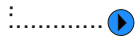




# INFODeposits

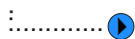
## Features



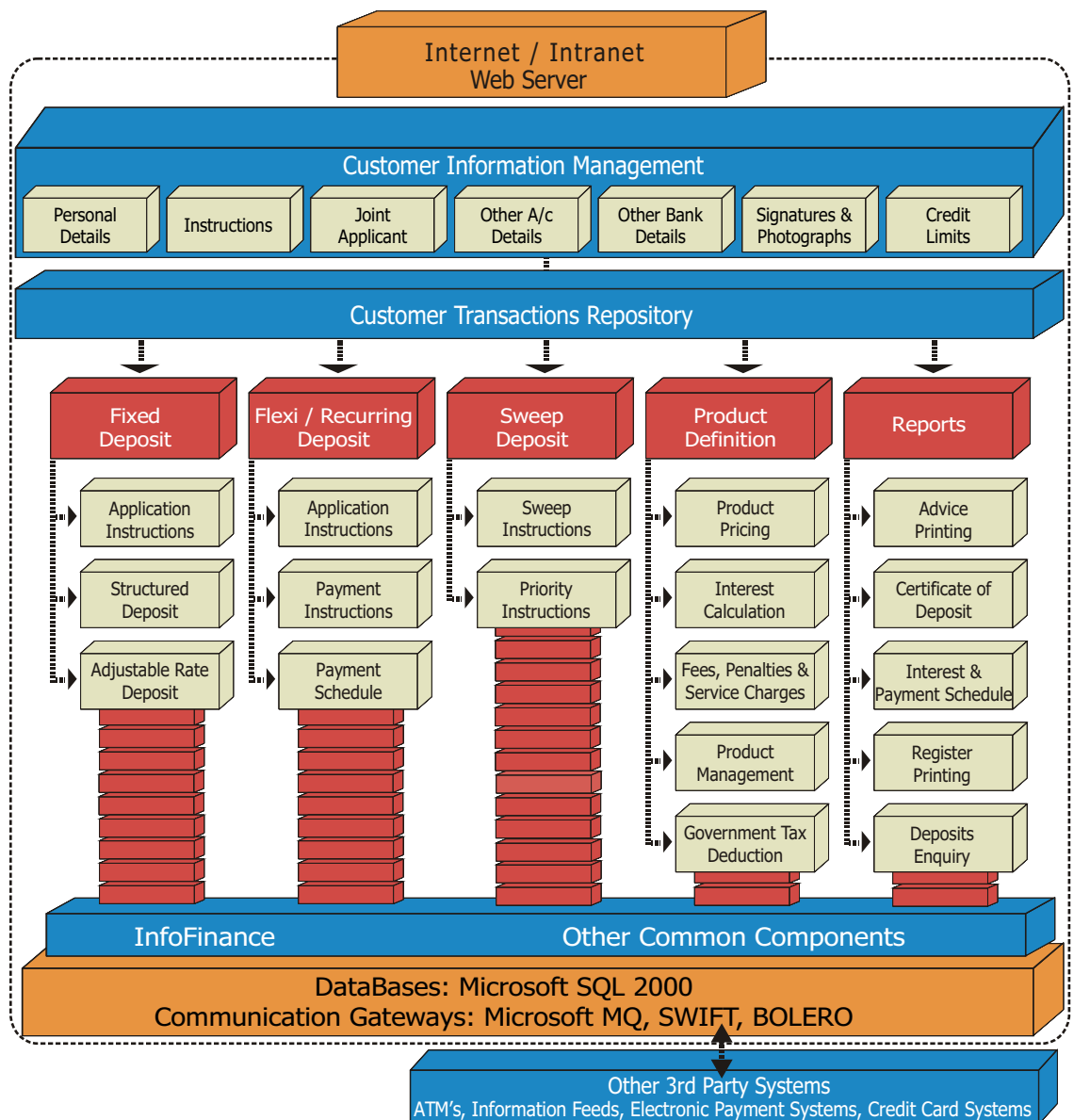
The Deposits System is a key component of the InfoSolutions suite and handles time, savings and recurring deposits or any combination thereof, as well as demand deposit accounts. The system manages the entire life cycle of the processing of such deposits. As with the Loans System the Product Definition mechanism is a unique feature of this module which allows the Bank extreme flexibility in being able to cater to changing business needs on an ongoing basis while using this robust system. Some of the key features of InfoDeposits are:

- Full Multi-branch Operation Capabilities
- Flexible Product Definition
- Comprehensive Customer Information Management
- Multi-lingual & Multi-currency Processing
- Workflow & Approval Process Integration
- Extensible through InfoRetail & InfoRemittances

## Architecture



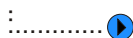
While covering a wide variety of products and functionality, InfoDeposits can be deployed in phases to suit the banks needs. Its overall Architecture and functionality is summarized in the diagram below:





# INFODeposits

## Functionality



Covering all types of deposits, the overall functionality that is central to the InfoDeposits system is discussed below:

### TERM DEPOSITS

InfoDeposits provides an exclusive interface to define all Fixed/ Term Deposits. Using this interface the user can define the main Fixed Deposit Product, based on which the sub products can be easily defined.

The deposit sub products can be broadly listed as, Fixed, Floating, Adjustable and Structured deposits.

A separate interface is provided for the Customer Application, where the customer selects the Pre-defined deposit in which the customer wants to invest.

