Design And Evaluation of An Online Application Portal for Gold Financing

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Abstract

The objective of this project is to establish a robust connection and effective communication between the administrator and customers, which is crucial for successful loan management. Currently, if the system is manual, it lacks adequate security measures, hampers efficient tracking and retrieval of information such as client details, loan records, and requires excessive paperwork. However, with an automated Loan Management System, the back-office operations of loan-granting institutions, including banks and non-depository financial organizations, become significantly streamlined. This technology enables more efficient daily tasks such as maintaining existing loans, issuing new loans, adjusting loan rates, managing customer details, and swiftly retrieving client information. By utilizing available funding optimally, the project aims to achieve success. The study focuses on analyzing the loan data collection, settlement, and repayment processes, identifying challenges posed by manual operations, and aims to address issues related to data repetition, inaccuracies, time consumption, and other similar problems. The implementation of a computerized system is expected to minimize errors, provide better control, and deliver management information promptly, enabling various initiatives. Rigorous testing of the new system has been conducted to ensure its flawlessness and alignment with the export finance system's objectives. Furthermore, to enhance customer service efficiency, the system requires further enhancements to incorporate additional information related to loan bidding. The primary goal remains to foster positive engagement and establish open channels of communication between the Administrator and the Users. Through a loan management system designed to streamline the online processing of back-office operations for financial institutions, administrators can efficiently manage client information databases, loan details, loan types, and interest rates. The system empowers the administrator to generate comprehensive reports encompassing all relevant client work details, including an accurate estimation of the interest amount payable by the client on the loan.

Introduction

This specific solution is referred to as the Online Debt Management System. Its primary objective is to centralize all information related to loan applicants in a single location. The system is designed to maintain records of customers who have obtained loans from financial institutions, particularly focusing on loan recipients. Access to the system requires either the user ID and password used during registration or the registered email address. Once successfully logged in, users have the ability to add new clients, manage existing customer accounts, and verify various additional data related to them.

Given the bank's regular influx of new customers, it is a straightforward process to add the details of these individuals and maintain records using the system. Additionally, the system offers a range of options, including modifying the repo rate and adding new accounts. Every individual who registers, whether a new or existing customer, is assigned a unique identification number. Using the system, one can easily review a customer's loan amount, interest rate, and the outstanding balance. It also allows for tracking the amount paid by the client or any savings made, as well as calculating the total daily transactional amount.

Similar to a manager in a financial institution, a bank teller can access important details about customers, such as identifying if any customer has missed their monthly payments for the past three months. The process of

calculating funds and maintaining account records on a monthly basis is straightforward and comprehensible. The system includes a backup feature to ensure that the database is never lost, as long as regular backups are performed. Additionally, the system can manage the attendance and accounts of the bank's staff for wage payments, if necessary. It also provides the capability to investigate if any staff member has taken out a loan from the bank.

Overall, this loan management system has the potential to serve as a comprehensive solution for addressing various challenges encountered in our line of work.

Literature Survey

Churiwal and Shreni (2012) conducted a comprehensive analysis that summarizes the growing demand for gold and its implications for the loan industry. They explored various aspects of gold loans, ranging from the traditional practice of using pawnbrokers to the emerging trend of transferring gold loans to non-banking financial corporations (NBFCs). The authors highlighted the increasing importance of gold loans, not only for borrowers but also for lenders, as the market shifts from conventional lenders to organized lenders. They also identified key challenges, such as the rising borrowing costs due to changes in the agricultural sector's loan policies.

Furthermore, the authors discussed how the utilization of gold loans has contributed to the significant growth of non-bank financial organizations (NBFCs) compared to traditional banks. They emphasized that gold loans have become the most successful strategy in fulfilling microfinance requirements in India.

According to Dnyanesh N (2012), the organized gold loan industry has experienced substantial development over time due to the shifting consumer perspective and the increasing demand for loans. This growth is attributed to the interplay of two factors: the rising demand for loans in general and the growing demand specifically for gold loans. The author's research covers various themes, including the changing consumer attitudes towards gold loans and the increased interest shown by customers in obtaining loans. By addressing these topics, the author highlights the increasing demand for more stringent loan criteria.

Existing System

The following modules constitute the system:

User Management:

Registration: Customers and users can register by providing essential information such as user names, mobile phone numbers, and email addresses. Both Admin and Users have unique usernames and passwords for logging in.

