

PROJECT PROPOSAL

Fintech System

22-Oct-21



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| **INDIA**  SRISHTI INNOVATIVE  1C, 1ST FLOOR, CARNIVAL BUILDING, TECHNOPARK, TRIVANDRUM – 695 581 | **UAE**  SRISHTI INNOVATIVE FZC  E1-3718E BANK STREET,AJMAN2200,  UNITED ARAB EMIRATES | **US**  SRISHTI INNOVATIVE LLC  SW NOTTINGHAM AVE  BENTONVILLE, AR & DALLAS, TX AR-72712 |

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# IDENTIFICATION OF PARTIES

This Agreement is made between the following parties:

1. Fintech System, represented by A. Parvez Banatwala (CEO & Founder, CloudMojo Tech LLP) (hereafter referred to as ‘Fintech System ‘or as ‘The Client’).
2. Srishti Innovative, represented by Krishnadas Pisharam (CEO & President) (hereafter referred to as ‘Srishti Innovative’ or ‘The Contractor’)

# PURPOSE OF AGREEMENT

The Client desires to retain Srishti Innovative as an independent contractor to design and develop a website for managing loan processes. Srishti Innovative is ready, willing and able to undertake the Design and Development Phase of the project and agrees to do so under the terms and conditions set forth in this Agreement. Accordingly, the parties agree as follows:

# PREPARATION OF DEVELOPMENT PLAN

Srishti Innovative shall prepare a development plan (‘Development Plan’) for the Project, satisfying the requirements set forth in the requirement specifications. The Plan shall include:

(a) Detailed Specifications for the Project.

(b) Work Break-down Structure with Delivery Schedule.

# PROJECT SCOPE / INFORMATION

The project scope will include as mentioned below:

**WEBSITE REQUIREMENT**

1. **Design Implementation**
2. **Website functionalities & Features**

* **SignUp/SignIn**
* **Branch Management**
  + - The system will support multiple branches
    - Data of multiple branches automatically and instantly consolidated
    - Easy information flow between branches
    - Branch or location-wise data segregation, so that Users of a branch do not have access to data of other branches.
    - Automatic execution of transactions between branches
* **User Management**
* TThe system will provide facility to manage Users of the system.
* The system will provide need & role-based access to various functions and data of the system
* The system will support different types of roles/Users
  + - External Users
      * Borrowers, Creditors, Partners, Others
    - Internal Users

Employees

* **Product Management**
  + - The system will provide facility to manage various loan Products of the company
    - Facilitate new product launch and/or updates as required basis
    - Disbursement type
    - Payment types
    - Interest types
    - Other functions
    - The system will support different repayment Schedules
    - Bullet
    - EMI
    - Equated Principal Payment
    - Internal Rate of Return (IRR)
* **Borrower Onboarding**
  + - The system will provide facility for onboarding of the Borrower once the Borrower’s loan has been approved and contract signed.
    - The system will support various types of Borrowers which include:
    - Individuals, Corporates, Groups, etc.
    - Capture Borrower data & Profile
    - Name, Address, Financial, etc.
    - Capture Borrower KYC Documents
    - Handle various kinds of document sets based on type of Borrower
* **Disbursements**
* Once the loan is approved, and contracts signed the process of disbursement starts.
* The system will support various ways of disbursement:

-Single disbursement

-Stage wise disbursement

* The system will support various disbursement channels
* Cheque
* Direct Transfer
* Auto generation and communication of payment schedule to borrower via email
* **Collection Management**
  + The system will provide facility to manage collections
  + Processing Fees Collection
  + EMI Collection
  + Deposit Collection
  + Bad Debt Recovery
    - Settlements Management
    - Recovery Agency Management
* The system will alert borrowers:
  + About approaching deadline
  + About due on deadline
  + Daily on passage of deadline
* Alerts could be through various channels:
  + Email
  + SMS
  + Whatsapp

The System will generate various collection related documents:

* + - Borrower Statements
    - Receipts
    - Other as required
  + The system will handle direct debit-based payment/collection
  + The system will handle Loan Re-Scheduling
  + Branch wise collection management
* **Foreclosure Management**
  + The system will facilitate in management of loan foreclosure
  + Handle both Partial & Full foreclosure
  + The system will facilitate manual creation of foreclosure list
  + The system will generate foreclosure notices and other foreclosure related documents
  + The system will handle credit agency communications
  + The system will facilitate in handling foreclosure selloff to external agencies
* **Loan Monitoring**
  + The system will provide following loan monitoring functions:
    - Controlling & Monitoring of loans
      * Bad Debts
      * Defaults
      * NPAs
      * Others
    - Reporting & Communication
    - Reminders
      * Approaching deadlines
      * Default payments
      * Other as required
    - Formal Letters
    - Mobile based communication
      * SMS

