



SwiffyLabs

LAS Digital Tech Stack

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Overview

The SwiffyLabs LAS Tech Stack comprises of the following systems:

- Customer Management - CIF
- Loan Against Securities - LOS - Digital Onboarding Journey for Retail Borrower
- Loan Against Securities - LOS - Assisted Onboarding Journey for Non-individual Borrower
- Risk Management System
- Collateral Management System
- Loan Management System
- Digital Loan repayments / Collections
- NPA Management
- Accounting & GL Module for Assets
- MIS & Reports

The platforms are enabled with the following capabilities that can be enabled for the required steps in the application : RBAC, Audit Trail, Maker-Checker, Notifications Engine

S.no	Services	Partners/ 3rd Party
1	Credit Bureaus	CIBIL, Experian
2	PAN Verification	Digio
3	Portfolio fetching, Pledging, Invoke and Revoke (MF)	Kfintech, CAMS, MFCentral
4	Portfolio fetching, Pledging and Invoke (Shares)	NSDL
5	Account Aggregator	FinVu
6	Company Data	Probe42
7	KYC DigiLocker	Digio
8	Video KYC (VCIP)	Digio, In-house
9	Aadhaar Offline KYC	Digio
10	CKYC	Digio
11	Aadhaar Masking	Digio

Overview

S.no	Services	Partners/ 3rd Party
12	Selfie Capture and Face Liveliness	Digio
13	E-Signing of Documents	Digio
14	Penny Drop	Digio
15	E-NACH Mandate	Digio, RazorPay, Cashfree
16	UPI Autopay	Digio, RazorPay, Cashfree
17	Customer Repayments (PG)	RazorPay, CashFree
18	Customer Payment Link	RazorPay, CashFree
19	Payouts	RazorPay, CashFree
20	Scripts Ticker Data	Finalyca
21	Customer Lifecycle Communication	MoEngage, CleverTap
22	Ticketing Solution	LeadSquared, ZenDesk



LAS

Onboarding

Journey

LAS Digital Onboarding Journey



1. Customer registration

- Customer logs in or signs up for an account.
- Provides personal details like name, DOB, email, PAN, and pincode
<< Dedupe based on PAN>>
(If ETB Customer, using PAN, customer details will already be captured. For NTB data fields to be filled)



2. Fetch Mutual Fund portfolio

- Customer's PAN, email, and contact details sent to CAMS and Kfintech / MF Central to verify mutual fund holdings
- Borrower authorizes the transaction with OTP to fetch the MF portfolio



3. Portfolio Display & Eligibility Assessment

- System fetches and displays the customer's portfolio holdings.
- Estimated loan eligibility amount is calculated and displayed
- Borrower selects the quantity and list of funds that they want to pledge



4. Portfolio Pledging and Loan Approval

- For MF - Borrower authorizes the Lien with OTP
- For Demat holdings, user is redirected to NSDL website where he/she selects the demat account, selects the holdings to pledge and pledges the same



5. KYC verification

- KYC can be done via any of the following methods
 - Digi-locker
 - VCIP
 - CKYC



6. Bank details capture

- Customer provides their bank account details for payment of interest; can set-up UPI Auto-pay / Set e-NACH mandate
- The bank details are also validated with penny drop



7. Loan offer confirmation & disbursement

- Final loan offer with details like interest rate and tenure is shared with Customer; reviews and confirms the agreement
- Upon confirmation, the loan amount is disbursed to the customer's bank account.



Risk Management System

Risk Management System



1. Security Master

This functionality gathers detailed information about the securities through external integrations.
Information refresh frequency can be configured as per the requirement



2. Fund whitelisting

Securities can be whitelisted through upload of securities
Shares can also be marked as RBI group I
Bulk upload of securities is also supported



3. Categorisation Service

Securities can be categorised based on varied list of parameters into different risk buckets
Customers can also be categorised
Categorisation will help in assigning the drawing Power and Sanction limit based on the risk category of a customer and security



4. Policy Setup

Complex risk calculations are automated through this feature.
Once the rules are set up, Drawing Power calculations are automatically done.
The system dynamically runs the policy rules to validate eligibility, margin shortfalls, invoke and withdrawal requests



5. Global Rules Setup

Additional Rules such as RBI guidelines such as Exposure Limit based on Market cap can be configured
Penny stocks and respective DP reduction can be configured



