**SYNOPSIS**

**Report on**

**HOME LOAN**

**by**

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**ABSTRACT**

As we know, the requirement for taking loans has increased tremendously in the last few years, whether it is an education loan, home loan, car loan, and etc. We want to have a system that could automate home loan activity at the same time it should be secured. From a loan provider’s point of view, there should be a system that should be easy to handle with no technical difficulties.

So, for these kinds of requirement, we in our company are developing the ****Home Loan****

****System**** which could provide all the requirement. This application is design and develop to support Multi-User. It has a single login for every role. Admin here has the responsibility of approving and rejecting customers, field officers, loan requests, assigning Background verification, and so on. Another user is the customer whose responsibility is to request a loan, apply for a loan, and etc.

Providing a loan should be a simple process. One should check the client’s eligibility to get the loan and then approve or deny the loan. Once approved, the customer should receive the funds. However, in traditional lending systems, particularly in larger organizations, this process is often chaotic. That is why lenders use loan management software to streamline their process.

As the customer base increases, servicing loans become complex. Every customer has different terms and payment dates. It is cumbersome to keep everything in order. A loan management system helps to sort out the repayments that are coming in. But it can do more. There are modular, scalable, and customizable components that organizations can use for complete automation.

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**INTRODUCTION**

A Home Loan system is a digital platform that helps automate every stage of the loan lifecycle, from application to closing. The traditional loan management process is meticulous, time-consuming, and requires collecting and verifying information about applicants, their trustworthiness, and their credibility. Further, the process involves calculating interest rates and supervising payments. A loan servicing software not only automates these procedures but also provides useful analytics and insights for lenders and borrowers.

Home Loan system help automate the entire loan lifecycle. Depending on requirements, these programs can assist in part or whole. The software can help with processing customer information, create new loans, and more. Digital and cloud-based [lending solutions](https://www.leadsquared.com/digital-lending-solutions/) are scalable. They can help you manage the loan lifecycle. Alternatively, you can also use the software for a single task such as tracking repayments. They can also be complete systems that can validate loan applications and determine eligibility.

This project provides an accurate and convenient way to handle loan approval & EMI collection task. Loan Management System is very helpful for client for loan management; it provides a reliable and convenient platform for loan management and EMI collection process. GUI of this project is very user friendly as it is a product of the company which is made on flowable. All web forms are understandable and easy to handle by all the roles. The Home Loan System uses My SQL for data storage which has robust stability for storing all the huge transaction details in efficient and an error free manner. This System generates very user friendly and understandable reports for their staff and customer which contains all the information related to next EMI date, remaining amount etc.

**PURPOSE**

* Applicant will submit his personal details through an app.
* Generating Loan Application Number (LAN) for each applicants which is unique.
* Checking CIBIL Score of applicant and co-applicants.
* Making only eligible applicants to move further.
* Applicants will submit their Personal/ Business KYC, Income documents, etc.
* Fraud check using Hunter.
* Loan Origination.
* Define process and workflows.
* Case flow, management and tracking.

**PROCESSES OF SYSTEM**

* **Loan Origination System (LOS)**

Loan origination is a process by which a borrower applies for a loan, and a lender disburses it or rejects the application. The origination process includes every step from application to funding disbursement, or rejection of the application. So, basically, the system of automating and managing the loan application and disbursal processes is known as the **loan origination system**.

The loan origination process is usually cumbersome and requires a lot of documentation. Generally, loan origination takes somewhere between [35 to 40 days](https://www.wipro.com/en-IN/banking/gallagher/resources/blogs/sridhar-sathyanarayan/how-lenders-can-reduce-loan-processing-time-from-weeks-to-days/). However, with the increased use of automated systems, loan origination is becoming easier and faster.

* **Loan Management System (LMS)**

The loan management system can be easily defined as the loan cycle of banking and finance companies. Right from the moment the loan application is received to the end of the loan payment, sometimes keeping track of the said taken and repaid loan is also a part of the loan management system.

**SYSTEM REQUIREMENTS**

**Flowable:** Flowable is a light-weight business process engine written in Java. The Flowable process engine allows you to deploy BPMN 2.0 process definitions (an industry XML standard for defining processes), creating process instances of those process definitions, running queries, accessing active or historical process instances and related data, plus much more. Flowable is extremely flexible when it comes to adding it to your application/services/architecture. You can embed the engine in your application or service by including the Flowable library, which is available as a JAR. Since it’s a JAR, you can add it easily to any Java environment: Java SE; servlet containers, such as Tomcat or Jetty, Spring; Java EE servers, such as JBoss or WebSphere, and so on. Alternatively, you can use the Flowable REST API to communicate over HTTP. There are also several Flowable Applications (Flowable Modeler, Flowable Admin, Flowable IDM and Flowable Task) that offer out-of-the-box example UIs for working with processes and tasks.

**Java:** Java is a **programming language** and a **platform**. Java is a high level, robust, object-oriented and secure programming language.

**Spring boot:** Spring Boot is an open source Java-based framework used to create a micro Service. Spring Boot provides a good platform for Java developers to develop a stand-alone and production-grade spring application that you can just run. You can get started with minimum configurations without the need for an entire Spring configuration setup.

**My SQL:** MySQL is a database system used on the web. It is a database system that runs on a server. It is ideal for both small and large applications. It is very fast, reliable, and easy to use. It uses standard SQL.

**Proposed Time Duration**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **January** | **February** | **March** | **April** | **May** |
| **Infra SetUp** |  |  |  |  |  |
| **Application SetUp** |  |  |  |  |  |
| **BRE Solutioning** |  |  |  |  |  |
| **LAN Creation** |  |  |  |  |  |
| **Role Creation** |  |  |  |  |  |
| **CIBIL and Novel API** |  |  |  |  |  |
| **Trigger Hunter** |  |  |  |  |  |
| **Query Module Design** |  |  |  |  |  |
| **Credit Approval** |  |  |  |  |  |
| **Communication matrix** |  |  |  |  |  |
| **E-Stamp and E-Nach** |  |  |  |  |  |
| **Post Sanctioning** |  |  |  |  |  |
| **LOS to LMS loan details transfer** |  |  |  |  |  |
| **Checks for payment release** |  |  |  |  |  |
| **Yes Bank API trigger to release payment** |  |  |  |  |  |
| **Transfer Loan account from LOS to LMS** |  |  |  |  |  |
| **Document Creation** |  |  |  |  |  |