Business Requirement Document

**Loan Guarantee Scheme for Covid affected Tourism Service Sector - – Update Credit Guarantee**



**Document Version History**

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| --- | --- | --- | --- |
| Version No. | Remarks | Date | Author |
| 1.0 | Baseline Includes Sanction and Disbursement form | 07-10-2021 | Arpan Tendulkar |
| 2.0 | Revisions | 04-05-2022 | Amit Tanna |

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**Glossary**

Glossary of Important Terms user across different Version of BRD for this scheme

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| S. No. | Term | Description |
| 1 | LGSCATSS | Loan Guarantee Scheme for Covid Affected Tourism Service Sector |
| 2 | CG | Credit Guarantee |
| 3 | CGPAN | Credit Guarantee Permanent Account Number – a Unique Credit Guarantee Number generated by NCGTC processing system while issuing the Credit Guarantee. |
| 4 | DDMMYYYY | DD- Date; MM-Month; YYYY-Year (4 digit) |
| 5 | FY | Financial Year |
| 6 | IFSC | An Indian Financial System Code - an alphanumeric code that uniquely identifies a bank-branch. |
| 8 | MLI | Member Lending Institute. These will be Banks, Factors, and Para- Banks etc. Institutes predominantly in business of Money Lending’s. |
| 9 | NPA | Non-Performing Asset |
| 10 | NCGTC | National Credit Guarantee Trustee Company Ltd |
| 11 | SURGE | Software System Developed and Commissioned by NCGTC for Managing Credit Guarantee Business Process.  *SURGE – System for Underwriting, Reassurance & Guarantee Endorsement* |
| 12 | FDD | Date of First Disbursement |

## **Introduction-Update Credit Guarantee**

Update CG module to be developed for MLI’s where they can update information related to CG and mark the account status as mentioned below:

1. **NPA Marking** – MLI to mark NPA with NPA date on portal if accounts turn NPA.
2. **Close CG** – MLI may mark the account as closed in case of repayment of the total outstanding amount by the borrower. In this case MLI needs to enter loan closure date. Accounts can be marked as closed either after becoming an NPA or can be closed directly.
3. **Mark Standard –** If any NPA account becomes standard then MLI marks it as Standard with date of account becoming standard. By default, all accounts are standard.

**Module Path:** LGSCASTSS>> Update CG form

**User Roles:**

* MLI Creator: Data entry of update CG
* MLI Approver: Approval / Rejection of update CG

**Actions on Page (MLI Maker):**

* Update CG - data entry form
* Send for Approval
* Generate Report

**Actions on Page (MLI Checker)**

* View Update CG form
* Update CG – Approval / Rejection
* Generate Report

### **Update CG – Process Flow**

The above is a schematic representation of various processes which will be executed in SURGE system.

### **Update CG - Field and Business Validations**

* 1. Update CG (MLI Creator Entry)

The update CG data entry form to be provided to MLI maker for marking particular CGPAN as “Closed” or “NPA” or “Standard” (If already it is NPA, then only).

Following are the field and business validations of Update CG field:

1. **CGPAN:** User Entry – Alphanumeric. Mandatory.

* MLI to enter the CGPAN for which update is to be marked.
* The CGPAN should be either standard or NPA to be available on this page.
* If CGPAN is already closed, then the system to display a message as “CGPAN <CGPAN> status is Closed”
* Only CGPAN’s of MLI to be available on this page (based on user login).

1. **Name of Borrower:** Auto-fetch - Read only.

The name of Borrower will be displayed based on the CGPAN entered.

1. **Loan Account NPA:** User Entry **–** Drop-down with values “Yes” and “No”. Conditionally optional.

If the loan account is NPA then MLI to select “Yes” from drop-down. NPA can be marked only for standard accounts.

* 1. Only Standard account can be marked as NPA. Closed account cannot be marked as NPA.
  2. If an account is marked NPA more than once, every time it has to be 90+ days from latest date of account marked as Standard.

1. **Date of NPA:**
   1. The “Date of NPA” is mandatory if the MLI has marked the “Loan Account NPA” field as “Yes” Date of NPA cannot be greater than system date and less than or equal to Latest Disbursement date + 90 days.
   2. NPA reporting should be done within 90 days of account becoming NPA
   3. If the account is marked as NPA more than once then Date of NPA cannot be greater than system date and less than or equal previous standard date or Previous NPA date
2. **Asset creation**

User Entry- Drop-down with values “Yes” and “No”. Conditionally optional. If the Asset Creation field is “Yes” then MLI needs to mark the Charge creation as “Yes” or “No”.

The option will be available only for Tour operators, Travel agents, Tourist transport operators.

1. **Charge creation**

User Entry- Drop-down with values “Yes” and “No”. Conditionally mandatory. If the Asset Creation field is “Yes” then MLI needs to mark the Charge creation as “Yes” or “No”.

1. **Charge creation date**

User Entry **-** Calendar control. Conditionally mandatory.

The “Charge creation date” is mandatory in case “Charge Creation” is marked as “Yes”.

Charge creation date should be after sanction date and less than the first NPA date, should not be a future date.

Charge creation can be done only once and that too only if Asset Creation is selected as “Yes”.

1. **Loan Account Standard:** User Entry **–** Drop-down with values “Yes” and “No”. Conditionally Optional.
   1. If loan account is already marked as NPA and now MLI want to mark this account as Standard the MLI needs to select “Yes” under this option.
   2. CGPAN against which is claim is lodged cannot be marked as Standard Account.
2. **Account Standard Date:** User Entry **-** Calendar control. Conditionally mandatory.

The “Account Standard Date” is mandatory in case “Loan Account Standard” is marked as “Yes”.

Account Standard Date should be after Date of NPA and it cannot be a future date.

1. **Loan Closed:** User Entry **–** Drop-down with values “Yes” and “No”. Mandatory.

MLI maker to select the value as “Yes”, if loan account to be marked as “Closed”, else select the value as “No”.

1. **Date of Loan Closure:** User Entry **-** Calendar control. Conditionally mandatory.

The “Date of Loan Closure” is mandatory in case “Loan Closed” is marked as “Yes”.

Date of Loan closure cannot be greater than system date and less than or equal to First Disbursement date (or loan sanction date).

1. Non – Disbursed CGPAN: CGPAN against which no disbursement has done cannot be marked as “NPA” but can only marked as “Closed”

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**Note**:

* MLI creator may either mark the account as “Closed” or “NPA” or “Standard”.
* Account can be marked as NPA or standard any number of times (If NPA then Standard and vice versa)
* Error message is shown in Invalid reports
* Management Certificate to be provided for MLI Approver. Text as follows:

Management certificate

I, the authorized officer of the member Lending institution indicated below, hereby certify that:

1. The information provided in update guarantee Form are true & correct.
2. In case any of the information provided by us is found to be incorrect, the guarantee cover provided by Trust/Trustee under LGSCATSS shall become Null & Void and the Trust/Trustee or its constituents shall be free to take such action as deemed necessary.

MLI Name: <name of the mli>

User Name: <user id of checker as per login>

First Name: < first name of checker as per login >

Last Name: < last name of checker as per login >

## **Points Pending for Further Clarification**

Following points will need clarification from NCGTC:

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| S. No. | Point for Further Clarification | Contemplations |
| 1 |  | - |