6. Eligibility Calculator

Eligibility calculator helps in stimulating the drawing power for a given portfolio which can be used to acquire customers
Calculator also supports scenarios such as unpledge and invoke as validating steps before allowing users to take these actions



Collateral Management System

Collateral Management System



Pledge, Unpledge and Invoke

- Collateral management system with support for Shares, Mutual Funds and Bonds
- Digital pledging, unpledging and invocation of Mutual Funds via CAMS and KFinTech APIs
- Completely digital, self serve pledging flow of demat securities via NSDL re-redirection flow
- Support for Pledge, Unpledge and Invocation of Demat securities
- Direct processing of Pledge master report to update pledge status
- Support for different invocation and margin call strategies



Collateral re-evaluation and Margin call

- Integration with data feed for collateral prices
- Upload of Bhav copy
- Collateral re-evaluation to dynamically update Drawing Power
- Automated margin call processing and letter generation



Other capabilities

- Utility to generate Pledge request form annexure
- Maker checker and Audit trail
- Reporting and Alerts for LTV, Coverage and Margin call



Corporate actions

- Integration with service providers to get Corporate actions data
- Automated processing of Corporate Actions
- Hold Drawing power during Corporate action without putting loan in margin call



Loan Management System

LMS Global Configurations (1/2)



1. Entity Creation

This step is required to create and onboard the financial entity into the LMS system. This entity denotes the legal entity for which the LMS system is licenced for.



2. Branch Creation

Branches can be configured for Physical Branches, Digital Channels and Embedded finance offerings. This enables seamless performance monitoring among different sales channels



3. Global Parameters

This section applies to accounting and payment related configurations which apply across products. Configuration of Repayment Allocation methods, Back-dated configurations, Recurring Payments, Digital Payments and Payouts



4. Tagging Master

This is the configuration of all the tags that are used in all the screens of the LMS platform. These tags are contextualized and consume the context of Product line, Product Type and the locale. The use of these tags can be anywhere within the platform UI wherever required by the client. These tags are maintained for MIS and reporting purposes.



5. Tax Configuration

This is the configuration for the tax applicable at entity level



6. Global GL Configuration

This section is required to create the GL heads and GL subheads. These are required for recording the accounting of financial transactions. The GL accounts will be created automatically within the GL subheads once the financial transactions are completed. If the GL accounts exist already, the entries happen automatically without creation of the already created one. GL accounts are the leaf nodes where all the transactions are recorded.

LMS Global Configurations (2/2)



7. Fee Configuration

This section is used to create the fees which are applicable to the product type. The applicable fee for example can be **Processing Fee; Renewal Fee** - Applicable during the auto/ manual renewal of the credit line on line expiry; **Bounce Fee** - Applied on bounce of the interest due to be paid on the due date; **Penal Fee** - Charged as a % on the outstanding dues; **Overlimit Fee** - Charged in case the balance overshoots the drawing power as a % of the overlimit amount; **Pledging/ De-pledging fee**



8. Interest Configuration

The interest rate consists of 2 parts which are configured as a part of product factory : **Base Interest rate** - E.g: MCLR, REPO, is fixed across all the loan accounts **Spread Rate** - Can be tiered based on the loan amount or the tenure ranges

LMS Product Configurations (1/1)



1. Product Details

This is the step at which the actual product is defined like Loan Against Mutual Funds, Personal Loan, Home Loan etc. It has configs related to lifecycle of the account. The configuration journey is based on the type of Product Construct - **Term Loan or Credit Line**



2. Product Level - Interest Configuration

Selection of the defined interest rate code or input the flat interest rate if required for the product Input of the spread rate for the product to be defined Interest calculation method and round off of interest amount configurations



3. Product Level - Fee Configuration

Selection of the type of fees applicable Applicable fee code, Amortisation flag if amortisation is required to be done for the selected fee, Select the amortisation method - Straight line or EIR method For accounting, select the realisation basis to be cash or accrual



4. Credit Billing/ Repayment Parameters

For credit line, it can be either Dropline or Revolving Credit Selection of the due frequency as Monthly, Weekly etc. Selection of the Due date cycle rules. Input of the required Grace Period Selection of the Due round off parameters



5. Accounting Linkage

Selection of the required GL accounts to be configured on this screen The dropdown selection of these GL accounts is contextual based on the GL purpose, Product type, Product line and locale