Profile Management: Both Admin and Users can modify their information and maintain their profiles.

Client Loan Application Management:

The Administrator manages client loan applications submitted through the system.

Customer Information Module:

This module presents all customer information stored in the database, including name, address, telephone number, PAN (personal identification number), bank account number, and email address. Only the Admin is authorized to manage customer records.

Calculation:The system provides an EMI calculator that allows users to obtain information on various loans. Users enter details such as loan amount, interest rate, term, and issue date, and the system provides monthly EMI, total interest, and total cost.

Payment Reception:

The Administrator can input payment information for a specific EMI using this module, enabling them to receive payments. If the payment is received after the due date, the system allows for late charge expenses to be specified. Customers can be searched for by name in the database to retrieve their customer ID.

Query Module:

This module provides comprehensive information on EMI payments. Customers who are logged in can search for information by entering their customer ID, obtaining details such as the number of payments, EMI amount, EMI date, receipt date, and any applicable late fine costs.

User Roles:

Admin:

The admin logs into the system using their username and password.

They can change user passwords.

The admin has the authority to adjust interest rates and loan types.

They manage loan applications, decide on loan approvals, and collect loan documentation.

The admin handles customer details, including name, address, contact number, bank account number, PAN, and email ID.

They manage loan specifics such as loan number, type, amount, length, interest rate, and issue date.

The admin handles EMI calculations and manages received and outstanding EMIs.

The report generating module allows the admin to generate printouts for convenience.

Customer:Customers are prospective borrowers interested in obtaining information about loans.

They can explore loan types and interest rates in the system.

Customers submit loan applications through the system and can track their profile details once the loan is approved and issued.

After loan approval, customers can download a loan form in Microsoft Word format for signing.

To register, customers provide necessary information such as username, mobile number, and email address.

Customers log in with their selected username and password.

They can view their personal information, loan details, and EMI particulars.

Customers can access payment details and search for their own information as needed.

Proposed System

Accessing loan information, including interest rates, is just a simple click away.

Customers can easily apply for loans and track their information online once the loan is approved.

The system provides comprehensive information about customers, including loan details, monthly payments (EMI), and interest rates.

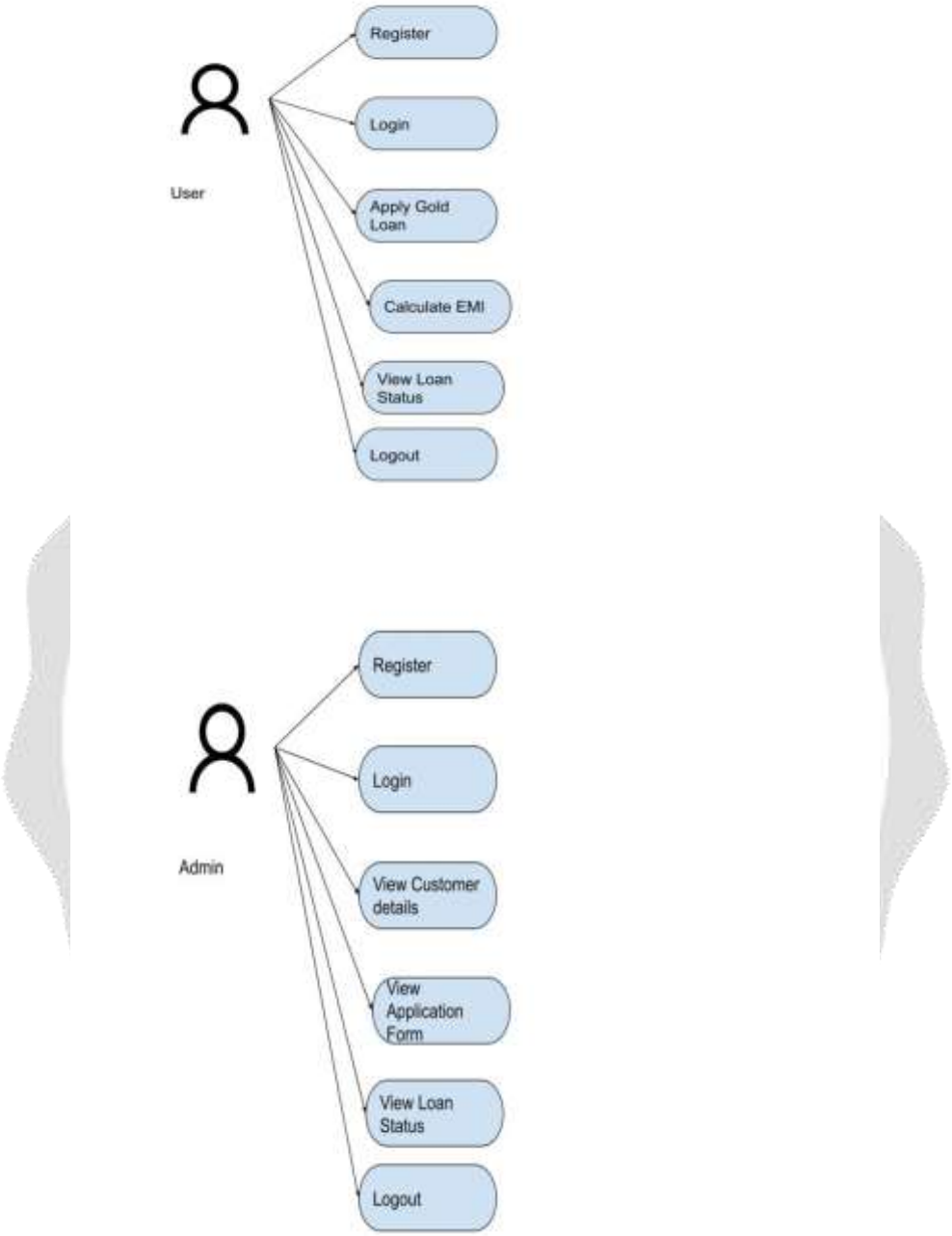
With this paperless system, administrative staff experiences reduced workload and streamlined customer discovery.

