**.

10.4 Comments

The Comments data segment allows you to post overall comments for the Collateral Approval stage. Posting comments helps the user of next stage to better understand the application.

Click **Next** in the **Collateral Approval - Property** screen, the **Comments** data segment is displayed.

Figure 10-6 Collateral Approval - Comments

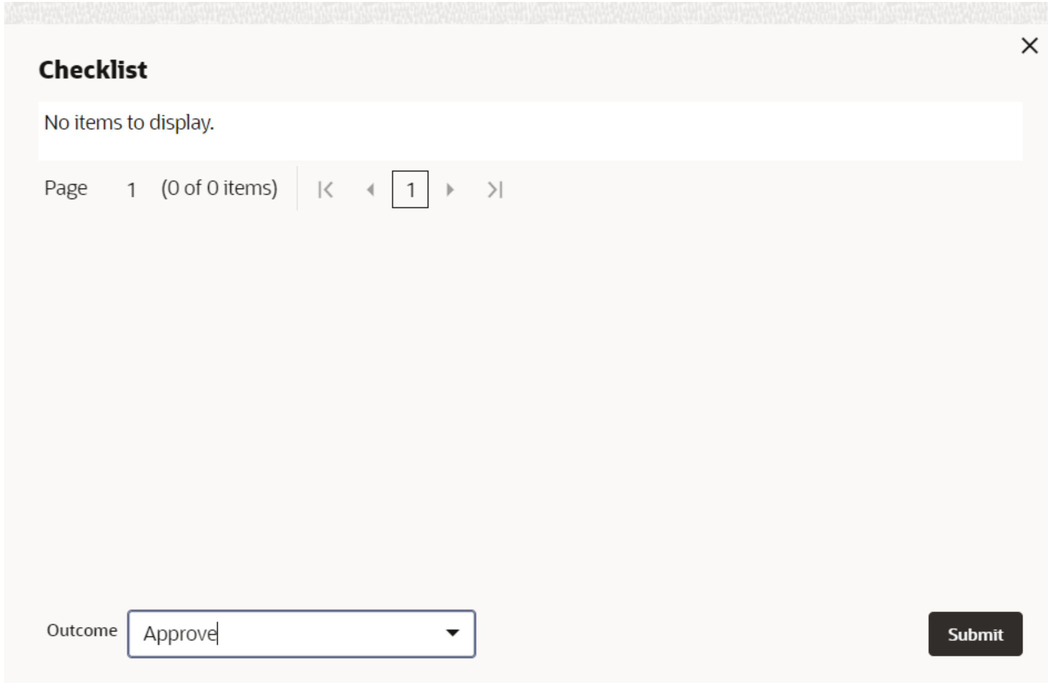


1. Enter your comments for the Collateral Approval stage in **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below **Comments** text box. .
3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 10-7 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select the required **Outcome** and click **Submit**.

   The options available in the drop-down list are:

   - Approve
   - Reject
   - Go to Enrichment

   If **Approve** is selected as **Outcome**, the application is moved to the next stage on clicking **Submit**.

   If **Reject** is selected as **Outcome**, the application is rejected on clicking **Submit**.

   If **Go to Enrichment** is selected as **Outcome**, the application is moved to Enrichment stage on clicking **Submit**.

11
Draft Generation

11.1 Draft Generation

In this stage, the Credit Officer or the user authorized to edit the Draft Generation task must add the party's communication details and generate draft document (collateral agreement) for customer acceptance.

The following data segments are available in the Draft Generation stage:

- Collateral Summary
- Draft Generation
- Comments

11.2 Collateral Summary

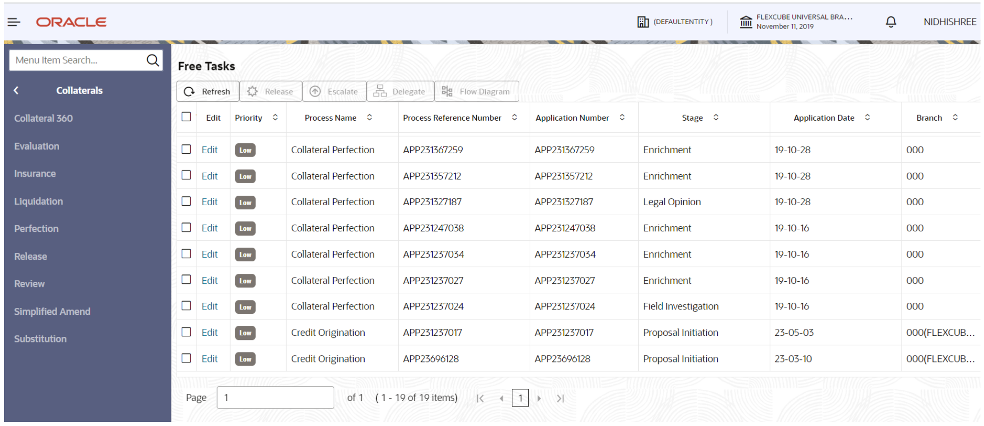
In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

1. To launch **Draft Generation - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

Figure 11-1 Free Tasks



2. Click **Acquire & Edit** in the required Draft Generation task.

   The **Draft Generation - Collateral Summary** screen is displayed.

Figure 11-2 Draft Generation - Collateral Summary

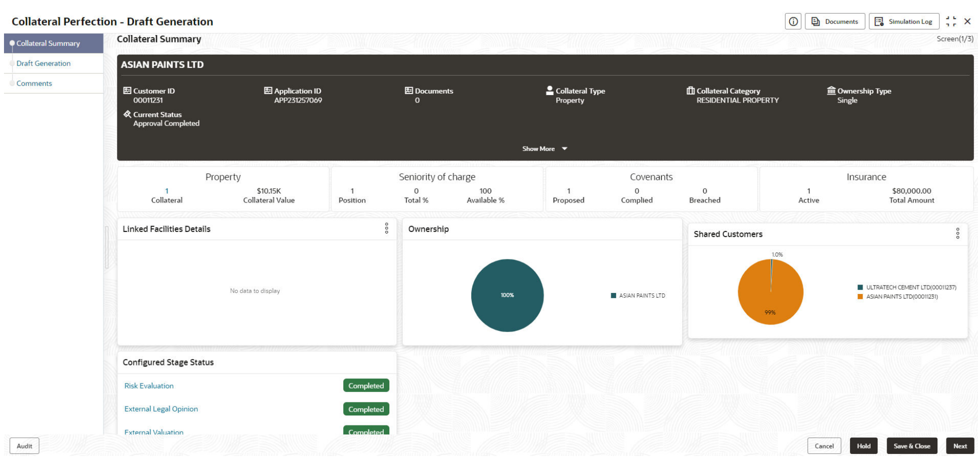
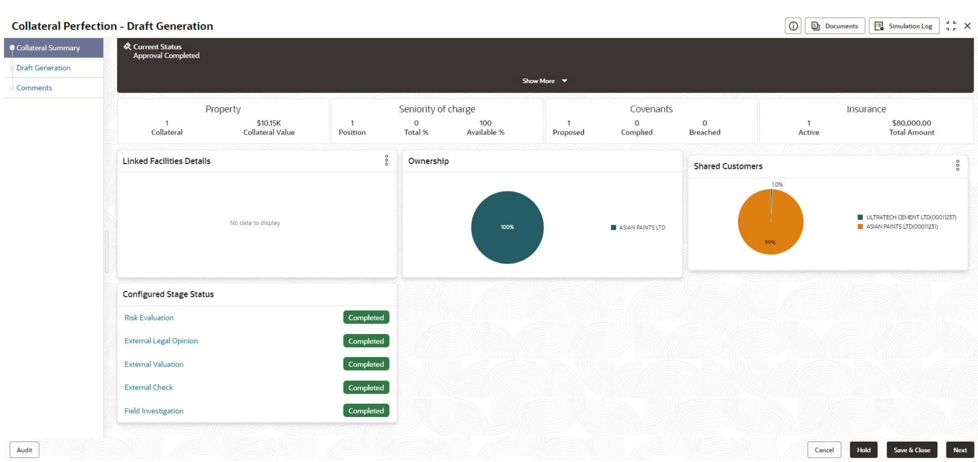


Figure 11-3 Draft Generation - Collateral Summary

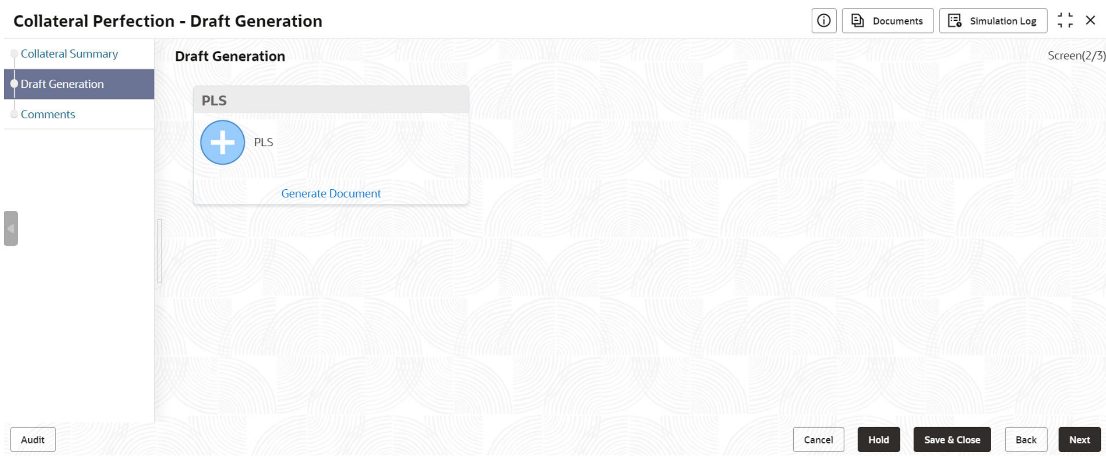


3. View the Collateral Summary and click **Next**.

11.3 Draft Generation

Click **Next** in the **Draft Generation - Collateral Summary** screen, the Draft Generation data segment is displayed.

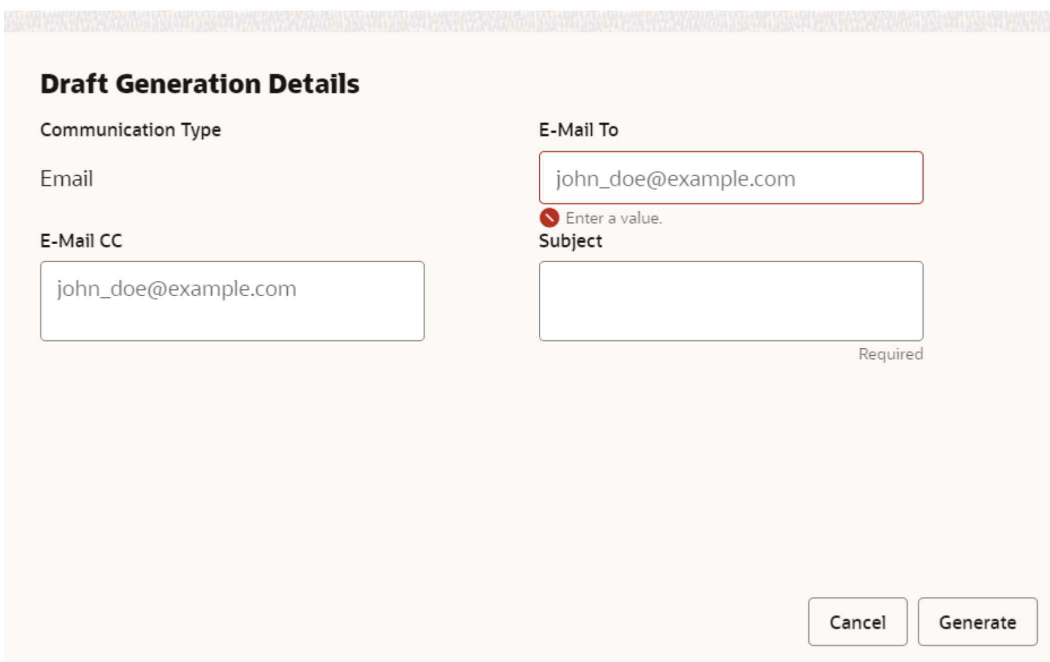
Figure 11-4 Draft Generation



1. Click **Generate Document**.

   The **Draft Generation Details** window is displayed.

Figure 11-5 Draft Generation Details



2. Specify all the details in **Draft Generation Details** window.

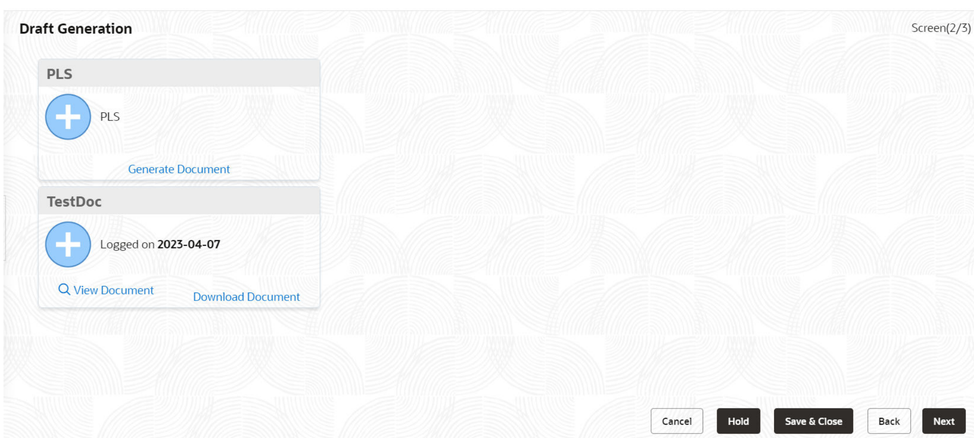
   For field level information, refer the below table.

Table 11-1 Draft Generation Details - Field Description

Field	Description
Communication Type	By default, **Communication Type** is displayed as Email. You cannot change the **Communication Type** in this screen.
E-mail To	Specify E-mail address to which the draft document has to be sent.
E-mail CC	Specify E-mail address which has to be in CC of draft communication mail.
Subject	Specify the mail **Subject**.
Generate	Click this to send the draft document to the mail ID mentioned in **E-Mail To** field.
Cancel	Click **Cancel**, to exit the **Draft Generation Details** window without saving the provided information.

Once the draft document is successfully sent to the mentioned mail ID, the **Generated Documents** is displayed in the **Draft Generation** screen as shown below.

Figure 11-6 Draft Generation - Completed



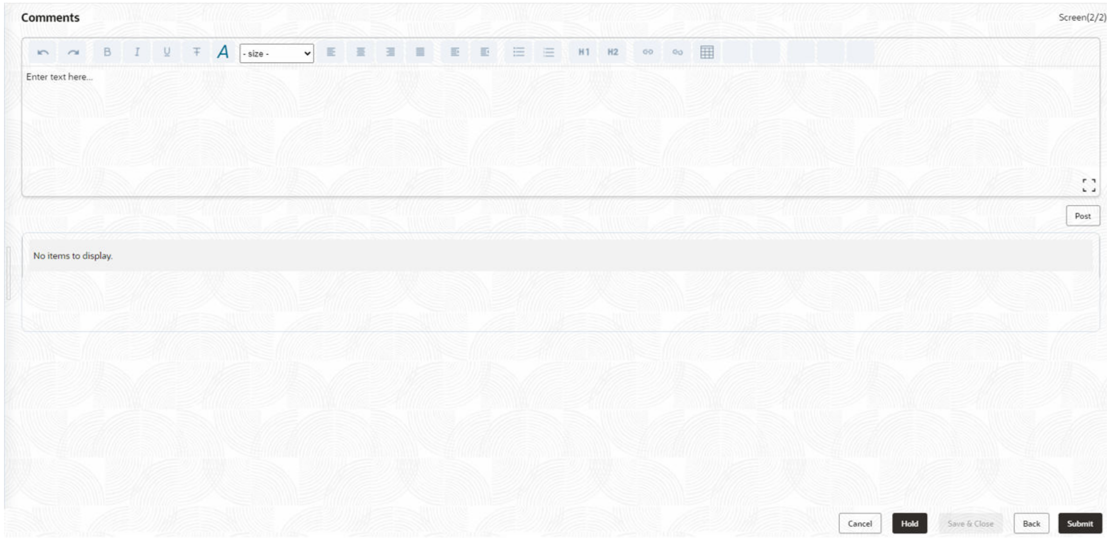
3. To view the generated draft document, click **View Document**.
4. To download the generated draft document, click **Download Document**.
5. After performing necessary actions in the **Draft Generation** screen, click **Next**.

