

Policy Definition User Manual

Oracle Banking Credit Facilities Process Management

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Oracle Banking Credit Facilities Process Management User Guide
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Chapter 1

Preface

About this guide




This guide provides the user with all the information necessary to define a policy for credit processes in OBCFPM.

Intended Audience

This document is intended for the banking personnels responsible for defining and approving policies associated with credit processes.

Conventions Used






The following table lists the conventions that are used in this document:

Convention	Description
<i>Italic</i>	Italic denotes a screen name
Bold	Bold indicates <ul style="list-style-type: none">• Field name• Drop down options• Other UX labels
	This icon indicates a note
	This icon indicates a tip
	This icon indicates a warning

Common Icons in OBCFPM

The following table describes the icons that are commonly used in OBCFPM:

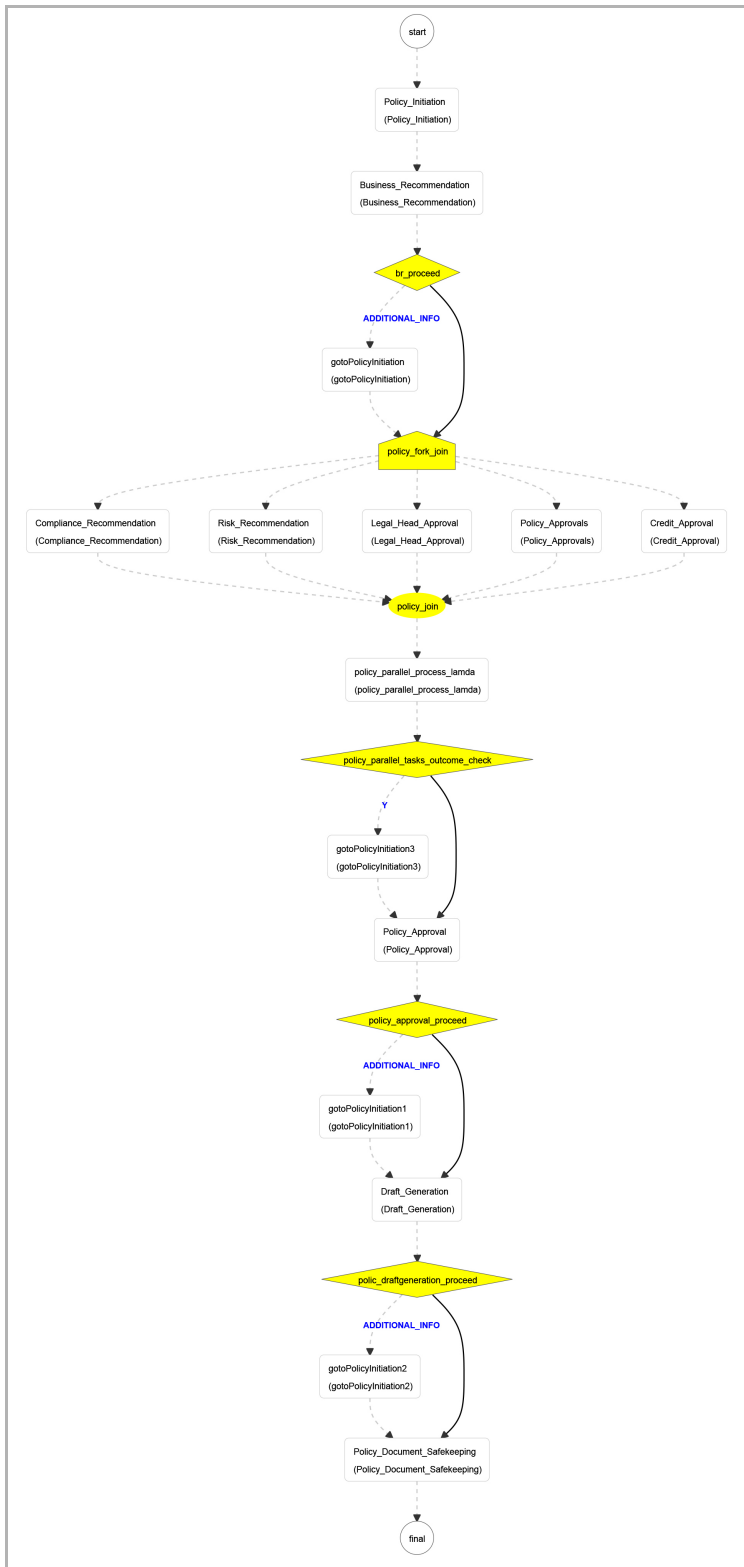
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Icons	Icon Name
	Add icon
	Calendar icon
	Configuration / settings icon
	Delete icon
	Edit icon