Decision-making time has been minimized, resulting in improved decision quality.

Upon signing up and authentication, customers gain seamless access to the system. They can view loan-related data and EMI details under their profile, facilitating efficient time management.

The system ensures clear and effective communication with customers. It incorporates Equated Monthly Installment (EMI) calculators and offers straightforward report generation capabilities.

Use Case Diagram



In this specific use case, our system is conceptualized as a box, with users positioned outside the box but still connected to the system. However, it is important to note that users are indeed integral members of the system. While they may have different roles, it does not diminish their importance within the system. Two types of users can access the system: regular users and admin users. Non-administrative users have limited privileges compared to admin users.

Users: When the system is operational, only one type of user can access its functions. However, these users cannot register themselves using this approach as the administrator needs to authenticate their identity. Once the administrator verifies the user's credentials, they are granted authorization to use the system with full access to its features. The following characteristics apply to users in this context:

Users can add new customers to the system and choose to disregard certain customers if necessary.

Terms and conditions provided in the fine print of a customer's purchase are often overlooked by anyone other than the actual users.

Users have the ability to enter specific information about staff members using the corresponding property or column.

The primary concern of a bank or its branches when lending money to customers is adhering to the relevant legal requirements.

Website control panels typically allow the creation of a single administrator account, and only the system administrator can create new user accounts.

When a user attempts to register on a prison management system, their request is sent to the system administrator for registration status management.

The administrator ensures the user's identity is verified before granting them account registration.

The administrator possesses additional administrative rights, including password management and profile examination.

The administrator develops and uploads the menu card to all interface users.

The administrator can add new users and grant them access to the prison facility.

The administrator can modify user information without requiring user permission.

To illustrate how users interact with our system, we will utilize a use case diagram**.**

Conclusion

Given that the loss of even a single customer's information would necessitate securing the entire system with a high level of security, prioritizing security is crucial for the loan department. The main objective of this project is to automate every aspect of the system to the greatest extent possible. The system being developed aims to benefit both clients and employees. It ensures permanent preservation of all data without any risk of loss. In today's digital era, people expect everything to be conducted exclusively online. As the world rapidly transitions into a digital landscape, this project aims to meet customer needs while providing a user-friendly management experience. By allowing customers to upload their documents directly to the secure database, the project significantly reduces paperwork. This online approach ensures high levels of safety and convenience. Implementing this gold pledging software can enhance the customer-employee relationship.

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