11.4 Comments

The Comments data segment allows you to post overall comments for the Draft Generation stage. Posting comments helps the user of next stage to better understand the application.

Click **Next** in the **Draft Generation** screen, the **Comments** data segment is displayed.

Figure 11-7 Draft Generation - Comments

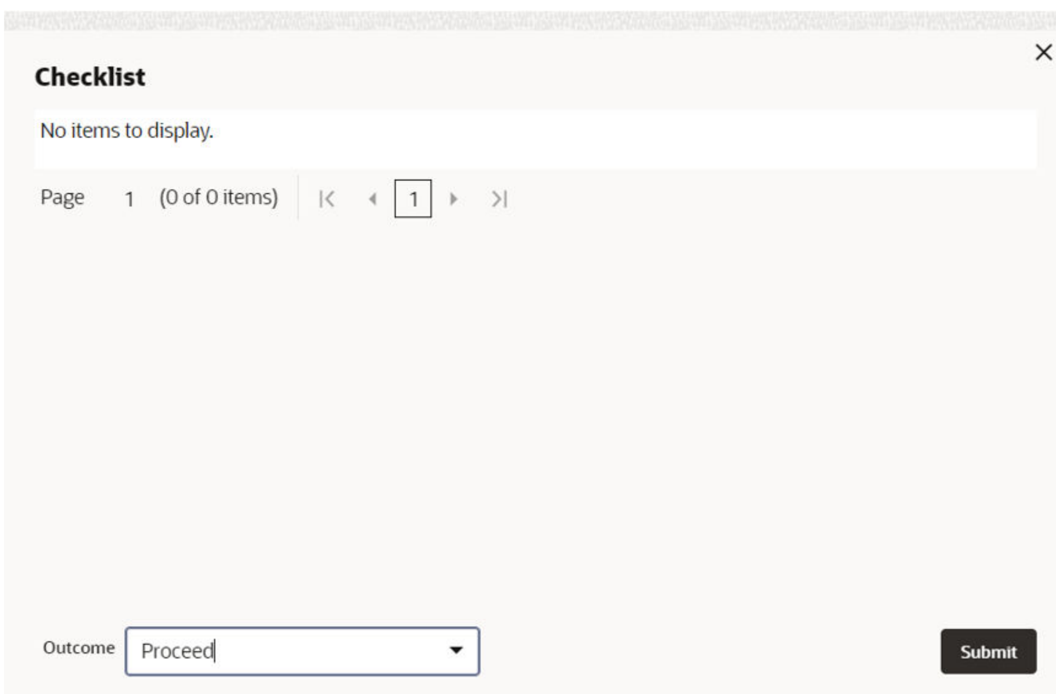


1. Enter your comments for the Draft Generation stage in **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below **Comments** text box.
3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 11-8 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select the required **Outcome** and click **Submit**.

   The options available in the drop-down list are:

   - Proceed
   - Additional Info

   If **Proceed** is selected as **Outcome**, the application is moved to the next stage on clicking **Submit**.

   If **Additional Info** is selected as **Outcome**, the application is moved back to the previous stage on clicking **Submit**.

12
Customer Acceptance

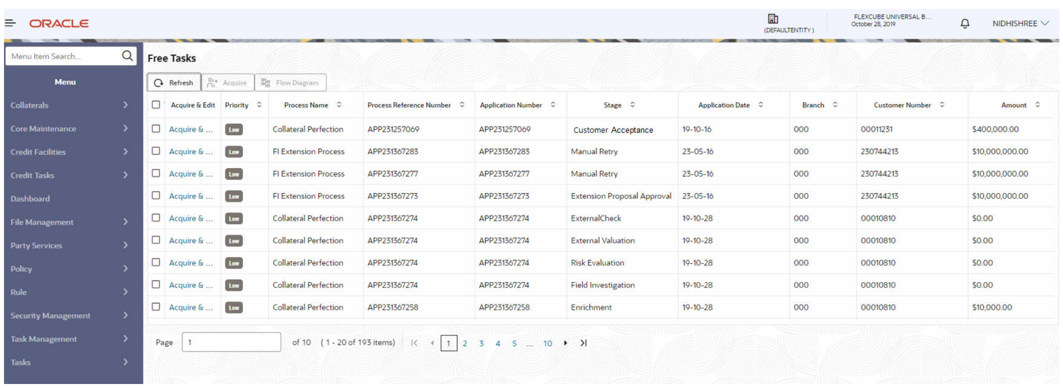
12.1 Customer Acceptance

In this stage, the user authorized to edit the Customer Acceptance task must capture the customer acceptance status after receiving it from the party.

1. To acquire the Customer Acceptance task, navigate to **Tasks > Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

   Figure 12-1 Free Tasks

2. **Acquire & Edit** in the required Customer Acceptance task.

   The **Customer Acceptance - Collateral Summary** screen is displayed.

   Figure 12-2 Customer Acceptance - Collateral Summary

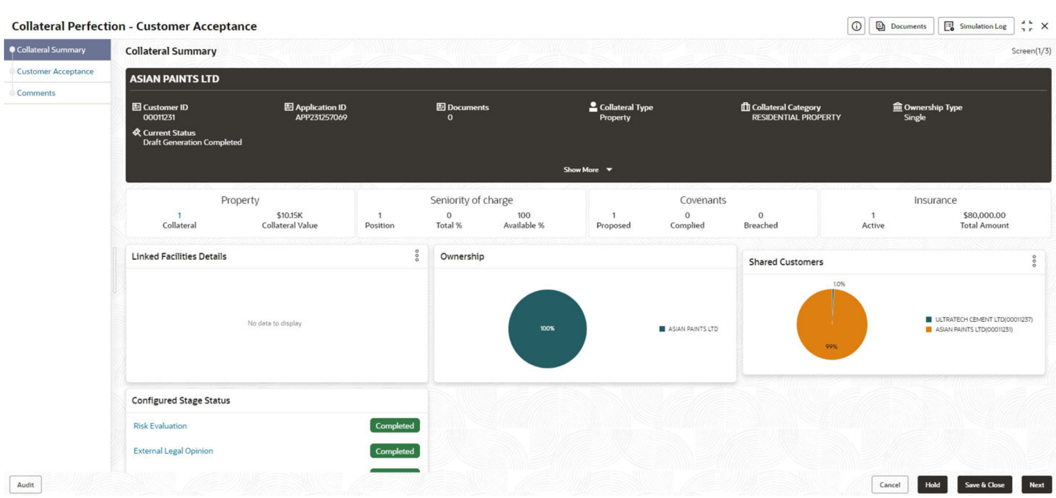
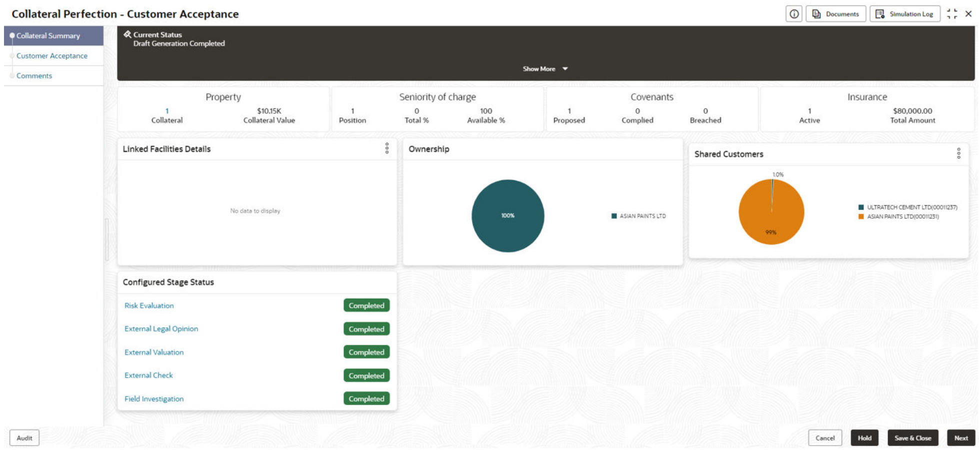
   

Figure 12-3 Customer Acceptance - Collateral Summary



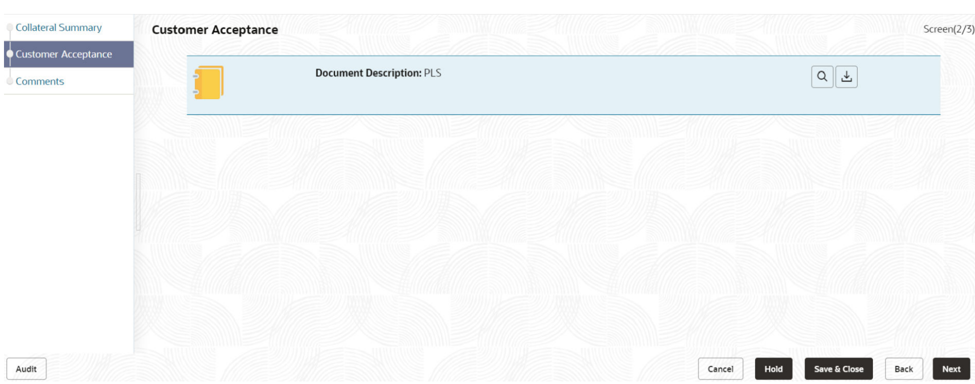
In the **Customer Acceptance - Collateral Summary** screen, following collateral details captured in the previous stages are displayed.

- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

3. View the Collateral Summary and click **Next**.

   The **Customer Acceptance** screen is displayed.

Figure 12-4 Customer Acceptance

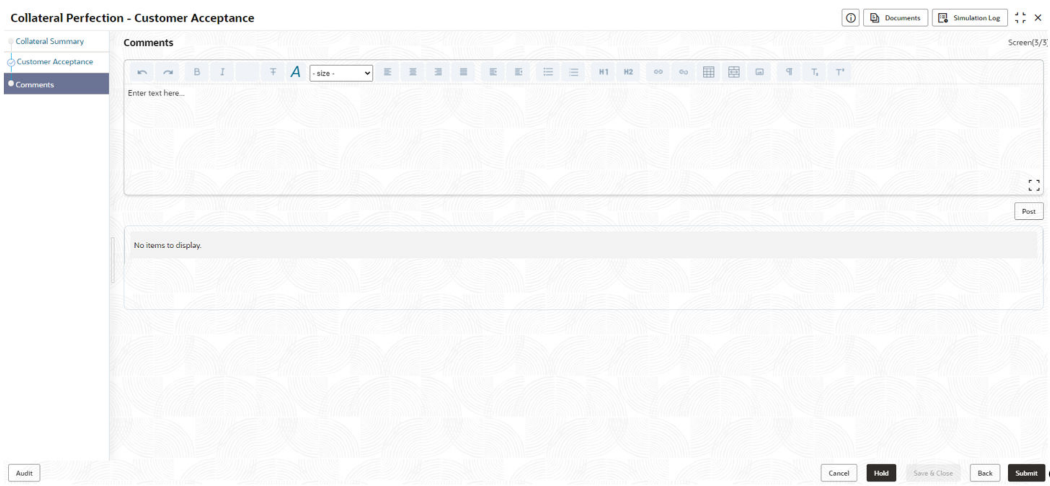


In the above screen, you can download the draft document sent to party by clicking the **Download** icon.

4. To go to the next data segment, click **Next**.

   The **Customer Acceptance - Comments** screen is displayed.

Figure 12-5 Customer Acceptance - Comments

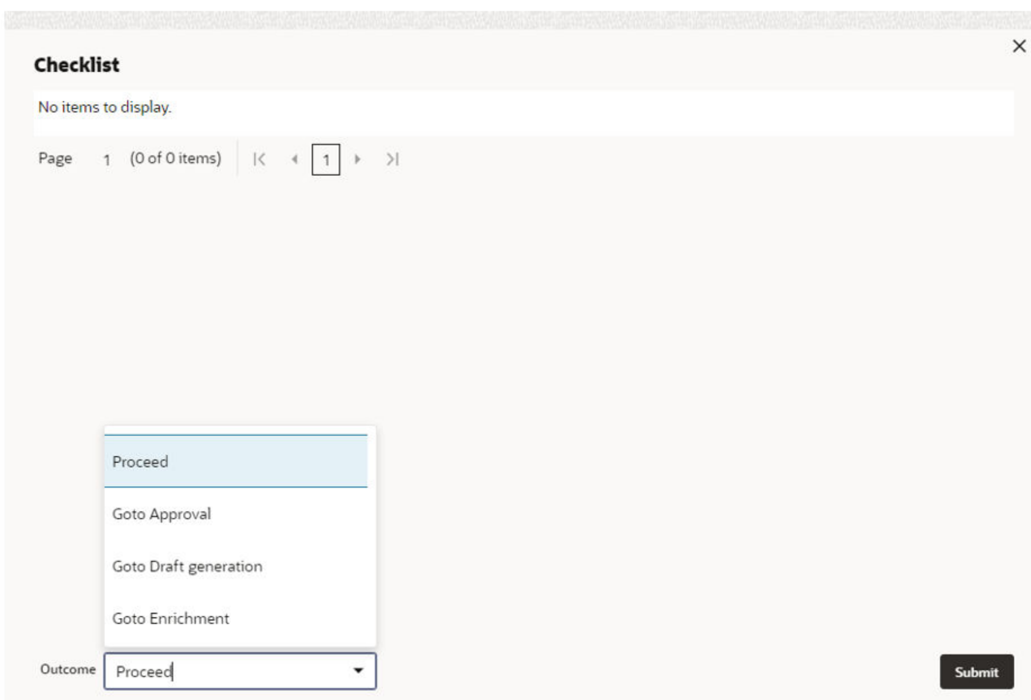


5. Enter comments for the Customer Acceptance stage in **Comments** text box.
6. Click **Post**.

   Comments are posted below the Comments text box.
7. Click **Submit**.

   The **Checklist** window is displayed.

Figure 12-6 Checklist



8. Manually verify all the checklist and enable the corresponding check box.
9. Select **Outcome** based on customer acceptance status and click **Submit**.

   The options available in the drop-down list are:

   - **Proceed**
   - **Go to Approval**
   - **Go to Draft generation**
   - **Go to Enrichment**

   If **Proceed** is selected as **Outcome**, the application is moved to the next stage on clicking **Submit**.

   If **Go to Approval** is selected as **Outcome**, the application is moved to the **Aprroval** stage on clicking **Submit**.

   If **Go to Draft generation** is selected as **Outcome**, the application is moved to the **Draft generation** stage on clicking **Submit**.

   If **Go to Enrichment** is selected as **Outcome**, the application is moved to the **Enrichment** stage on clicking **Submit**.

13
Charge Registration

13.1 Charge Registration

In this stage, the Credit Officer or the user authorized to edit the Charge Registration task must capture the registration details about the banks charge on collateral.

The creation of charges over the assets of party helps banks know the party's other lenders and the assets pledge to the lenders. Thus, double financing can be avoided.

To secure the funds lent to the party, banks use a number of legal documents like loan agreements, hypothecation agreements, mortgage deeds, etc., to lay out the terms of the loan and ensure repayment with interest as per schedule.

Once a charge is created, the party must register those charges with the Registrar of Companies, along with the mentioned documents, that create a charge over the company.