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Policy Definition is the process followed by Policy Analysts in the financial institutions to define Credit Policy for various Financial products and services based on the guidelines from the regulatory bodies. Credit Policies defined in OBCFPM acts as the tool to validate business transaction and mitigate the overall risk.

The following flow diagram illustrates the process for defining policy in OBCFPM:



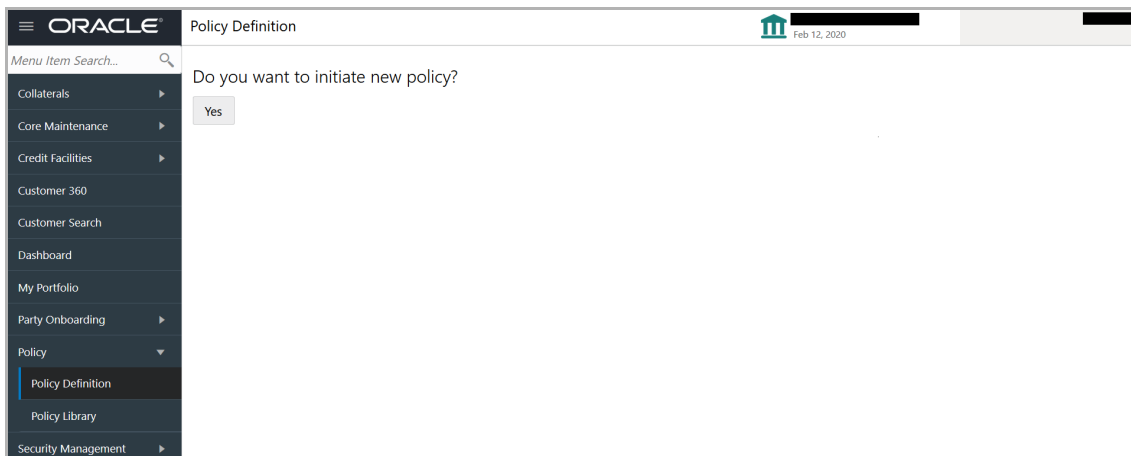
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Policy Initiation

Policy initiation is the first stage in policy definition process. In this stage, actual policy is defined by the Policy Analyst and sent for multiple approvals. The policy defined in OBCFPM is used to validate the data captured throughout the credit processes to facilitate the overall process performed in bank.

Steps to define policy

1. Login to OBCFPM.
2. Navigate to **Policy > Policy Definition** from the Navigation menu. *Policy Definition* page prompting “**Do you want to initiate new policy?**” question appears:



3. Click **Yes**. Unique ID is assigned for the policy and *Policy Initiation* page is displayed.

Policy Initiation

In OBCFPM, the Policy Analysts can associate any sector, sub sector, industry and sub industries while defining the policy. This eliminates the need to define policy for each sector, sub sector, industry and sub industries.

In the *Policy Initiation* page:

4. Select the **Effective Date** for the policy by clicking the calendar icon.
5. Select the **Valid Till** date for the policy by clicking the calendar icon.
6. Search and Fetch the **Currency** type for the policy.
7. Enter the description for the policy in **Policy Description** field.
8. **Select Sector** for associating with the policy to be created. Industries and sub-industries associated with the selected sector are displayed for selection.
9. In *Select industry group* section, select the required group.