WhatsApp

* + The system will provide following loan monitoring functions:
    - Emails
    - Facilitate personal meeting with defaulters
    - Facilitate in putting social pressure
    - Generate Legal Notice
      * Template based
    - Facilitate Legal Action
* **NPA Management**
  + The system will facilitate effective NPA management with the help of analytics, EarlyWarning System, Litigation Management and Effective Communication
  + Analytics
    - provide a comprehensive understanding of NPA trends which helps to reduce further slippage and to control the existing overdue accounts.
    - provide hotspot analysis for different branch, Borrower segments and product categories.
    - provide meaningful and easily digested 360 view of Borrower's details and interactions in one place, without having multiple log-ins or screens.
  + Early Warning System(EWS)
    - provide a rule-based automated EWS solution to identify borrowers at risk of default.
    - process daily transactions and Borrower incremental data to detect signs of credit deterioration in the loan accounts.
    - facilitate grouping of Borrowers into watch-list categories depending on the nature and severity of the triggers.
* **NPA Management**
  + Litigation Management
    - provide a built-in easy configurable standard workflow to comply with various recovery processes such
    - provide predefined document templates.
    - Alerts, Reminders and Escalations of follow up actions are notified to each Users involved. All the Judicial & Court proceeds are alerted and reminded in advance
  + Effective Communication
    - provide configurable automated & customized contact process along with scheduled single & multiple communication channels:
      * SMS, E-mail, Phone, Letter.
    - provide predefined and editable templates for all standard notices and messages.
  + RBI Compliance
    - provide workflows, process, reports, etc to fully comply with RBI policies and norms
  + NPA Reports
    - generate different reports both for regulatory agencies and self use
      * Gross/Net NPA
* **Loan Write-Off**
  + The system will facilitate in management of loan write-offs
  + It will facilitate and identify loan for write-off
  + Generate Write-Off Request
  + The system will facilitate Supporting Document Upload
  + The system will facilitate Write-off Sanction
  + The system will facilitate Write-off Document Generation
  + Remove the loan from active portfolio and classify as write-off
* **Liability Management**
  + The system will provide facility to manage loan terms from lenders to XYZ
  + The system will provide facility to manage repayment schedule to lenders
  + The system will provide an early warning system on repayments to lenders
    - Alerts generated and communicated to concerned staff
    - Alerts schedule would be configurable
      * N days prior to due date
      * On due date
      * Daily after due date
      * Others
  + The system will facilitate re-conciliation with bank a/cs of the agency
* **Bank Interface**
  + The system will provide facility for handling banking activities like re-conciliation, etc. for
    - Disbursements
    - Payments
    - Receivables
* **Accounts**
  + The system will provide facility to manage end-to-end financial accounting & compliances including RBI
  + It will support following
    - Account Groups/ Ledgers
    - Transactions
    - Interbranch transactions
  + The system will produce following account Reports:
    - Cash book, Daybook
    - General Ledger
    - Receipts and payments
    - P&L statements
    - Balance Sheet
* **Loan Transaction Reports**
  + Daily Transaction Report
  + Advance Collection Report
    - Periodic – configurable
    - Ad-Hoc
    - Borrower-wise
  + Borrower Credit History
  + Due Disbursement
  + Daily Disbursement Report
  + Loan Authorization Report
  + Daily/Monthly Collection Report
  + Other Reports as required by Agencies like CIBIL, RBI, etc.
* **MIS Reports**
  + Expected Repayment Report
  + NPA
  + Collection Efficiency
  + Capital Adequacy Ratio
  + Borrower Arrear Report
  + Borrower Credit History
  + Borrower Loan Ledger
  + Borrower Loan Write Off
  + Other reports as may be required

# PAYMENT

Based on the proposal submitted by Srishti Innovative to A. Parvez Banatwala, the scope has being finalized as mentioned in the Project scope (described in the 4th point of this contract). If there is any change in the scope based on the design confirmation, the below terms shall be amended.

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| --- | --- |
| **COST SUMMARY (WordPress)** | |
| **DESCRIPTION** | **DEFINITION** |
| Total Cost | 20000 USD |
| Timeline (Working Days) | 6 Months  Note: Timeline will be varying once the complete requirement is gathered and finalized) |
| Note: Time, Duration and Cost will be finalized once the requirement analysis phase is over with the complete webpage designs are approved.  Server charges will be ad-on to this cost based on the market value. | |

# MILESTONE SUMMARY

The milestone summary is prepared based on the project scope discussed in the section 4 of this document. The first milestone will also initiate the design freeze. Any design change after the design freeze will be considered as a ‘change request’ and it may or may not be chargeable based on the amicable terms between the client and the contractor.