The following data segments are available in the Charge Registration stage:

- Collateral Summary
- Collateral Type (For Example: Property)
- Comments

13.2 Collateral Summary

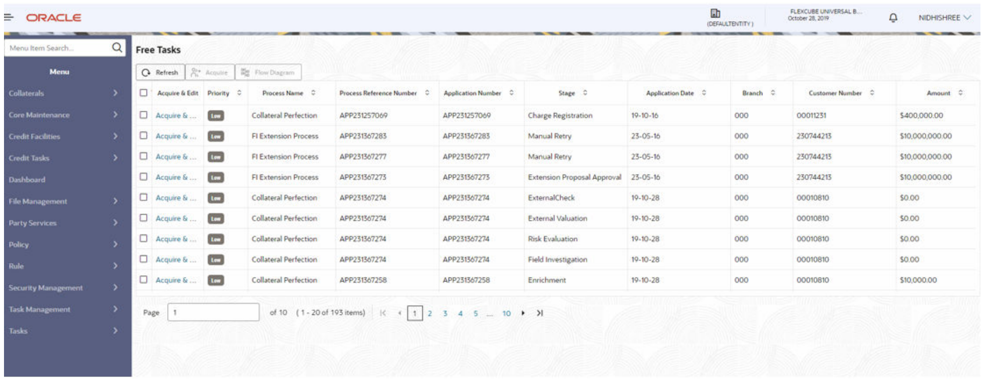
In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

1. To launch the **Charge Registration - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

Figure 13-1 Free Tasks



2. Click **Acquire & Edit** in the required Charge Registration task.

   The **Charge Registration - Collateral Summary** screen is displayed.

Figure 13-2 Charge Registration - Collateral Summary

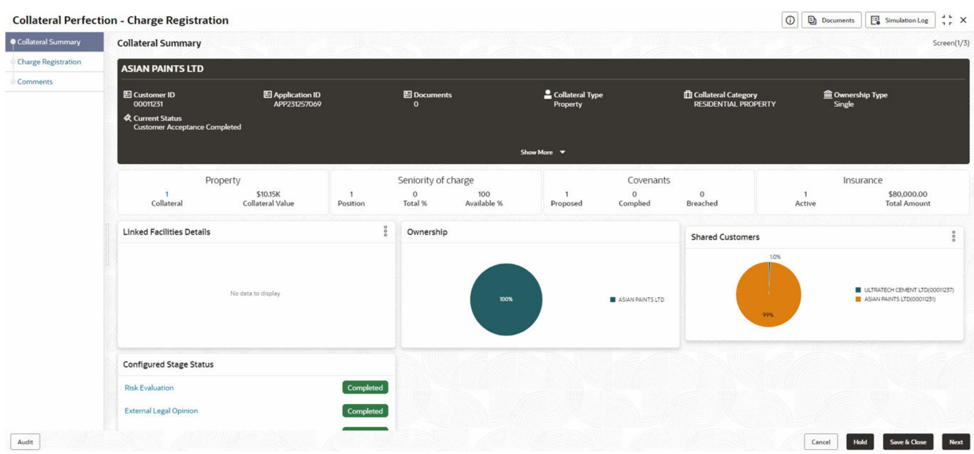
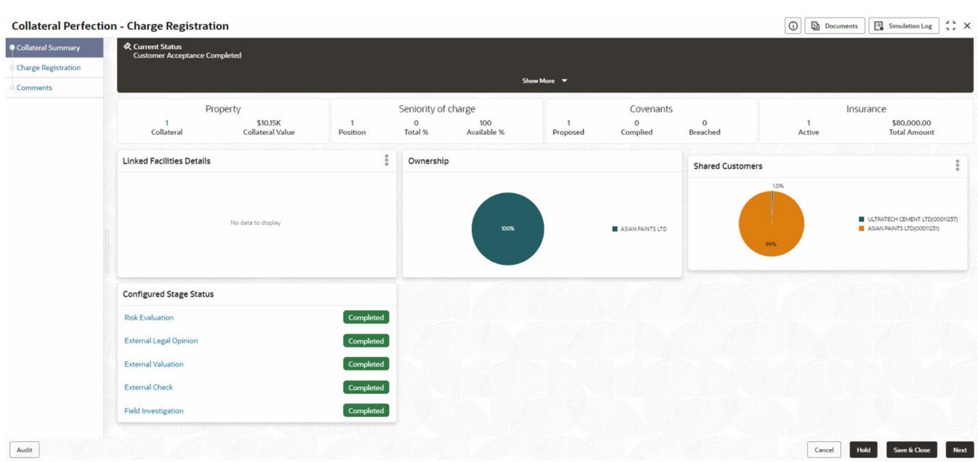


Figure 13-3 Charge Registration - Collateral Summary

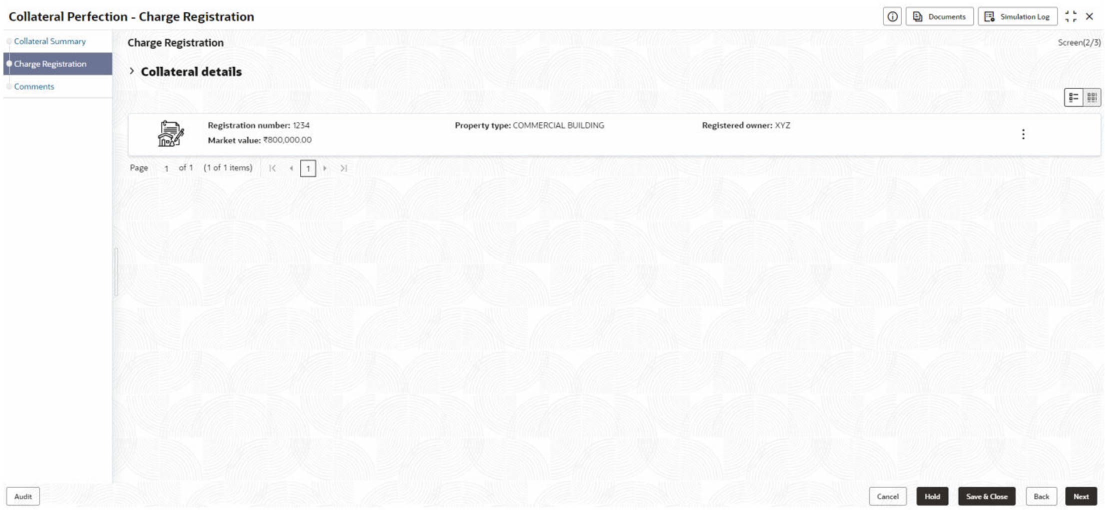


3. View the Collateral Summary and click **Next**.

13.3 Property

Click **Next** in the **Charge Registration - Collateral Summary** screen, **Charge Registration** screen is displayed with collateral details based on the collateral type selected in Initiation screen. In this topic, Property collateral details is provided as a sample.

Figure 13-4 Charge Registration



1. To capture the charge registration details, click **Action** icon in the collateral record and select the **Edit** option.

   The **Charge Registration - Configure - Property** screen is displayed.

Figure 13-5 Charge Registration - Configure - Property

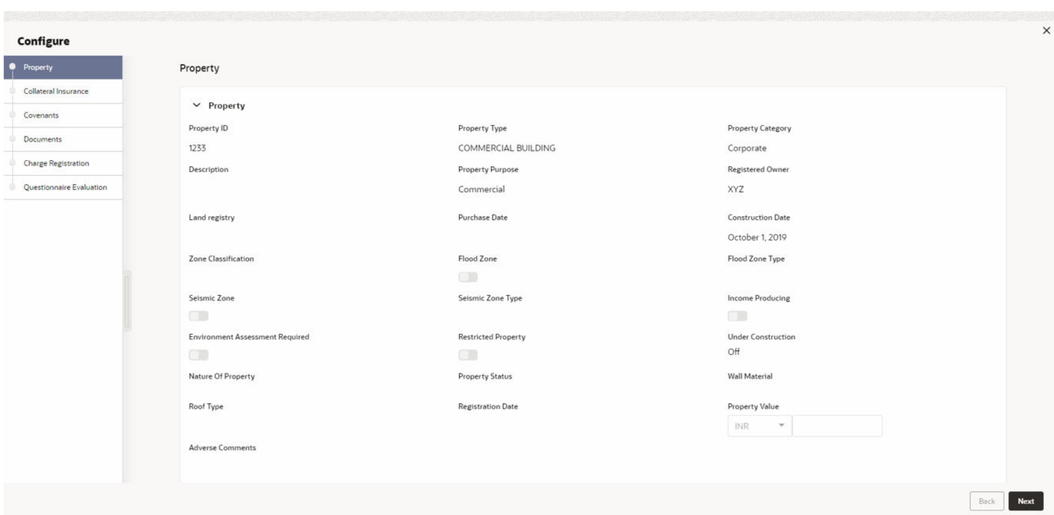


Figure 13-6 Charge Registration - Configure - Collateral Insurance

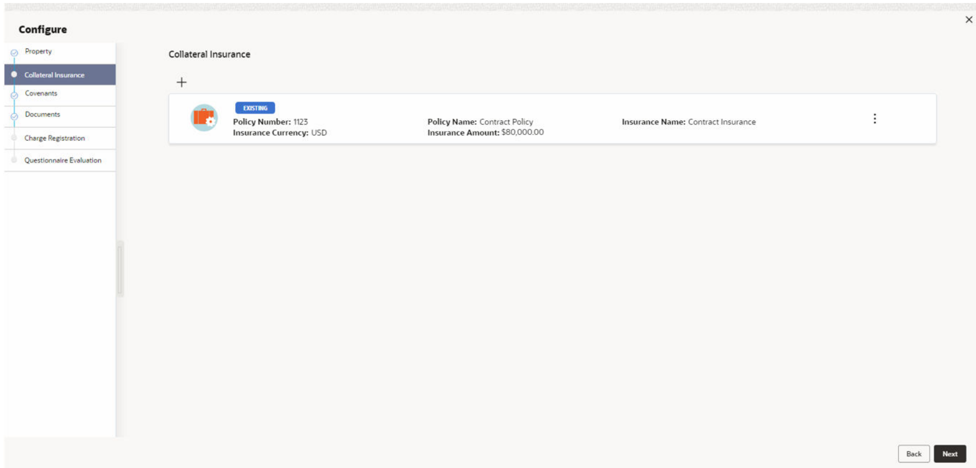


Figure 13-7 Charge Registration - Configure -Covenants

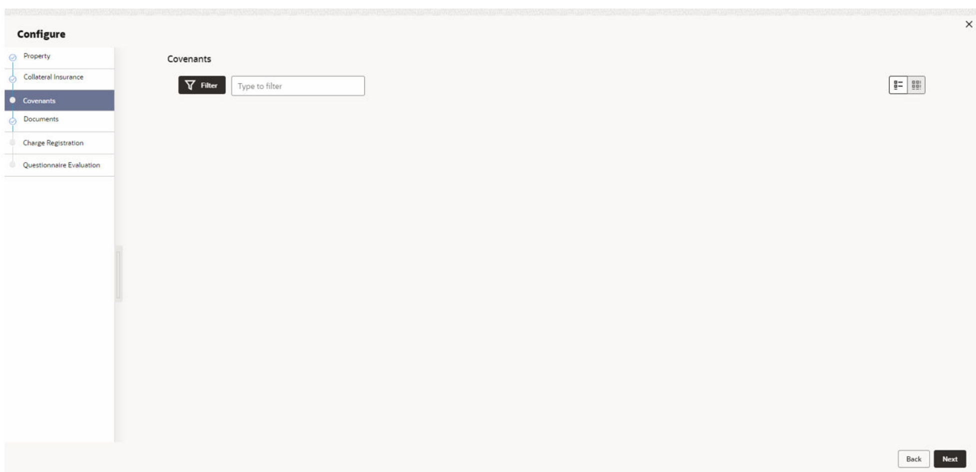
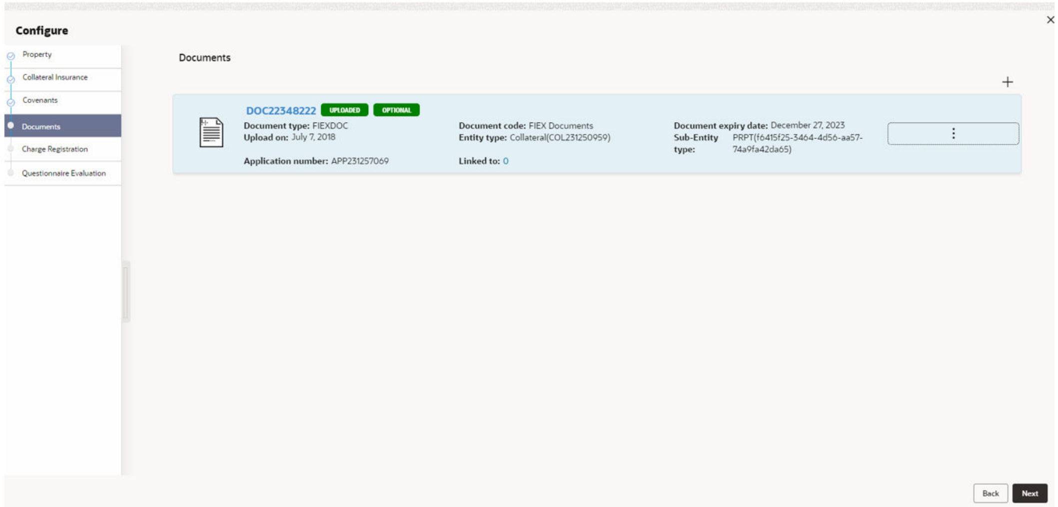


Figure 13-8 Charge Registration - Documents



2. Click **Next** and navigate to the **Charge Registration** menu.

   The **Charge Registration - Configure - Charge Registration** screen is displayed.

Figure 13-9 Charge Registration - Configure - Charge Registration

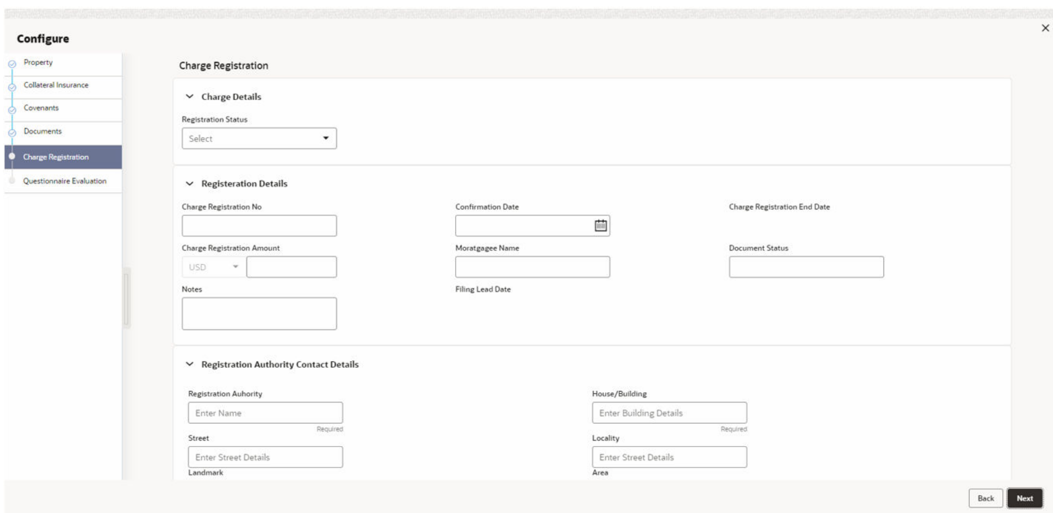


Figure 13-10 Charge Registration - Registration Authority Contact Details

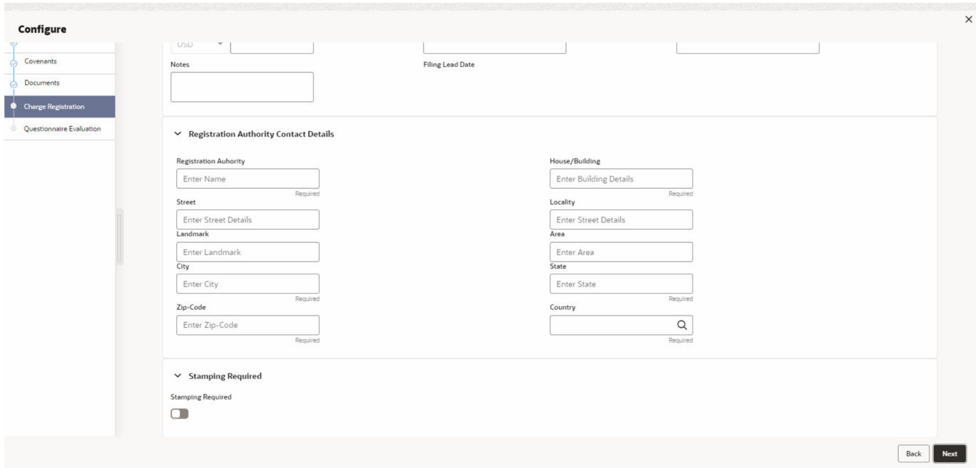


Figure 13-11 Charge Registration - Stamping Required

3. Specify all the details in **Charge Registration - Configure - Charge Registration** screen.

   For field level information, refer the following tables.