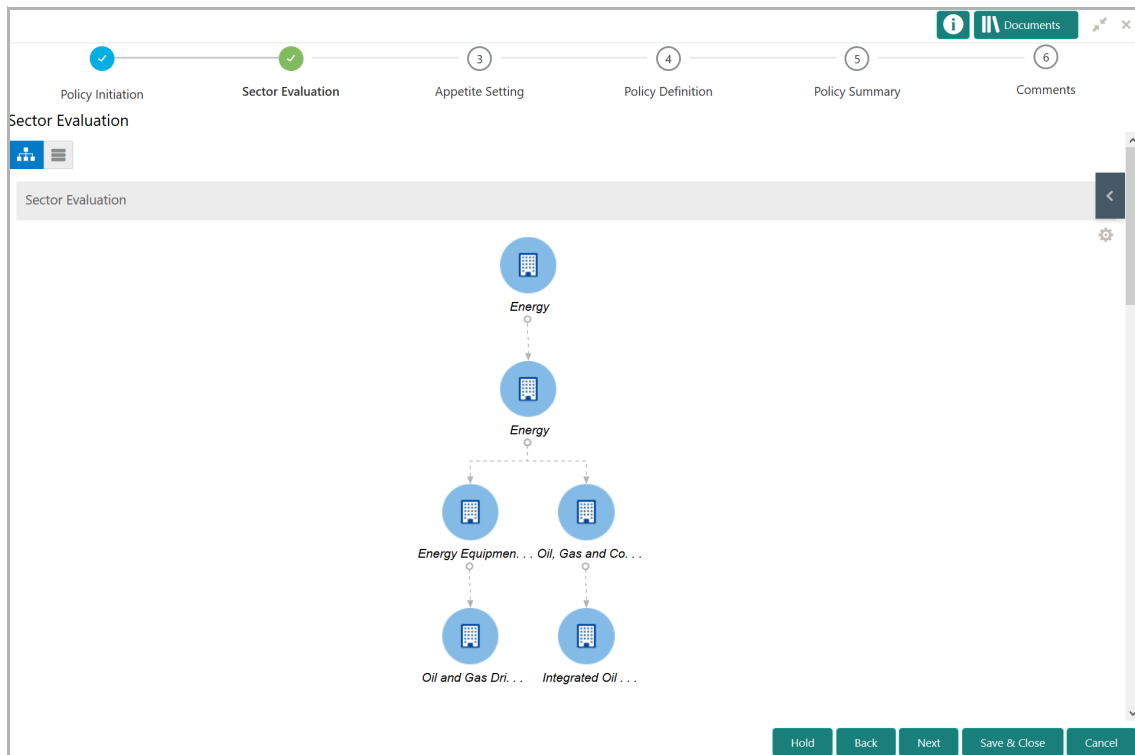
In *Select industry and Sub industries* section:

10. Select the required industry and sub-industry.
11. To select all the industries and sub-industries, click the **Select All** link.
12. To reset the industry and sub-industry selection, click the **Reset** link.
13. Click **Next**. *Sector Evaluation* page appears.

Sector Evaluation

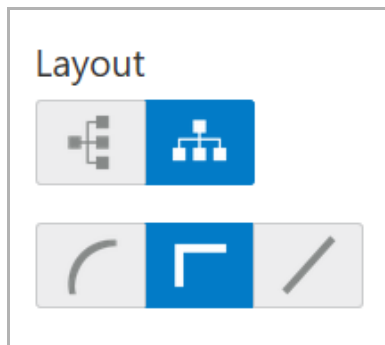
OBCFPM allows the Policy Analysts to evaluate the sector, sub sector, industry and sub industries selected for association with the policy and view the score for each evaluation instantly.