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| --- | --- | --- | --- | --- |
| **MILESTONE SUMMARY** | | | | |
| **MILESTONE NUMBER** | **PAYMENT DESCRIPTION** | **MILESTONE DESCRIPTION** | **DELIVERY DATE** | **PAYMENT SPLIT UP** |
| 1 | KICK-OFF PAYMENT FOR THE PROJECT | TO START THE PROJECT DESIGNING & REQUIREMENT UNDERSTANDING. | NA |  |
| 2 | 1ST MILESTONE COMPLETION | DEVELOPMENT PHASE |  |  |
| 3 | 2ND MILESTONE COMPLETION | DEVELOPMENT PHASE |  |  |
| 4 | 3RD MILESTONE COMPLETION | DEVELOPMENT PHASE |  |  |
| 5 | 4TH MILESTONE COMPLETION | Final Testing & Deployment |  |  |

# USER ACCEPTANCE TESTING

The Client shall have 3 weeks from the date of delivery of the Project to inspect, test and evaluate it to determine whether the Project satisfies the acceptance criteria in accordance with procedures set forth in Functional Specification, or as established by Srishti Innovative and approved by the Client prior to testing.

# OWNERSHIP & CONFIDENTIALITY

Srishti Innovative assigns to the Client its entire right, title and interest in anything created or developed by Srishti Innovative for the Client under this Agreement including all patents, copyrights, trade secrets and other proprietary rights. This assignment is conditioned upon full payment of the compensation due Srishti Innovative under this Agreement.

In consideration of the disclosure of Proprietary Information by the Client, Srishti Innovative (also referred to as The Contractor) hereby agrees: (i) to hold the Proprietary Information in strict confidence and to take all reasonable precautions to protect such Proprietary Information (including, without limitation, all precautions the Contractor employs with respect to its own confidential materials), (ii) not to disclose any such Proprietary Information or any information derived therefrom to any third person(s) or parties , (iii) not to make any use whatsoever at any time of such Proprietary Information except to evaluate internally its relationship with the Client, and (iv) not to copy or reverse engineer any such Proprietary Information.

The Contractor shall procure that its employees, agents and sub-contractors to whom Proprietary Information is disclosed or who have access to Proprietary Information sign a nondisclosure or similar agreement in content substantially similar to this Agreement.

# TERMS & CONDITIONS

## INTRODUCTION

Welcome to Srishti innovative computer systems (“company”, “we”, “our”, “us”)!

These terms of service (“terms”, “terms of service”) govern your use of our website located at srishti.com (together or individually “service”) operated by Srishti innovative computer systems.

## COPYRIGHT POLICY

We respect the intellectual property rights of others. It is our policy to respond to any claim that content posted on service infringes on the copyright or other intellectual property rights (“infringement”) of any person or entity. The source code belongs to the client (Digital Repository) and will be given to them post completion of the project or whenever required on completion of all dues with the service provider (Srishti Innovative).

## DOCUMENTS

Srishti Innovative will be pleased to offer you the below documents upon project completion.

1. Solution Architecture

2. Minimum Hardware/Software requirements

3. SLAs

## ERROR REPORTING AND FEEDBACK

You may provide us either directly at lallu.chandran@srishtis.com or via third party sites/tools (Slack/Trello) with information and feedback concerning errors, suggestions for improvements, ideas, problems, complaints, and other matters related to our service (“feedback”).

You acknowledge and agree that:

1. You shall not retain, acquire or assert any intellectual property right or other right, title or interest in or to the feedback;
2. Company may have development ideas similar to the feedback;
3. Feedback does not contain confidential information or proprietary information from you or any third party;
4. Company is not under any obligation of confidentiality with respect to the feedback. In the event the transfer of the ownership to the feedback is not possible due to applicable mandatory laws, you grant company and its affiliates an exclusive, transferable, irrevocable, free-of-charge, sub-licensable, unlimited and perpetual right to use (including copy, modify, create derivative works, publish, distribute and commercialize) feedback in any manner and for any purpose.
5. The company owns the right to charge for any ad-on which is being categorized under feedback; and
6. This service will be entertained for 60 days from the date of delivery. The date of delivery will be independent of any delays from third party integrations or supports.

# WARRANTIES

Srishti Innovative proposes a warranty period of 3 months for any known bugs that occur after the successful delivery.

# MODIFICATION

No modification of this Contract shall be valid unless in writing and agreed upon by both Parties.

# SIGNATURES

Each party represents and warrants that on this date they are duly authorized to bind their respective principals by their signatures below.

|  |  |  |
| --- | --- | --- |
| By: Fintech System  Name: **A.Parvez Banatwala** |  | By: Srishti Innovative  Name: **Krishnadas Pisharam** |
| Title: CEO & Founder  Company: CloudMojo Tech LLP |  | Title: CEO & President  Address: 1C, 1st Floor,  Carnival Building,  Technopark Campus,  Trivandrum – 695 581. |
| -----------------------------------------------(Client) |  | ------------------------------------------------------(Contractor) |