Table 13-1 Charge Registration - Charge Details - Field Description

Field	Description
Registration Status	Select **Registration Status** from the drop-down list. The options available are: • Proposed • Registered

Table 13-2 Charge Registration - Registration Details - Field Description

Field	Description
Charge Registration No	Specify **Charge Registration No**, in case **Registration Status** is **Registered**.
Confirmation Date	Specify **Confirmation Date**.
Charge Registration End Date	Specify **Charge Registration End Date**.
Charge Registration Amount	Specify **Charge Registration Amount**.
Mortgagee Name	Specify **Mortgagee Name** that has to be in charge registration document.
Document Status	Specify **Document Status** for charge registration.
Notes	Specify **Notes** for charge registration, if any.
Filing Lead Date	Specify **Filing Lead Date**.

Table 13-3 Charge Registration - Registration Authority Contact Details - Field Description

Field	Description
Registration Authority	Specify name of charge **Registration Authority**.
House/building	Specify name of **House/building** in which the Registration Authority is located.
Street	Specify **Street** in which the Registration Authority is located.
Locality	Specify **Locality** of the Registration Authority.
Landmark	Specify **Landmark** for locating the Registration Authority.
Area	Specify **Area** in which the Registration Authority is located.
City	Specify **City** in which the Registration Authority is located.
State	Specify **State** in which the Registration Authority is located.
Zip-Code	Specify **Zip-Code** of area in which the Registration Authority is located.
Country	Specify **Country** in which the Registration Authority is located.

Table 13-4 Charge Registration - Stamping Required - Field Description

Field	Description
Stamping Required	Enable **Stamping Required** option, if stamping is required for charge registration.
Stamping Date	Specify **Stamping Date**.
Stamping Amount	Specify **Stamping Amount**.

4. Click **Next** and then click **Submit**.

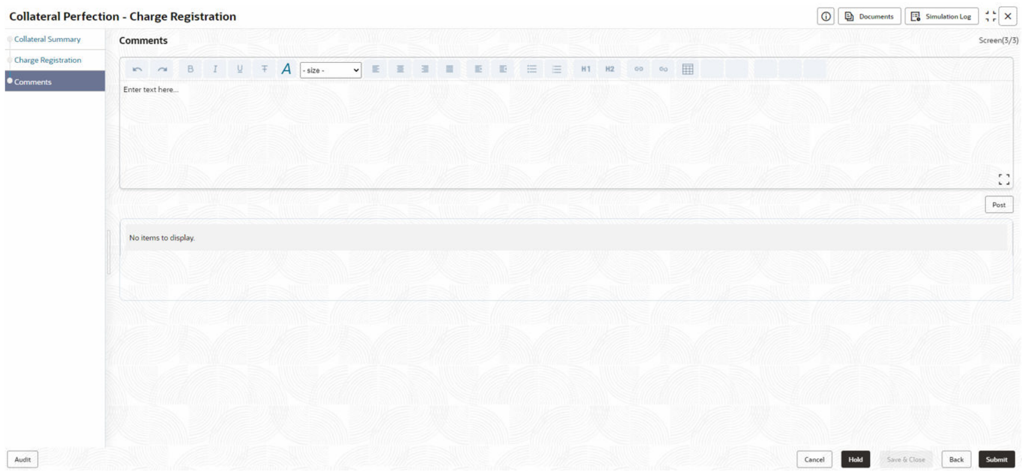
   For information on other side menus, refer the **Initiation** chapter.

13.4 Comments

The Comments data segment allows you to post overall comments for the **Charge Registration** stage. Posting comments helps the user of next stage to better understand the application.

Click **Next** in the **Charge Registration - Collateral Type (Property)** screen, the **Comments** data segment is displayed.

Figure 13-12 Charge Registration - Comments

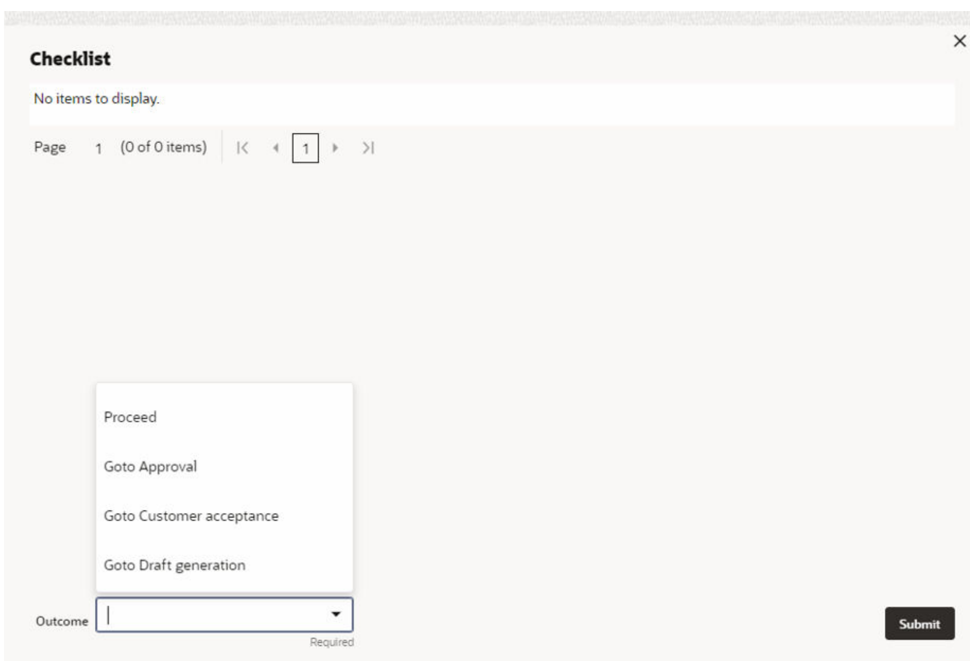


1. Enter your comments for the Charge Registration stage in **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below **Comments** text box.
3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 13-13 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select **Outcome** as **Proceed**.

6. Click **Submit**.

   The application is moved to the next stage - **Awaiting Registration**.

   > **Note:**
   >
   > Charge Registration checklist option is similar to Customer Acceptance checklist option. For more information on **Checklist** option details, refer to **Customer Acceptance > Checklist** section.

14 Awaiting Registration

14.1 Awaiting Registration

In this stage, the Credit Officer or the user authorized to edit the Awaiting Registration task must capture the charge registration details if Registration Status is selected as Proposed in the Charge Registration stage. In case the charge registration status is already captured in the Charge Registration stage, the user can directly submit the task to next stage.

The following data segments are available in the Awaiting Registration stage:

- Awaiting Registration Completion
- Comments

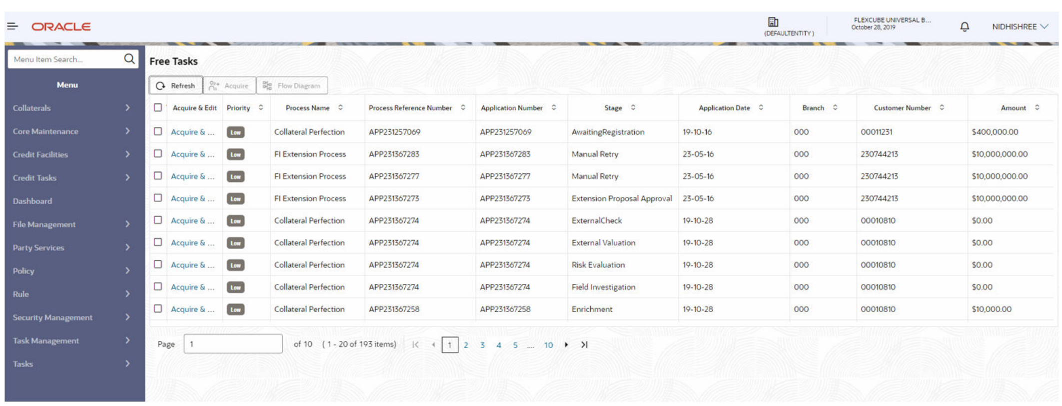
14.2 Awaiting Registration Completion

This data segment allows to add the charge registration details.

1. To launch the **Awaiting Registration - Awaiting Registration Completion** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

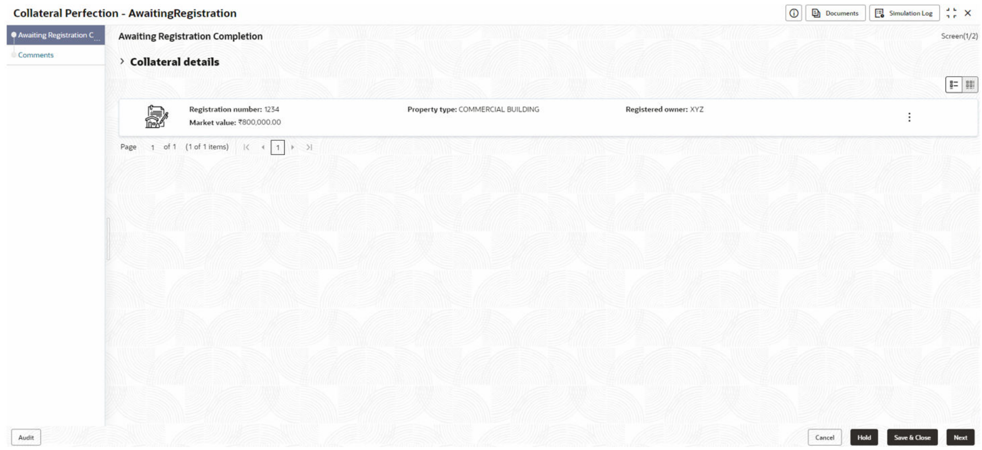
   Figure 14-1 Free Tasks

2. Click **Acquire & Edit** in the required Awaiting Registration task.

   The **Awaiting Registration - Awaiting Registration Completion** screen is displayed.

Figure 14-2 Awaiting Registration - Awaiting Registration Completion



3. Click **Action** icon in the collateral record and select **Edit**.

   The **Awaiting Registration - Configure - Property** screen is displayed.

Figure 14-3 Awaiting Registration - Configure - Property

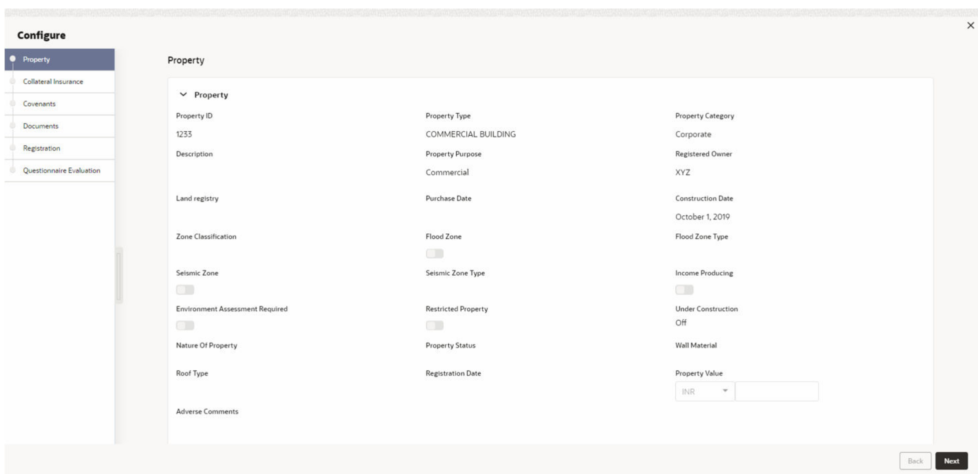
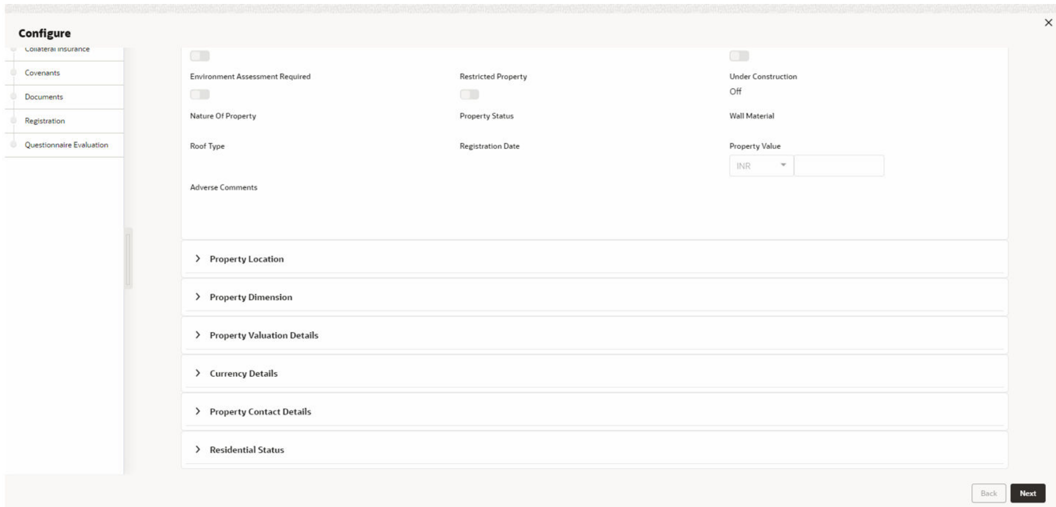


Figure 14-4 Awaiting Registration - Configure - Property



4. Click **Next** and navigate to **Registration** menu.

Figure 14-5 Awaiting Registration - Configure - Registration

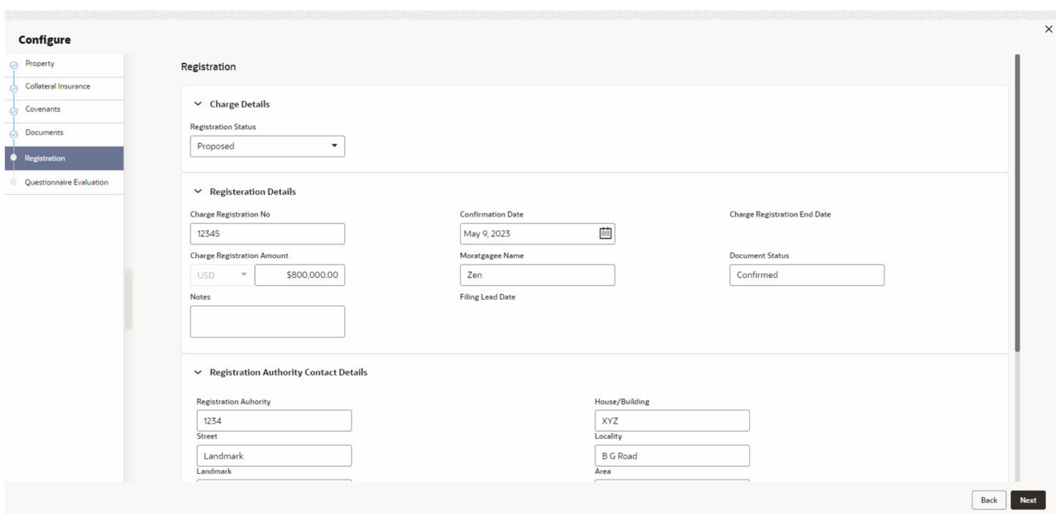
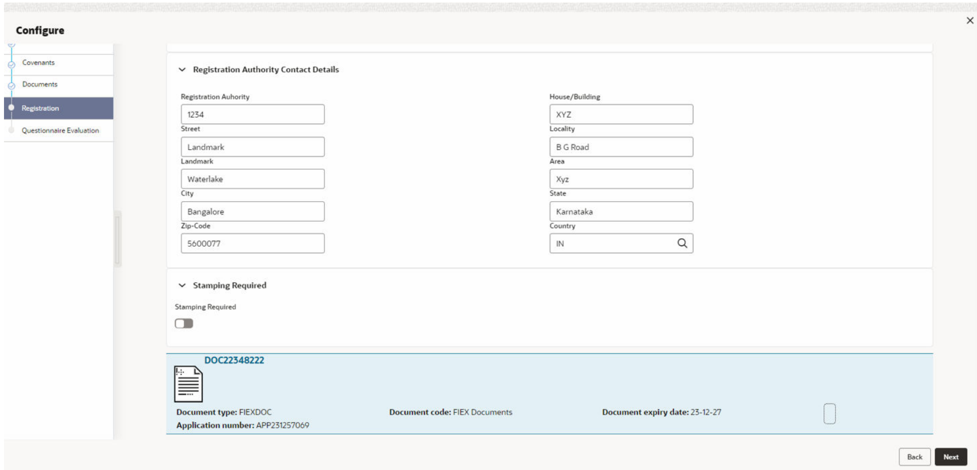


Figure 14-6 Awaiting Registration - Configure - Registration



For information on fields in the above screen, refer the **Property** topic in the **Charge Registration** chapter.