### FLEXI / RECURRING DEPOSITS

Flexi and Recurring Deposits can both be managed by the system since the difference between the two is very minor. In Recurring Deposits, a fixed installment amount has to be made across a fixed tenor and interest is earned at a fixed rate. Whereas, in case of a Flexi Deposit, the installment amount as well as the tenor can be flexible while the interest is still earned at a fixed rate. The Screens for Recurring and Flexi deposits are a superset of the Fixed Deposit. Here, in a manner similar to fixed deposits the user can define and maintain the main product. The additional parameters required to define a recurring or flexi deposit are the Payment Instructions, Payment Frequency and Conditions in case of delayed and early payments. This deposit type also has an additional interface for the user to define and view the payment schedule.

### SWEEP DEPOSITS

Sweep Deposit is a conditional deposit requiring the definition of the sweep instruction including the amount and frequency of the sweep, details of the account from and to which the amount is to be transferred as well as the priority in which the sweep instructions are to be carried out.

### REPORTS AND ADVICES

InfoDeposits also has a suite of reports that can be generated based on the information gathered using the data entry forms.

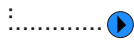
This module provides for generation of various customer advices and a detailed list of registers required for management information. The module also generates and prints certificate of deposits. Additionally, being an important section of deposits, the system assists in generation of interest schedules and payment schedules (in case of recurring and flexible deposits).





# INFODeposits

## Product Parameters



The deposits system comprises of comprehensive and flexible product definition module which helps the bank define all the parameters related to the deposit products. The Product Definition module takes care of the following aspects while creating a product.

### PRODUCT PRICING

The product price refers to the interest to be earned by the product. The interest rate can be fixed or based on an index such as Prime, LIBOR, HIBOR, etc. It can also be adjustable based on a schedule.

In case of a fixed deposit, the interest rate, tenor and principal are fixed before hand. There are various methods of calculating the interest rate. Usually this rate is stored in a tabular format, varying with the principal amount and tenor.

### INTEREST CALCULATION

Interest is calculated based on the following 5 factors:

- Accrual Basis (Act/Act, Act/365, 30/365, etc.)
- Compounding frequency (Monthly, Quarterly, Annually, Upon Maturity, etc.)
- Interim Interest Treatment (Pay to Customer, Credit to Deposit, Credit to another Account, etc.)
- Accrual Days (Interest accrued on all days, Interest accrued only on working days)

### FEES, PENALTIES AND SERVICE CHARGES

There are various fees, charges and penalties which are levied on the deposit products. Since these can be common across multiple products, they are defined at a global level. This is to avoid replication of data.

Processing fees, Transaction and Instrument fees, Penalties for premature withdrawal of Deposit are examples of fees and penalties that can be defined.

### LIFE CYCLE MANAGEMENT

Product management covers all the aspects of the product required while defining or modifying a new product. It essentially deals with the following issues:

- Classification of Deposit as Unclaimed Money
- Interest Accrual policy on Unclaimed Money
- Blocking of an Account
- Premature Withdrawal of Deposit
- Automatic renewal and follow-up notices
- Issuance of statements to the customer

### GOVERNMENT TAX DEDUCTION

Government Tax Deduction is based on the following 2 parameters:

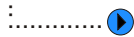
- Tax Basis (Principal, Interest or Principal plus Interest )
- Charge (Percentage of Principal, Interest or Principal plus Interest and/or based on tenor)





# INFODeposits

## Product Definition Process



As explained earlier, InfoDeposits has an extensive and comprehensive product definition system. Explained below is the flow of how best a product can be setup within InfoDeposits

### FEE DEFINITION

Fees and Charges would be common across most of the products and need to be defined foremost, to avoid replication of data. The Fee Definition Form is used to define the Fee Rate and the Fee Calculation factors which are applicable to various fees and penalties. Some of the fees that can be applied to the product are Premature Closing Penalty, Delayed Payment Penalty and Processing Fees.

### INTEREST DEFINITION

The second step would be to define the Interests Rates. There are four types of Interest Rates namely:

- Fixed
- Floating
- Adjustable
- Structured

### TDS DEFINITION

This is also another parameter common across most products offered by the Bank. And the Tax Deducted at Source can be defined using the same Fee definition form.

### DEFINING SCHEDULES

The Schedule for Reminders and Notices is defined using the Reminder/Notice Schedule definition form. The form has a 'Duration' column which denotes the number of days before/ after the maturity date, the reminder is to be sent.

### DEFINING MAIN PRODUCTS

The next step would be to define the main products, which could be specified as, Fixed, Flexi, Recurring, Sweep and Structured Deposits.

Once the main product is defined, defining the sub products becomes extremely simple, since most of the conditions would be common and hence only some conditions need to be modified to define the new sub product. This saves time required for setting up new sub products and at the same time avoids duplication of information.

### LINKING INTEREST RATE, FEES AND SCHEDULES WITH PRODUCTS

Once all the above have been defined, these need to be linked to have them effective. Using the Product Linking form the Interest Rate, Fees and Schedules defined earlier can be associated with a particular main deposit product.

### DEFINING NEW PRODUCTS FROM EXISTING ONES

New products can now be setup by making changes to existing main products. e.g. Change in Interest Compounding frequency, Change in Interest Accrual Basis, Change in Interest Accrual Start Date, etc.

#### Contact Us

To learn more about InfoBahn International contact us to arrange for a detailed demonstration and additional information. Call at our office locations or visit our website for the details on a partner near you.

#### HongKong

Phone: + (852) 29158419  
Fax: + (852) 29158420

#### India

Phone: +91 (22) 26603025  
Fax: +91 (22) 26608961

#### Middle East

Phone: 971 (4) 3510750  
Fax: 971 (4) 3510751

Email: [info@infobahnlimited.com](mailto:info@infobahnlimited.com) <http://www.infobahnlimited.com>

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