LMS Account Creation and Maintenance (1/ 1)



1. Credit Line Account Creation

This is a separate service which is composable with other services of LMS. This service is responsible for creation of new Credit Line loan account creation and maintenance of loan details. Field capture via Origination flow



2. Credit Line Account Details Page

This page is mostly used by operations users to view all the details related to the LAS - Credit Line accounts. The data present on this screen include : i. Customer Details; ii. Sanction Limit, Drawing Power, Account Balance, Available Limit, Overlimit, LTV ratio; iii. Dues - Interest, Principal and Fee; iv. Loan Actions for Withdrawal, Repayment, Preclosure, Limit Renewal; iv. Transaction Information about the transactions, withdrawals and refunds

LMS - Accounting (1/2)



1. Sanction Limit Maintenance

This section of the platform talks directly with the origination in order to maintain the sanction limit of the credit line in the event of : i. Pledging; ii. De-pledging; iii. Limit Expiry; iv. Limit Invocation



2. Drawing Power Maintenance

This section of the platform is responsible for maintaining the drawing power of the customer based on the events of : i. Pledging of assets; ii. De-pledging of assets; iii. Withdrawal of funds from credit line; iv. Overlimit balance; v. Limit Expiry; vi. Limit Invocation; vii. Limit Renewal. The drawing power varies for the credit line type - Dropline or Revolving credit



3. Transaction Processing and Inquiry

This is another service which is composed along with credit line service and the GL service to process and store all the financial transaction legs. It also stores the daily account level balance. This service integrates with the GL service to update the daily GL balance. Following is the screen from the loan details section from where the inquiry can be done on the customer dues and repayments



4. GL Enquiry

The ledger entries are passed and stored into GL accounts. GL inquiry screens provides full view of the top down tree with the account level date wise balances for finance use cases. The following screens are available for GL inquiry:
Trial balance - for aggregate level info on GL subhead level along with balance info on GL account level
GL Account level info - Once any GL account is opened from the Trial balance screen, GL account info along with balances is shown as below



5. Ledger Entries

Once any Transaction is opened from the GL Accounts section, it leads to the ledger entries which show the info of all the transaction legs within that transaction ID



6. Line Withdrawal Process

Once any Transaction is opened from the GL Accounts section, it leads to the ledger entries which show the info of all the transaction legs within that transaction ID

LMS - Account Actions (1/2)



1. Mandate Processing for Interest Due

On the due date, the mandate (either eNach or UPI mandate) is processed and the due amount is collected from the customer. The due amount generally consists of the interest component. It can also present for fee and principal due in certain cases



2. Mandate Representation

In case of mandate failures due to business reasons, representation can be done for maximum 3 times (this is configurable) within a calendar month for an account. Bounce fee is applied in case of mandate failures. Bounce fee is configured in the product factory



3. Account Closure

Any loan account can be closed or Preclosed. For preclosure, there is also an API based inquiry support to check for any future dated preclosure amounts. This can be exposed to branch as well as app screens. Post closure, the account is marked as closed.



4. Limit Renewal

Renewal of the Limit is possible via the action of Limit Renewal. During the renewal process, the sanction limit, validity of the limit or the interest rate for the limit can be changed for the customer. It can be configured for automatic renewal as well - via Renewal Instructions. Customer can choose to not to Renew on top of that. If not renewed, the limit expires. Renewal is also API based and can be exposed on customer facing applications.



Regulatory Reporting

Regulatory reporting

As part of the reporting infrastructure, there are certain regulatory reporting requirements which are critical to the business. Below is a list of standard regulatory reporting requirements for NBFCs doing Loan against securities business.

- **RBI reporting:** Different reports to be submitted to RBI based on applicability
- **CRILC Reporting:** For loans of ₹5 crore and above, quarterly reporting to Central Repository of Information on Large Credits (CRILC) and SMA Reporting: Special Mention Account (SMA) reporting for loans above ₹5 crore
- **SEBI Reporting:**
 - a) **Pledged Securities Report:** Quarterly reporting to depositories (NSDL/CDSL) on securities pledged. **NESL reporting:** NESL is the portal on which the reporting is done
- **Credit Information Reporting:**
 - a) Monthly reporting to Credit Information Companies (CIBIL, Experian, Highmark and Equifax)



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Thank You