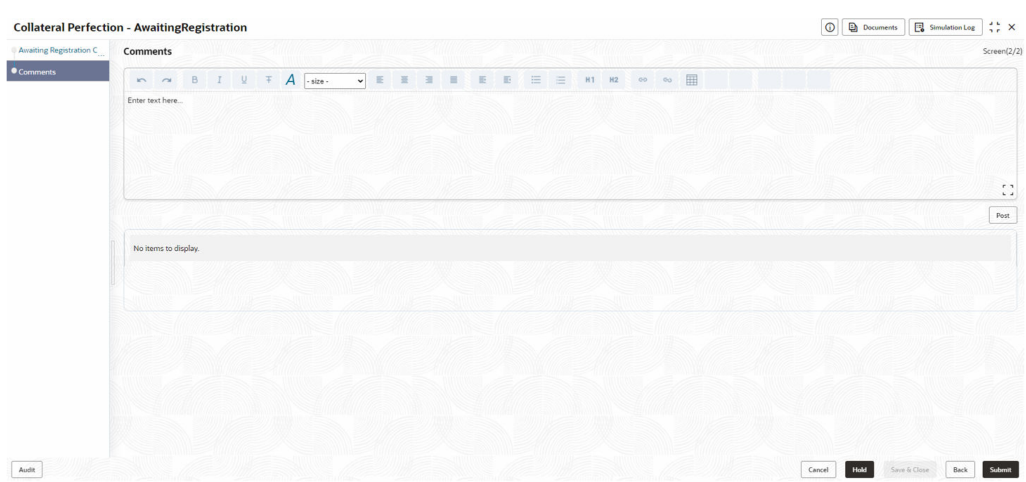
5. After adding the charge registration details, click **Next** and then click **Submit**.

14.3 Comments

The Comments data segment allows you to post overall comments for the Awaiting Registration stage. Posting comments helps the user of next stage to better understand the application.

Click **Next** in the **Awaiting Registration - Awaiting Registration Completion** screen, the Comments data segment is displayed.

Figure 14-7 Awaiting Registration - Comments



1. Enter your comments for the Awaiting Registration stage in **Comments** text box.

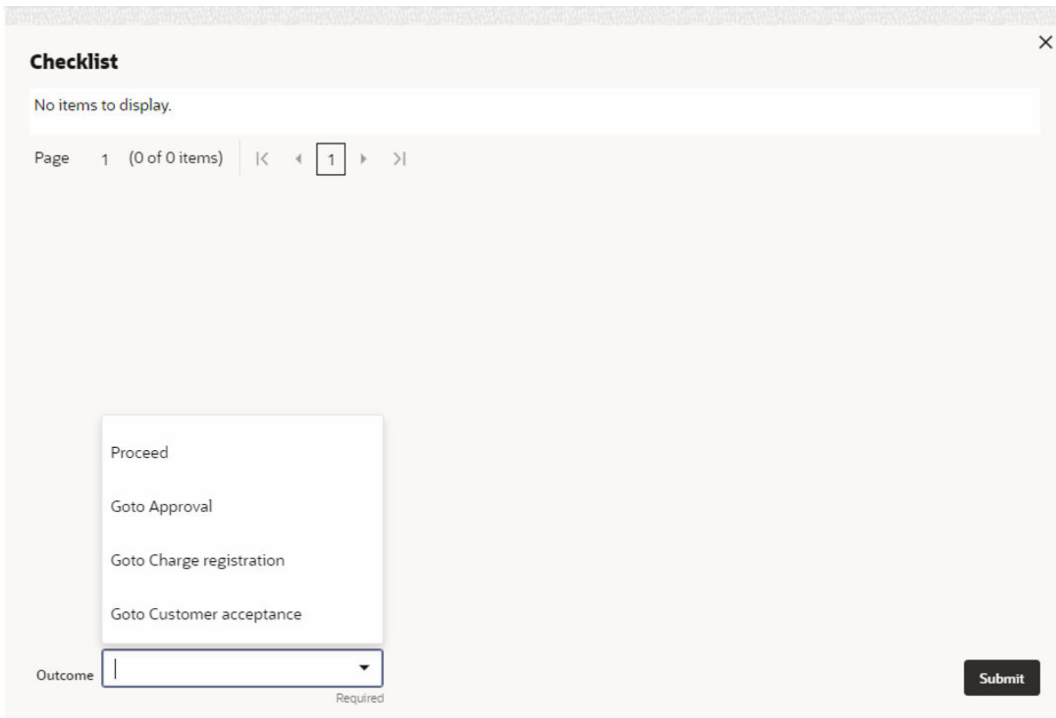
2. Click **Post**.

   Comments are posted and displayed below **Comments** text box.

3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 14-8 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select **Outcome** as **Proceed**.
6. Click **Submit**.

   The application is moved to the next stage - **Safekeeping**.

> **Note:**
>
> Awaiting Registration checklist option is similar to Customer Acceptance checklist option. For more information on **Checklist** option details, refer to **Customer Acceptance > Checklist** section.

15

Safekeeping

15.1 Safekeeping

In this stage, the Document Handling Officer must select the list of document to be sent for External Safekeeping and Internal Safekeeping, and capture the collateral safekeeping details.

The following data segments are available in the Safekeeping stage:

- Collateral Summary
- Collateral Safekeeping
- Comments

15.2 Collateral Summary

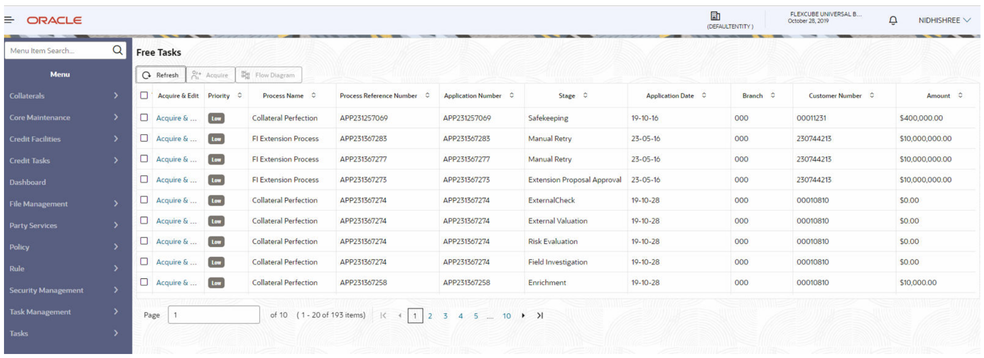
In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

1. To launch the **Safekeeping - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

Figure 15-1 Free Tasks



2. Click **Acquire & Edit** in the required Safekeeping task.

   The **Safekeeping - Collateral Summary** screen is displayed.

Figure 15-2 Safekeeping - Collateral Summary

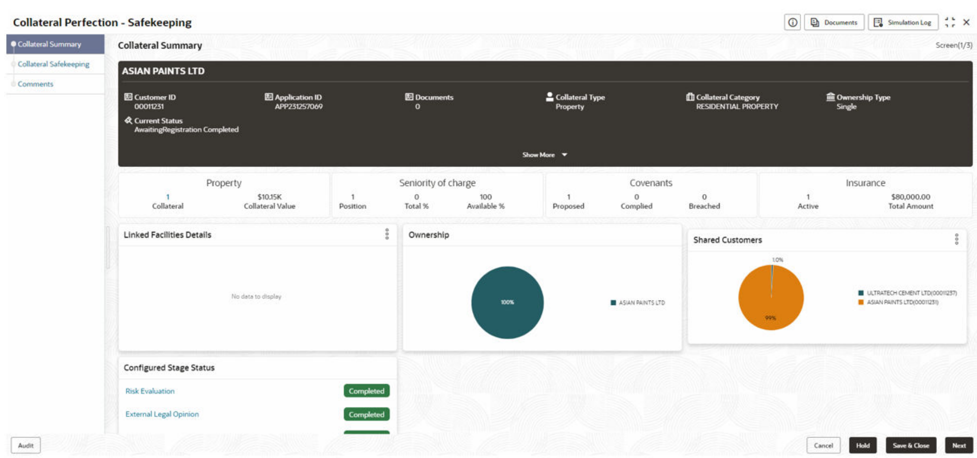
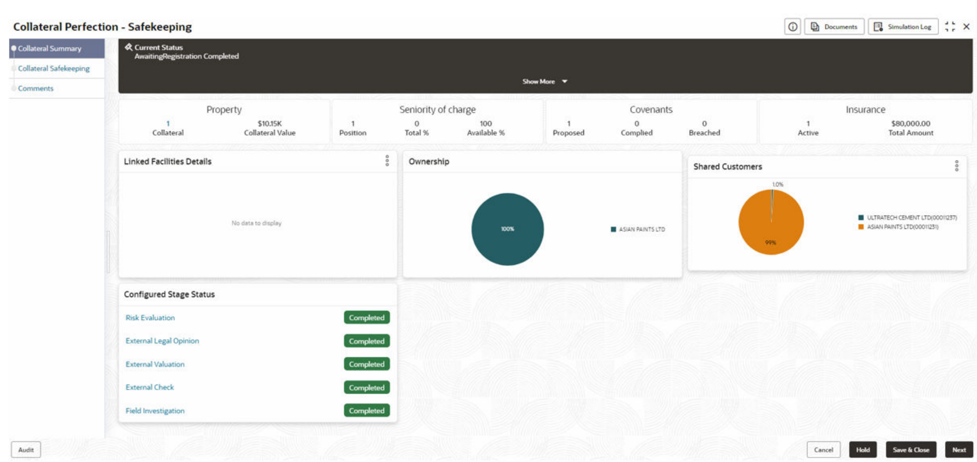


Figure 15-3 Safekeeping - Collateral Summary

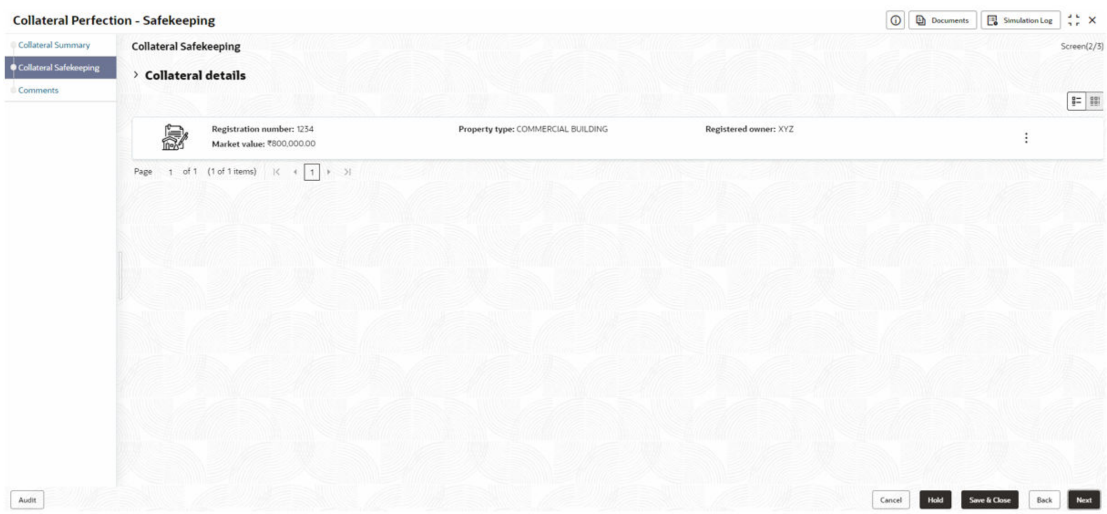


3. View the Collateral Summary and click **Next**.

15.3 Collateral Safekeeping

Click **Next** in the **Safekeeping - Collateral Summary** screen, the Collateral Safekeeping data segment is displayed.

Figure 15-4 Safekeeping - Collateral Safekeeping



To capture safekeeping details for the collateral:

1. Click **Action** icon in the collateral record and select **Edit**.

   The **Safekeeping - Configure - Collateral Type** screen is displayed.

Figure 15-5 Safekeeping - Configure - Collateral Type

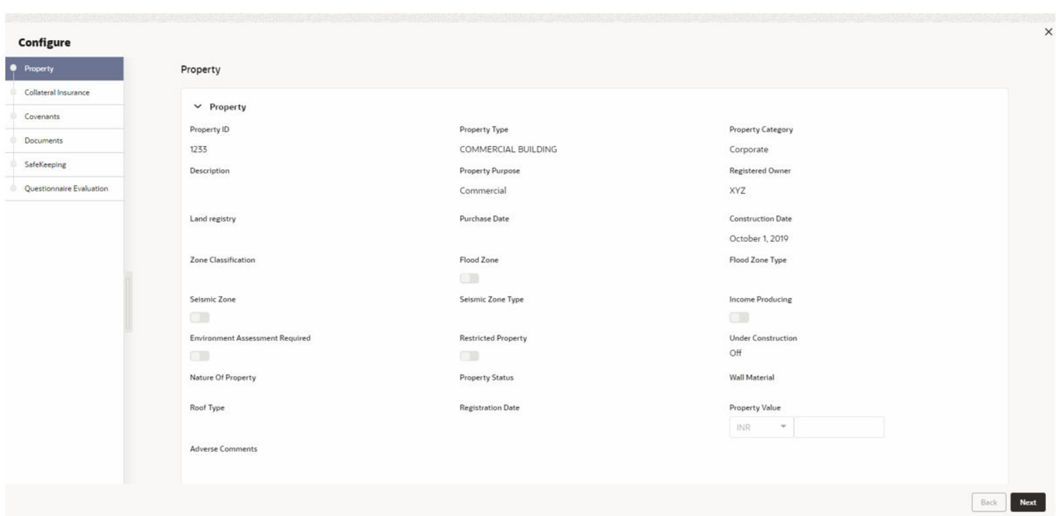
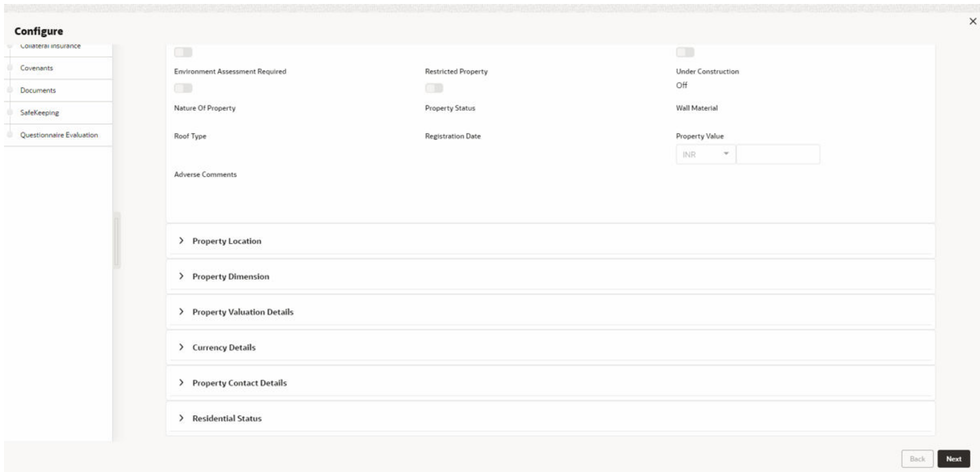
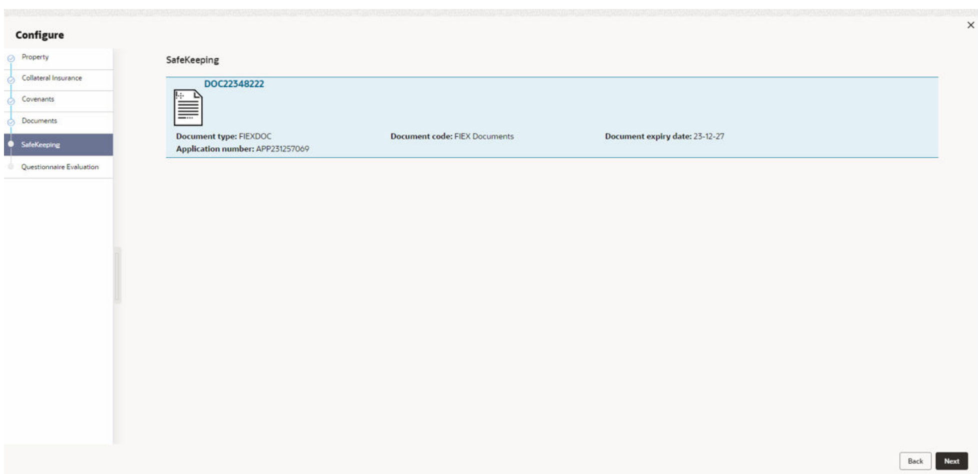


Figure 15-6 Safekeeping - Configure - Collateral Type



2. Click **Next** and navigate to the **Safekeeping** menu.

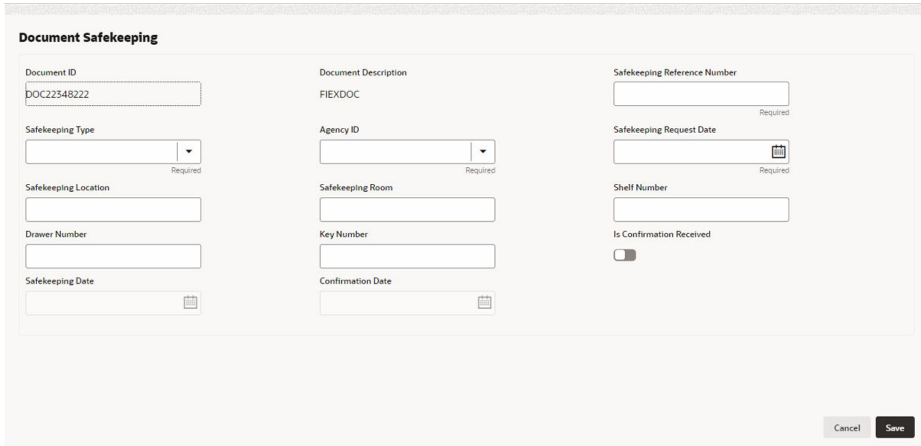
Figure 15-7 Safekeeping - Configure - Safekeeping



3. Click the **+** icon in the **Safekeeping - Configure - Safekeeping** screen.

   The **Document Safekeeping** window is displayed.

Figure 15-8 Document Safekeeping



4. Select documents for safekeeping in the above screen.
5. Enter or select document safekeeping details.

   For field level explanation, refer the below table.

Table 15-1 Document Safekeeping - Field Description

Field	Description
Safekeeping Reference Number	Specify **Safekeeping Reference Number**.
Safekeeping Type	Select **Safekeeping Type** from the drop-down list. The options available are: • Internal • External
Agency Id	Specify **Agency Id**, if **External** is selected as the **Safekeeping Type**.
Safekeeping Request Date	Specify **Safekeeping Request Date**.
Safekeeping Location	Specify **Safekeeping Location**.
Safekeeping Room	Specify **Safekeeping Room** detail.
Shelf Number	Specify **Shelf Number** for collateral safekeeping.
Drawer Number	Specify **Drawer Number** for collateral safekeeping.
Key Number	Specify **Key Number** for collateral safekeeping.
Is Confirmation Received	Enable **Is Confirmation Received** option, if confirmation is received for collateral safekeeping.
Confirmation Date	Specify safekeeping **Confirmation Date**.

6. Click **Save** in the **Document Safekeeping** window.

   The document safekeeping details are added and displayed in the **Safekeeping - Configure Safekeeping** screen.

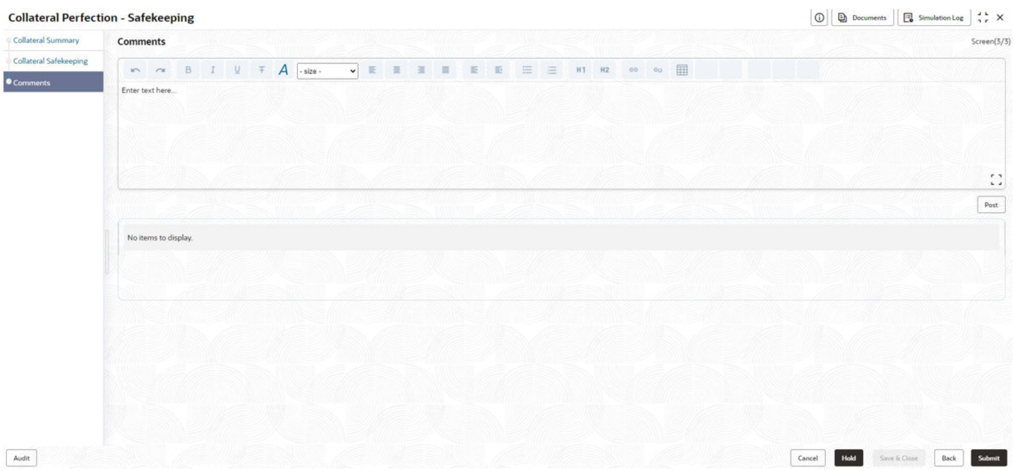
   You can **Edit**, **View**, or **Delete** the added safekeeping detail by clicking **Action** icon and selecting the required option.
7. After capturing safekeeping details, click **Next** and then click **Submit**.

15.4 Comments

The Comments data segment allows you to post overall comments for the Safekeeping stage.

Click **Next** in the **Safekeeping - Collateral Safekeeping** screen, the **Comments** data segment is displayed.

Figure 15-9 Safekeeping - Comments

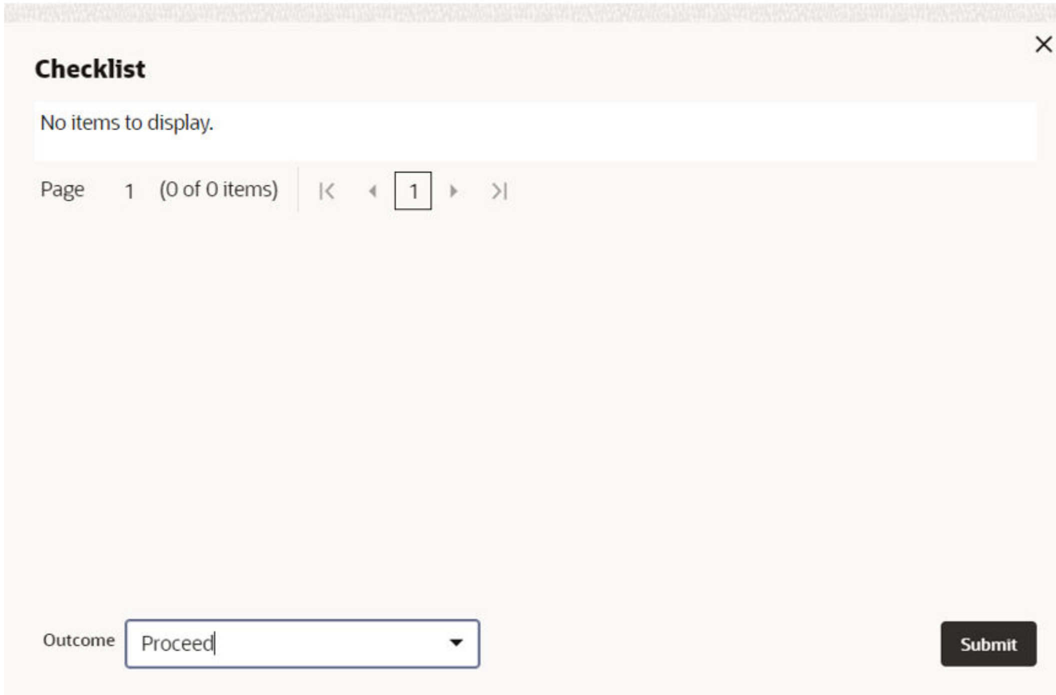


1. Enter your comments for the Safekeeping stage in **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below **Comments** text box.
3. Click **Submit**.

   The **Checklist** window is displayed.

Figure 15-10 Checklist



4. Manually verify all the checklist and enable the corresponding check box.
5. Select **Outcome** as **Proceed**.
6. Click **Submit**.

   The Collateral Perfection details are handed off to the Back office System (**OBELCM**) and the process is completed.

> **Note:**
>
> If Collateral is initiated from **External System** and you need to create **Liability Details** for external party then click Liability Details stage.

16 Liability Details

16.1 Liability Details

Perfection of collateral can also be initiated from external system. If the credit officer or the user authorized needs to create collateral from external system then liability details can be created in this Liability Details stage.

The following data segments are available in the Liability Details stage:

- Collateral Summary
- Liability Detail Creation
- Comments

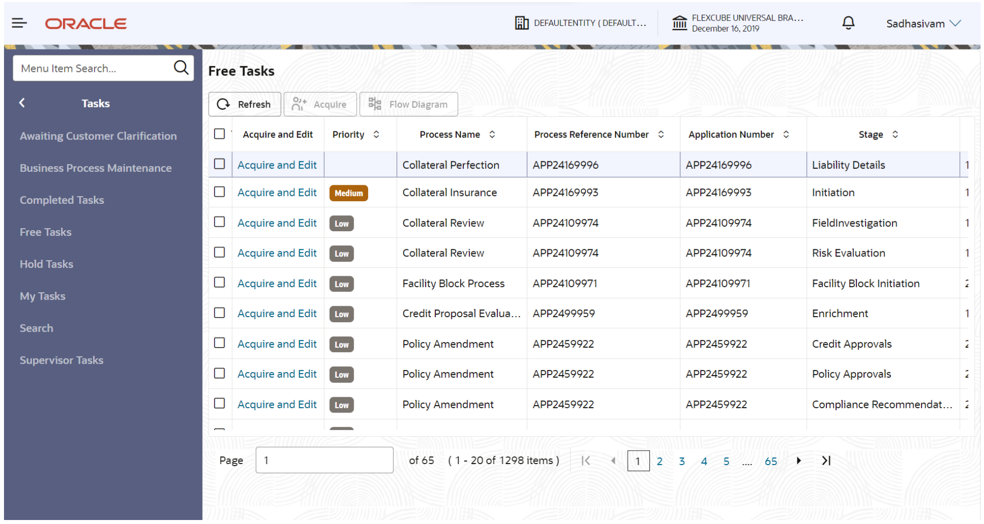
16.2 Collateral Summary

In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

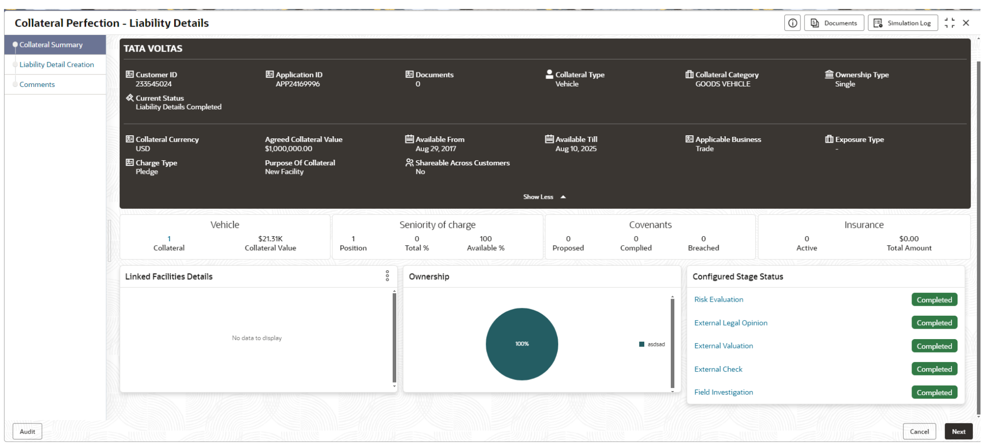
1. To launch **Liability Details - Collateral Summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.
   The **Free Tasks** screen is displayed.

Figure 16-1 Free Tasks



2. Click **Acquire & Edit** in the required **Liability Details** task.
   The **Liability Details - Collateral Summary** screen is displayed.

Figure 16-2 Liability Details - Collateral Summary

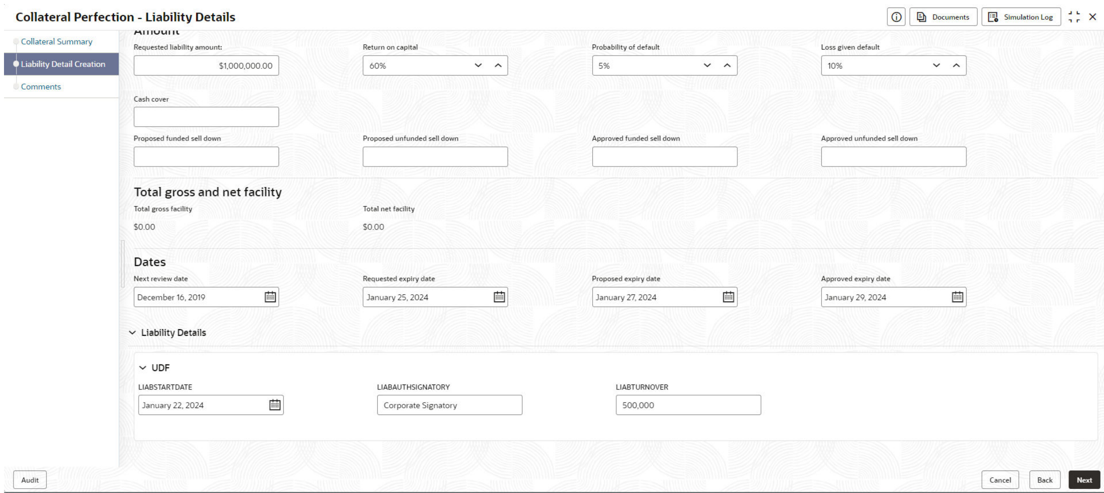


3. View the **Collateral Summary** and click **Next**.

16.3 Liability Detail Creation

Click **Next** in the **Liability Details - Collateral Summary** screen, the **Liability Detail Creation** data segment is displayed. The Credit Officer or the user authorized who wants to create collateral from external system can create liability detail in **Liability Detail Creation** screen by entering the appropriate details for the given fields.

Figure 16-3 Liability Detail Creation Screen



Enter or select all the details in the **Liability Detail Creation** screen. For field level information, refer the following table.

Table 16-1 Liability Detail Creation

Field	Description
Amount	Specify the following details: • **Requested Liability Amount** - Liability amount requested by the party and select the currency in which the liability is requested by the party. • **Return on Capital** - Ratio calculated by dividing the after tax operating income by the average book-value of the invested capita. • **Probability of Default** - Estimate of the likelihood that the entity will be unable to meet its debt obligations. • **Loss Given Default** - Amount of money a bank or other financial institution loses when a borrower defaults on a loan. • **Cash Cover** - Amount deposited by the party in your bank. • **Proposed Funded Sell Down** - Funded sell down proposed for the party. • **Proposed Unfunded Sell Down** - Unfunded sell down proposed for the party. • **Approved Funded Sell Down** - Funded sell down approved for the party. • **Approved Unfunded Sell Down** - Unfunded sell down approved for the party.
Total Gross and Net Facility	1. **Total gross facility** is calculated and displayed by default based on the details entered in **Amount** fields. 2. **Total net facility** is calculated and displayed by default based on the details entered in **Amount** fields.

Table 16-1 (Cont.) Liability Detail Creation

Field	Description
Dates	1. Select the **Next Review Date** when the party's liability needs to be reviewed. 2. Select the **Requested Expiry Date** for the liability based on your party request. 3. Select the **Proposed Expiry Date** for the liability. 4. Select the **Approved Expiry Date** for the liability.
Liability Details	Specify **UDF** details for the below fields: • LIABSTARTDATE • LIABAUTHSIGNATORY • LIABTURNOVER

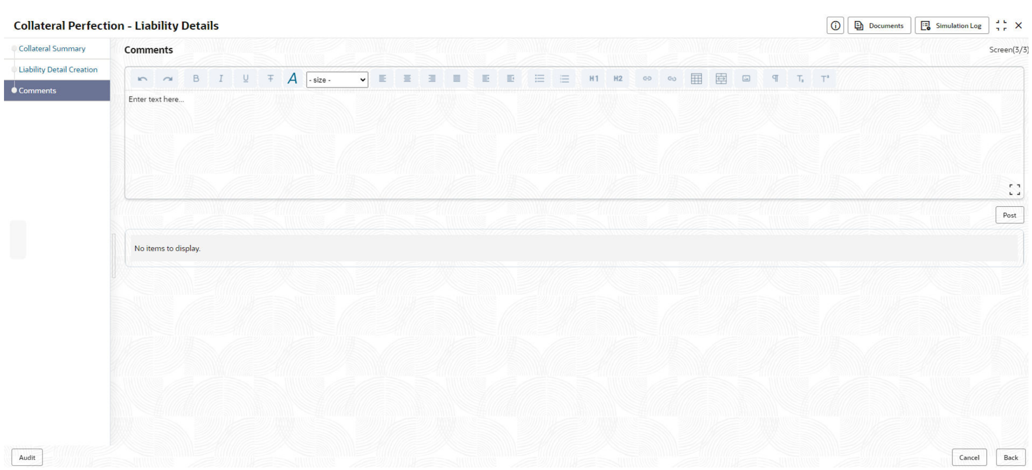
Click **Next**, the liability details are created and system moves to **Comments** data segment.

16.4 Comments

The **Comments** data segment allows you to post comments for the **Liability Details** stage. Posting comments helps the user of next stage to better understand the application.

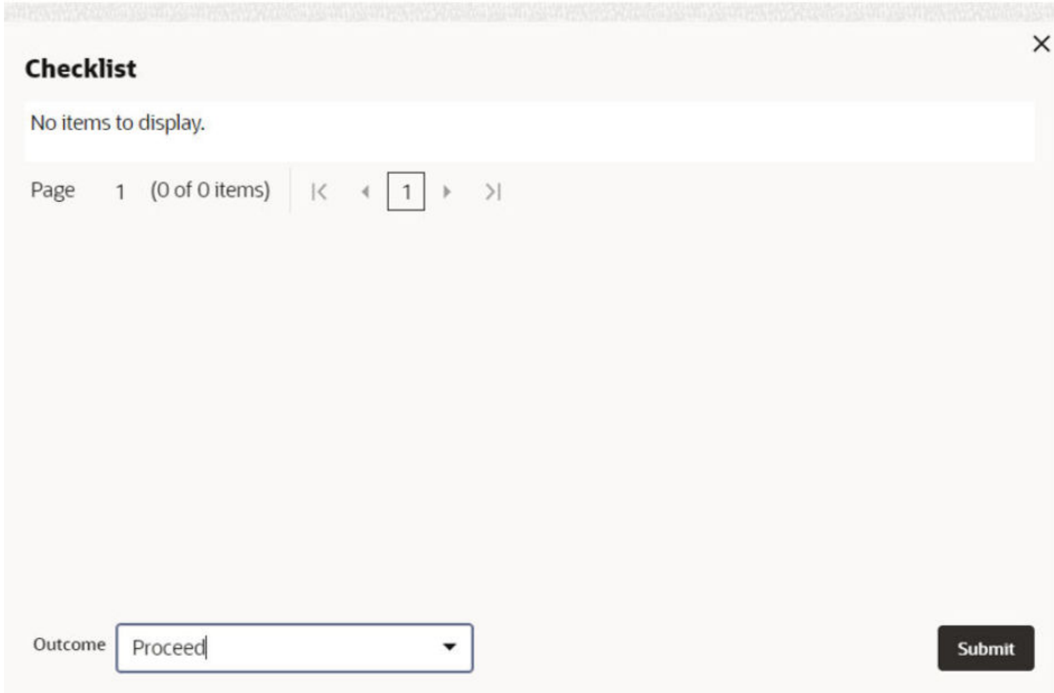
Click **Next** in the **Liability Detail Creation** screen, the **Comments** data segment is displayed.

Figure 16-4 Liability Details - Comments



1. Enter your comments for the Liability Details stage in **Comments** text box.
2. Click **Post**.
   Comments are posted and displayed below **Comments** text box.
3. Click **Submit**.
   The **Checklist** window is displayed.

Figure 16-5 Checklist



Manually verify all the checklist and enable the corresponding check box.

4. Select **Outcome** as **Proceed**.
5. Click **Submit**.
   The process is completed and details are handed off to the Back office System (**OBELCM**).

> **Note:**
>
> Liability Details checklist option is similar to Customer Acceptance checklist option. For more information on **Checklist** option details, refer to **Customer Acceptance** > **Checklist** section.

17
Handoff - Manual Retry

17.1 Handoff - Manual Retry

Collateral details are automatically handed off to the back office system on submitting the last stage task. In case of any failure, the system generates and lists the Manual Retry task in the Free Tasks queue. The user must edit the task and fix all the handoff errors before submitting the task.

17.2 Collateral Summary

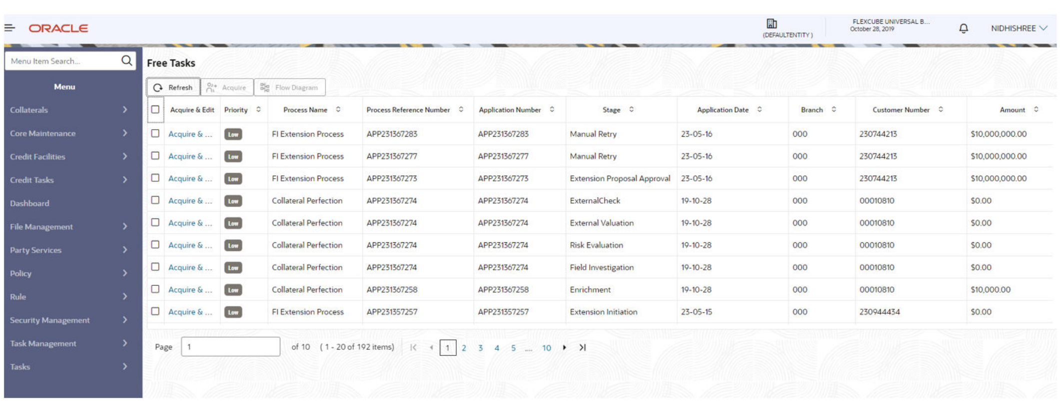
In the Collateral Summary data segment, the following collateral details captured in the previous stages are displayed.

- Basic Information
- Collateral Type (Property) Details - (For more information on Collateral Type Details option list, refer the chapter **Data Enrichment** > **Collateral Type Details** bullet list mentioned in this User Guide.)
- Linked Facilities Details
- Ownership
- Covenants
- Insurance
- Configured Stage Status

1. To launch the **Manual Retry - Collateral summary** screen, navigate to **Tasks** > **Free Tasks** from the left menu.

   The **Free Tasks** screen is displayed.

Figure 17-1 Free Tasks



2. Click **Acquire & Edit** in the required Manual Retry task.

   The **Manual Retry - Collateral Summary** screen is displayed.

Figure 17-2 Manual Retry - Collateral Summary

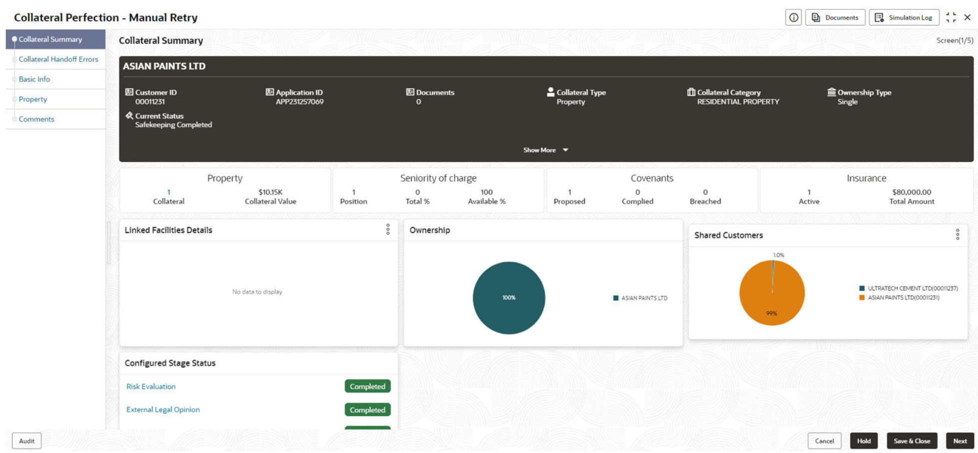
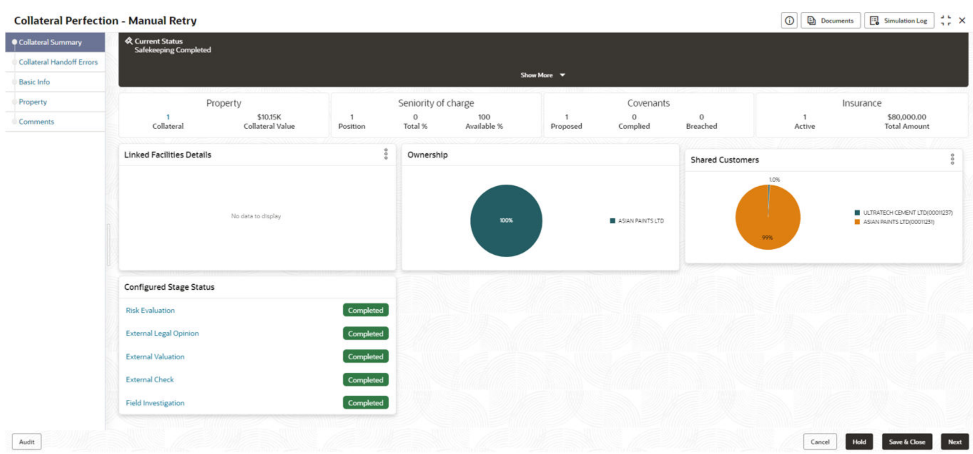


Figure 17-3 Manual Retry - Collateral Summary



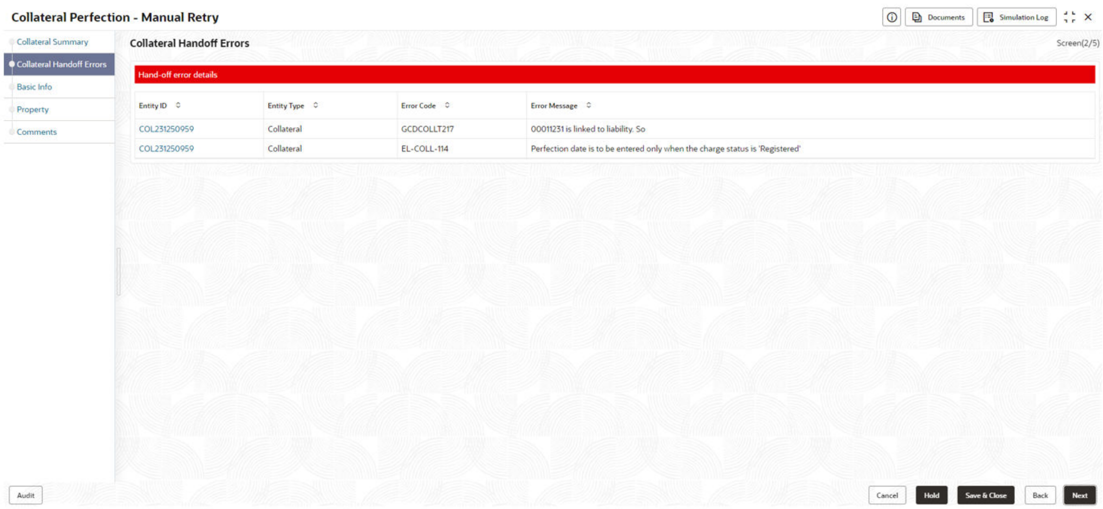
3. View the Collateral Summary and click **Next**.

17.3 Collateral Handoff Errors

This data segment displays the handoff error details such as Entity ID, Entity Type, Error Code, and Error Message for taking necessary action.

Click **Next** in the **Manual Retry - Collateral Summary** screen, the Collateral Handoff Errors data segment is displayed.

Figure 17-4   Manual Retry - Collateral Handoff Errors



1. View the **Hand-off Error Details**.
2. Click **Next**.

17.4 Basic Info

This data segment displays basic collateral details captured as part of perfection initiation. In case there is handoff error in this screen, you must fix it before proceeding to the next data segment.

Click **Next** in the **Manual Retry - Collateral Handoff Errors** screen, the Basic Info data segment is displayed.

Figure 17-5   Manual Retry - Basic Info

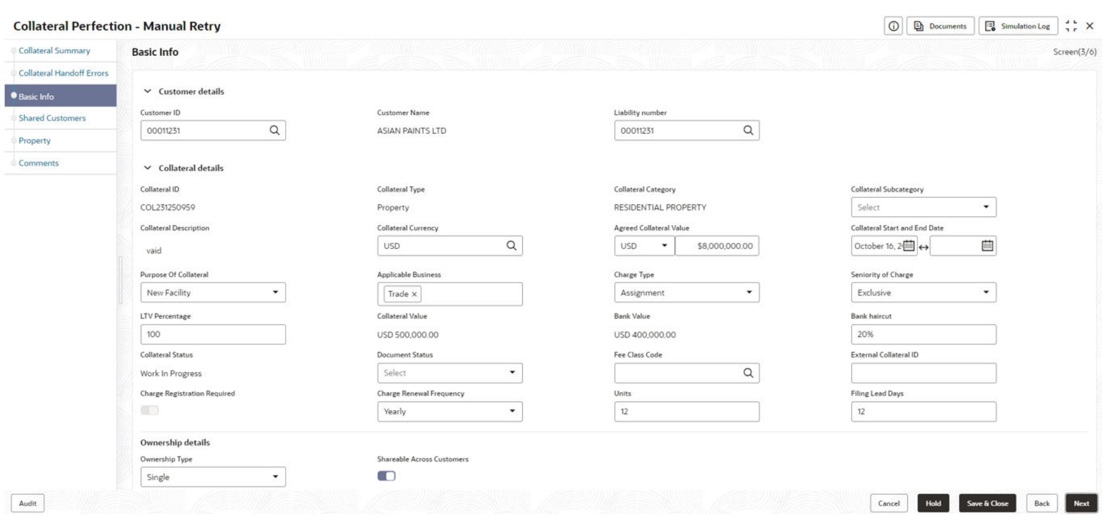
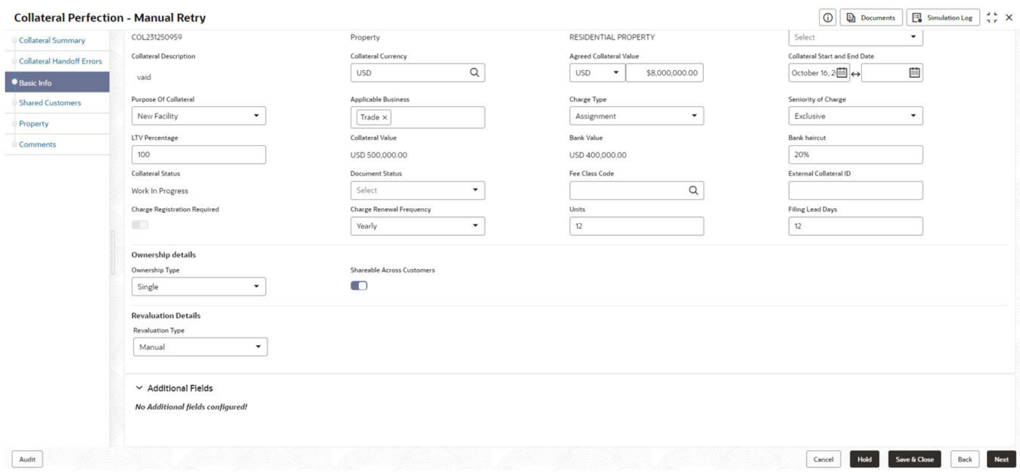


Figure 17-6 Manual Retry - Basic Info



1. Modify necessary details.

> **Note:**
>
> For information on fields in the Basic Info data segment, refer the chapter **Enrichment** > **Basic Info** topic mentioned in this User Guide.

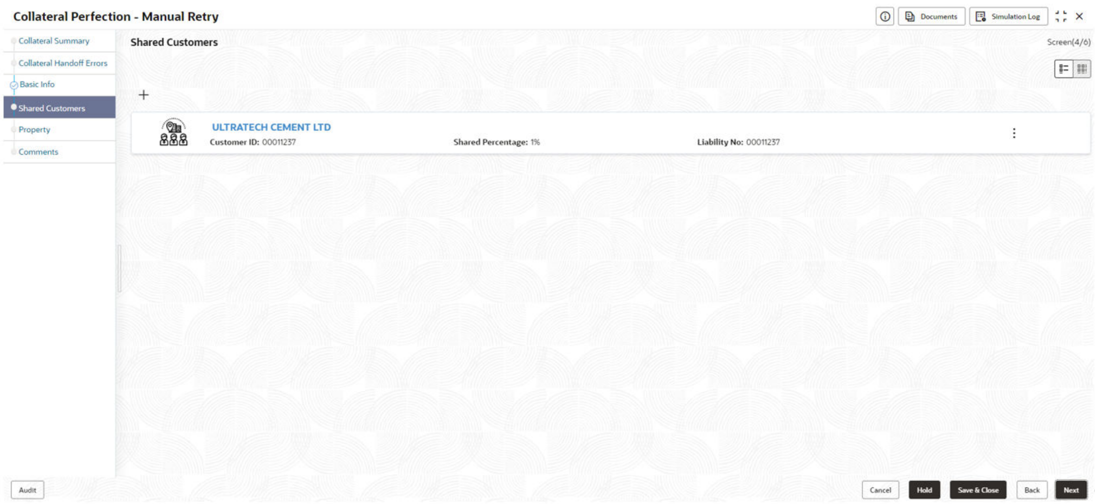
2. After performing necessary actions in **Manual Retry - Basic Info** screen, click **Next**.

17.5 Shared Customers

This data segment displays Shared Customers details captured as part of perfection initiation.

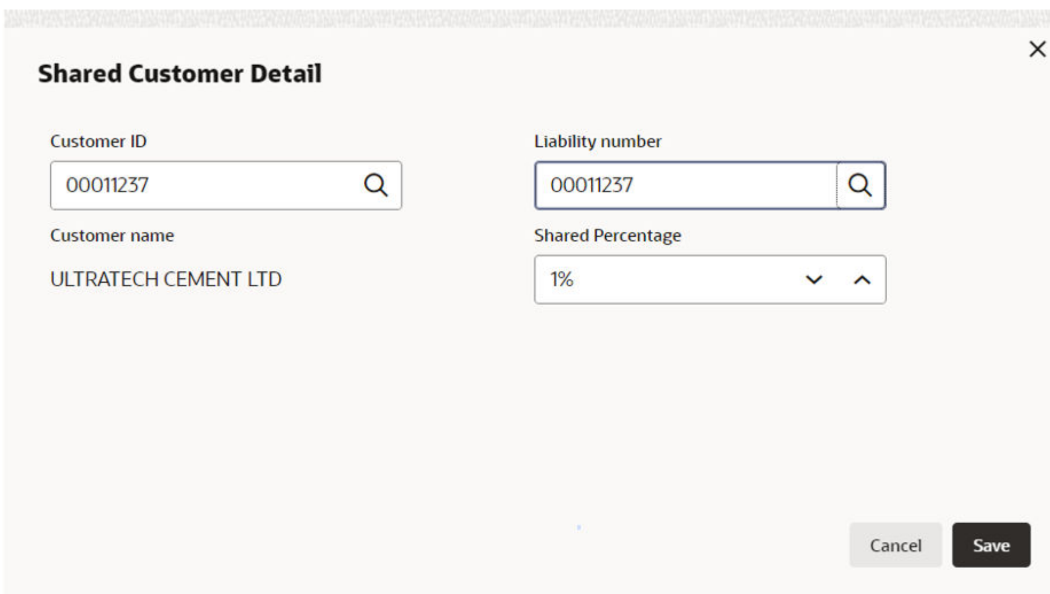
Click **Next** in the **Manual Retry - Basic Info** screen, the Shared Customers data segment is displayed.

Figure 17-7 Manual Retry - Shared Customers



1. To add new shared customers details, Click **+** icon.
   The **Shared Customer Detail** window opens.

Figure 17-8 Shared Customer Detail



2. Enter or search the fields given in **Shared Customer Detail** screen. The fields are:
   - Customer ID
   - Liability Number
   - Customer Name (Displayed by Default)
   - Shared Percentage (Enter or use incremental or decremental arrow option to increase or decrease the percentage)

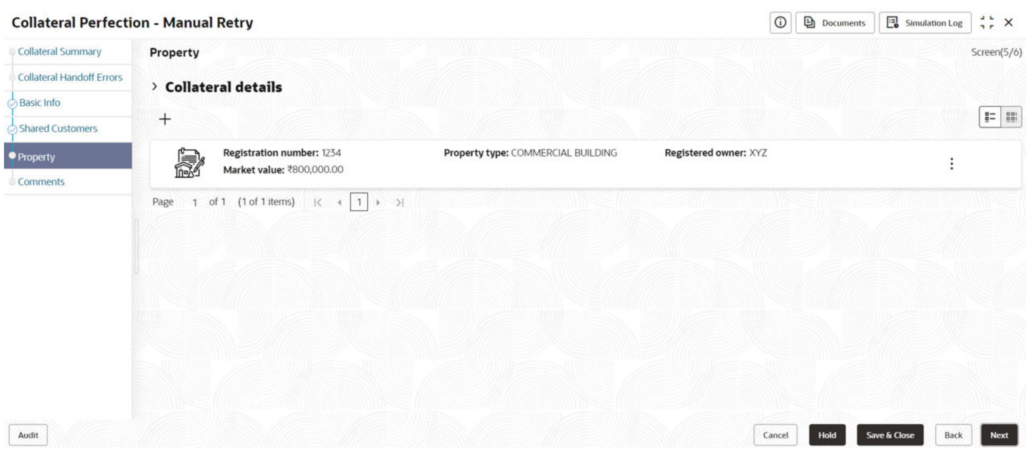
3. Click **Save**, to add the details.

17.6 Property- Collateral Details

This data segment allows to modify collateral details added in the previous stages/ process. In case there is handoff error in this screen, you must fix it before proceeding to the next data segment.

Click **Next** in the **Manual Retry - Shared Customers** screen, the Collateral Type data segment is displayed based on the collateral selected for review. Here **Property- Collateral Details** is given as sample screen.

Figure 17-9 Property- Collateral Details



1. To modify the **Property - Collateral Details**, click the **Action** icon in the collateral record and select **Edit**.

   The **Configure- Property** Screen is displayed.

   Figure 17-10 Configure- Property

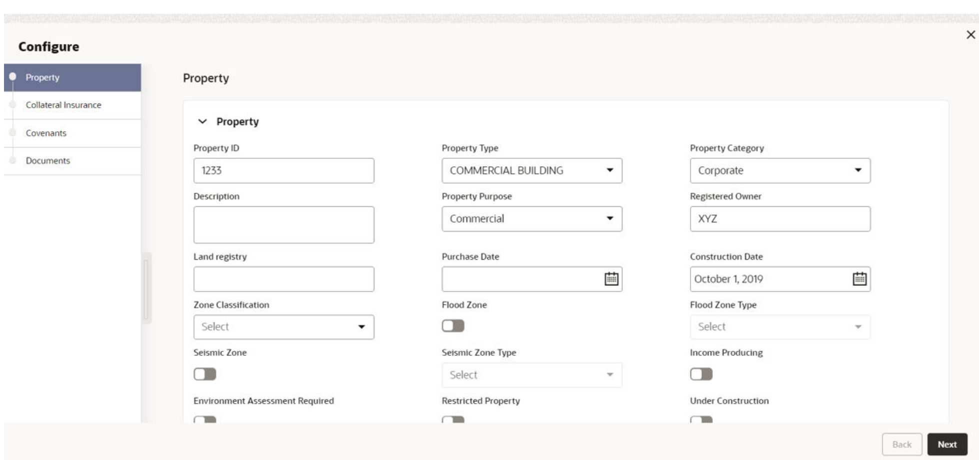
   

Figure 17-11 Configure- Property

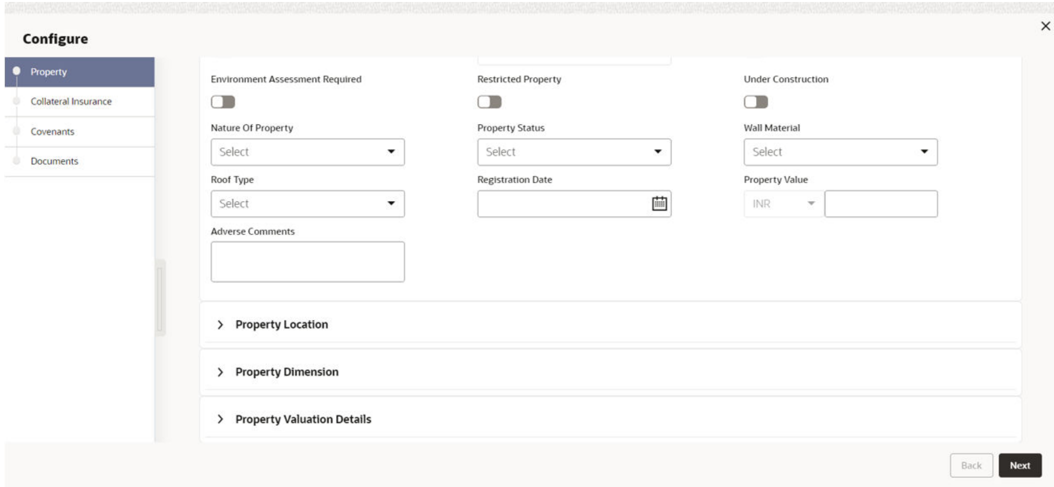
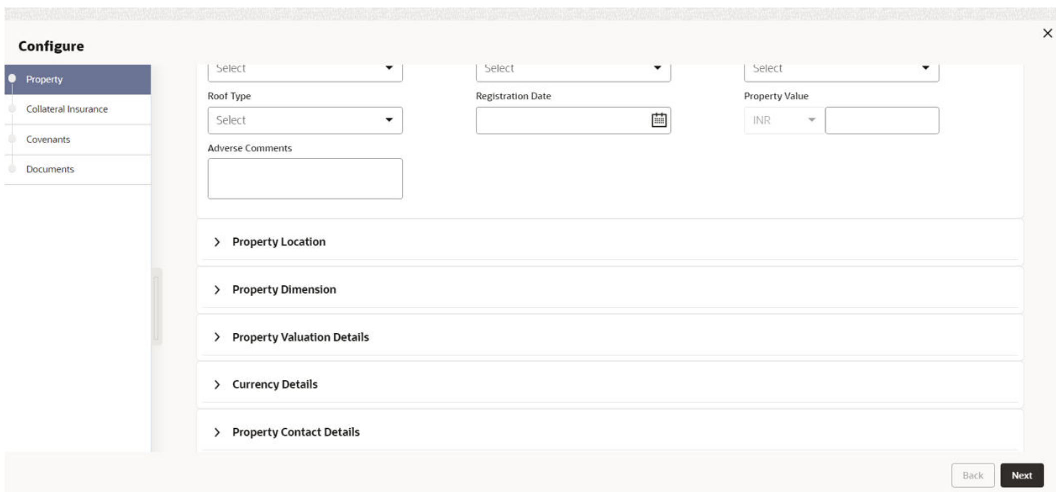


Figure 17-12 Configure- Property



Note:

For detailed information on the left menus, refer **Collateral Type** section in the **Collateral Evaluation User Guide**.

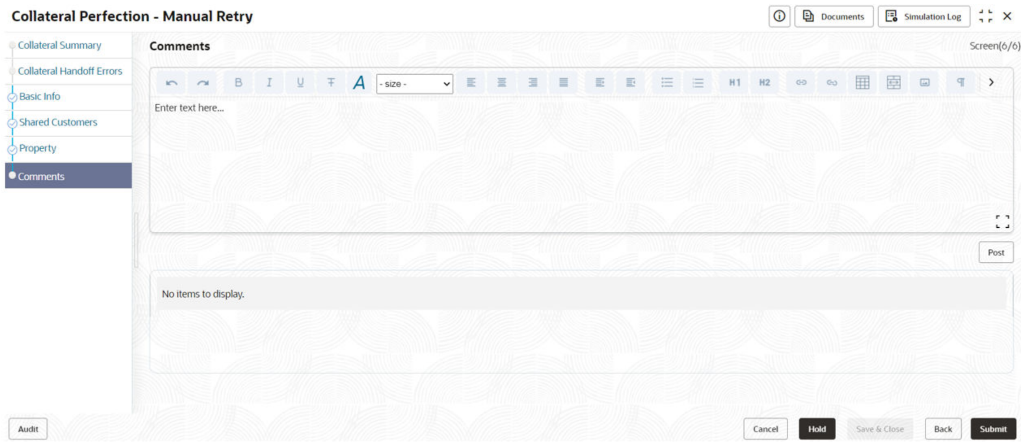
2. After modifying the collateral details, click **Next**.

17.7 Comments

The Comments data segment allows you to post your overall comments for the Manual Retry stage.

Click **Next** in the **Manual Retry - Property** screen, the **Comments** data segment is displayed.

Figure 17-13 Manual Retry - Comments

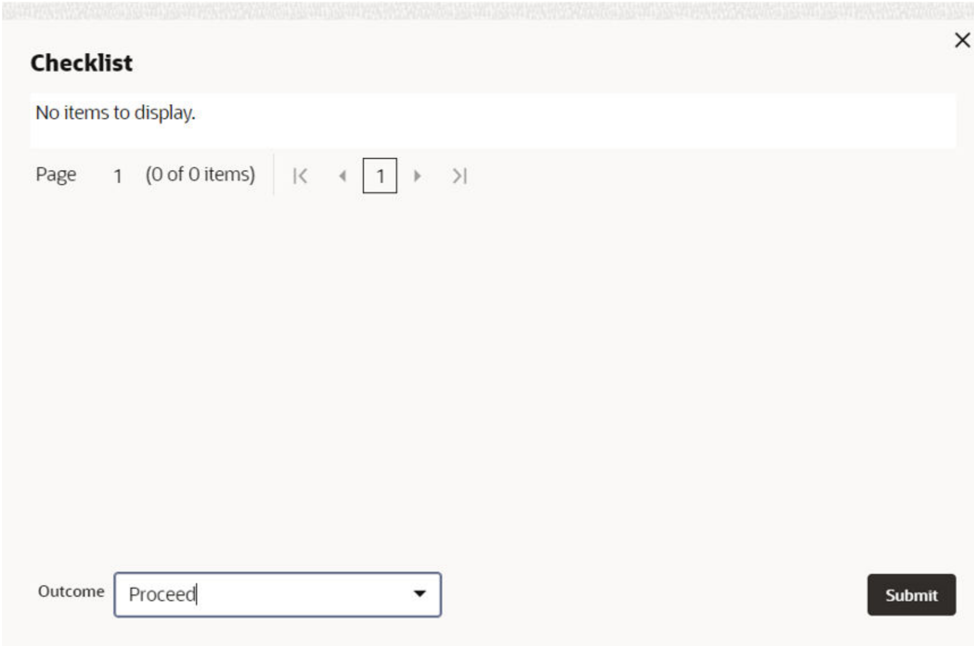


1. Enter the comments for the Manual Retry stage in **Comments** text box.
2. Click **Post**.

   Comments are posted and displayed below **Comments** text box.
3. To manually handoff the collateral details, click **Submit**.

   The **Checklist** window is displayed.

Figure 17-14 Checklist



> **Note:**
>
> Checklist can be configured for each stage of a process in the **Business Process Maintenance** screen. For more information, refer the **Credit Facilities Process Maintenance User Guide**.

4. Manually verify all the checklist and enable the corresponding check box.
5. Select **Outcome** as **Proceed** and click **Submit**.

   Release details are handed off to the back office system.

> **Note:**
>
> Manual Retry task is generated until successful hand off of the release details. You need to carefully view the error details and fix the handoff errors for successful hand off.