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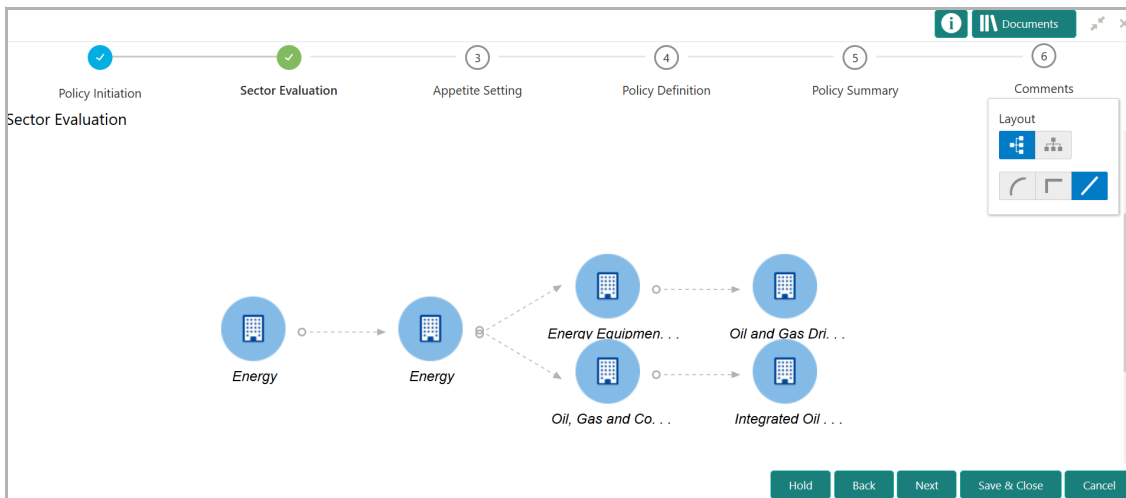
In *Sector Evaluation* page:

14. To change the layout of the tree view, click the configuration icon at the top right corner. The layout options are displayed as shown below:

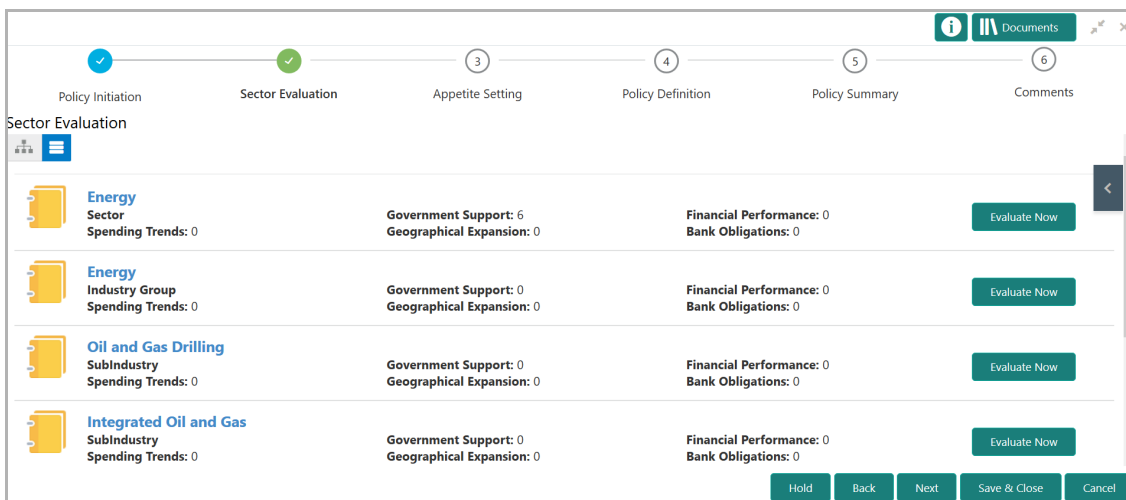


15. Select the required layout option. Tree view is changed to the selected layout as shown below:

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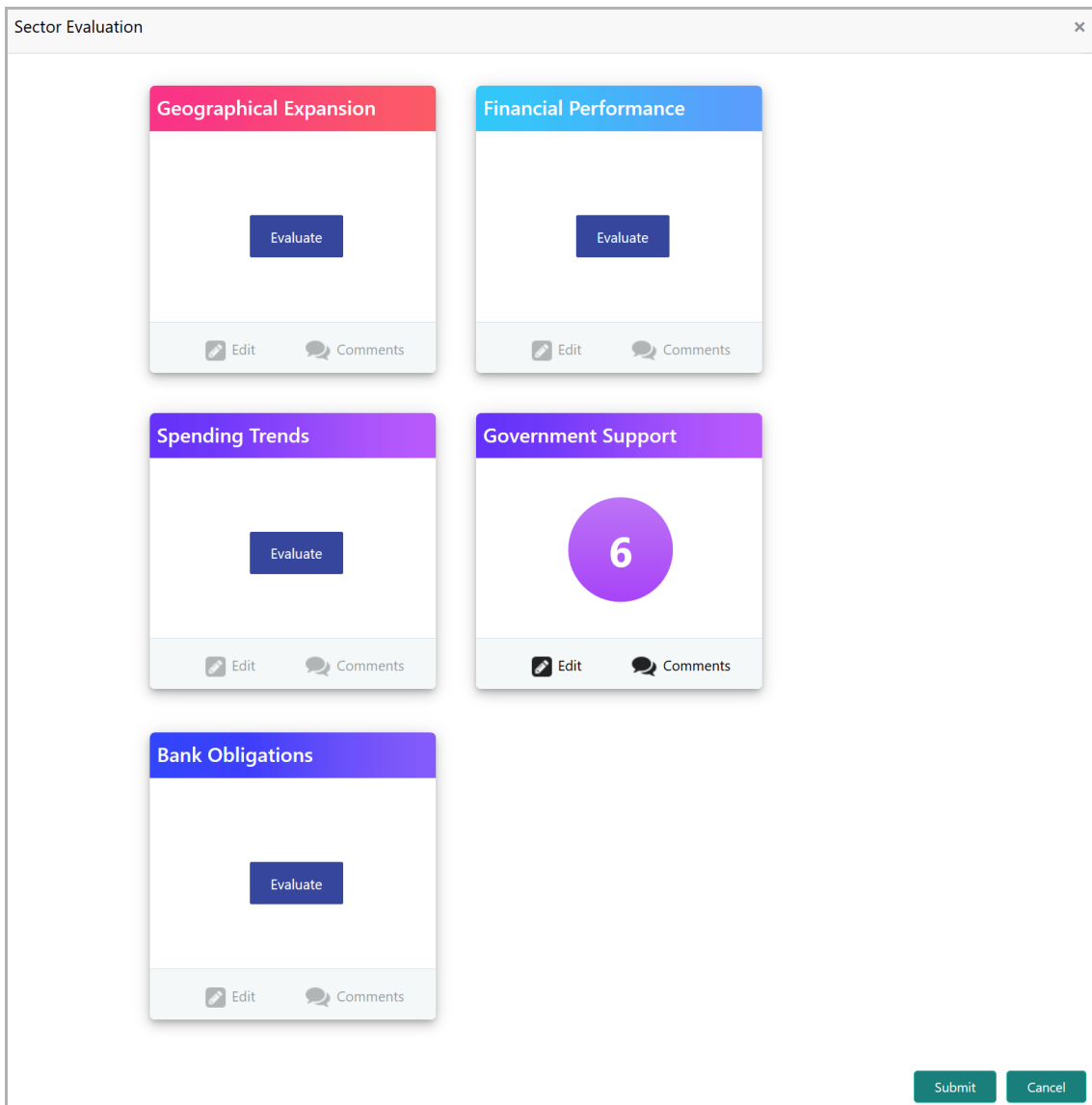


16. To change the tree view to list view, click the list icon at the top left corner. *Sector Evaluation* page view is changed as shown below:



17. To evaluate the sector, click the **Evaluate Now** button in list view or right click the sector icon in tree view. *Evaluation window* appears:

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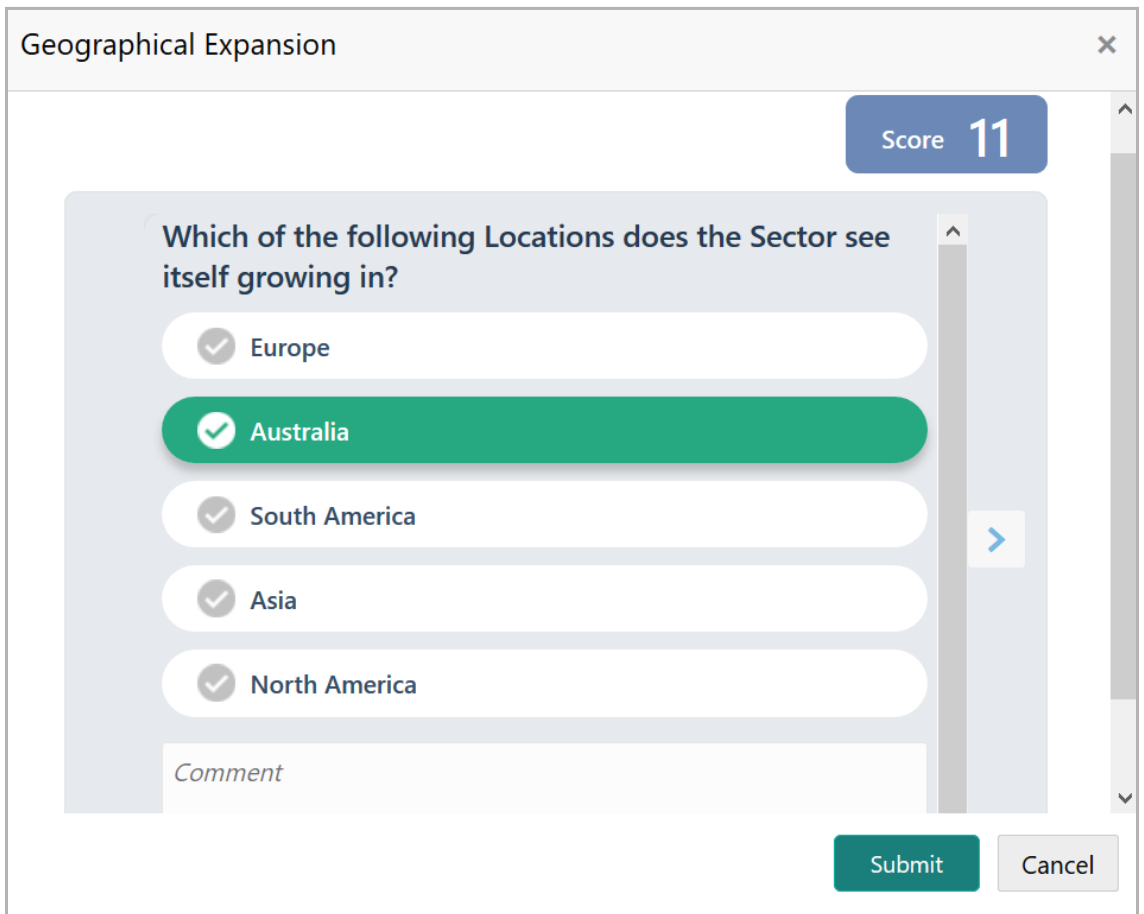


18. Click the **Evaluate** button and evaluate the following elements:

- Geographical Expansion
- Financial Performance
- Spending Trends
- Government Support
- Bank Obligations

Upon clicking the **Evaluate** button, questions related to the evaluation appears as shown below:

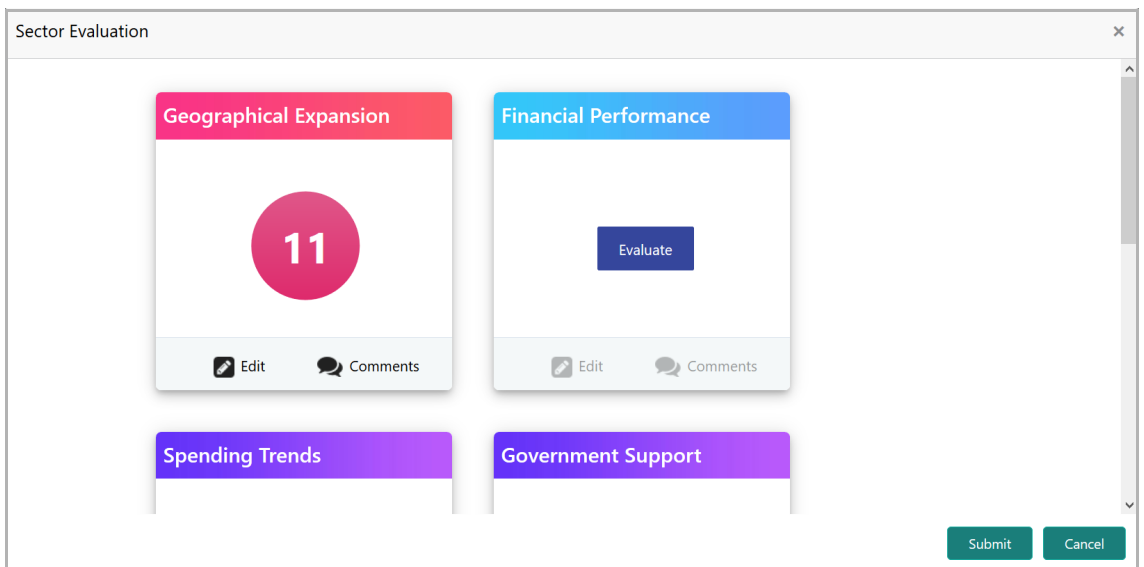
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19. Select the answer for the displayed question. Score is displayed for the evaluation based on the selected answer.

20. Click the right arrow to view the next question.

21. Answer all the questions and click **Submit**. Overall score is displayed for the evaluated element as shown below:



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22. Click **Submit**. *Sector Evaluation* page is updated with the evaluation scores as shown below:

The screenshot displays the 'Sector Evaluation' page with a progress bar at the top. The progress bar shows six steps: Policy Initiation (checked), Sector Evaluation (checked), Appetite Setting (3), Policy Definition (4), Policy Summary (5), and Comments (6). Below the progress bar, the 'Sector Evaluation' section contains a table with four rows of evaluation data. Each row includes a folder icon, a title, a description, and three columns of metrics: Government Support, Geographical Expansion, Financial Performance, and Bank Obligations. A green 'Evaluate Now' button is present at the end of each row. At the bottom right of the table, there are five buttons: Hold, Back, Next, Save & Close, and Cancel.

Folder Icon	Title	Description	Government Support	Geographical Expansion	Financial Performance	Bank Obligations	Action
	Energy Sector	Spending Trends: 10	6	11	0	10	Evaluate Now
	Energy Industry Group	Spending Trends: 0	0	0	0	0	Evaluate Now
	Oil and Gas Drilling SubIndustry	Spending Trends: 0	0	0	0	0	Evaluate Now
	Integrated Oil and Gas SubIndustry	Spending Trends: 0	0	0	0	0	Evaluate Now

23. Evaluate the **Industry Group** and all the **Sub Industries**.

24. To view the **Sector Evaluation Summary**, click the left arrow at the right corner.

Sector Evaluation Summary >

Sector	1
37 Score	
Industry Group	1
NA Highest Score	NA Lowest Score
Industry	2
NA Highest Score	NA Lowest Score
Sub Industry	2
NA Highest Score	NA Lowest Score

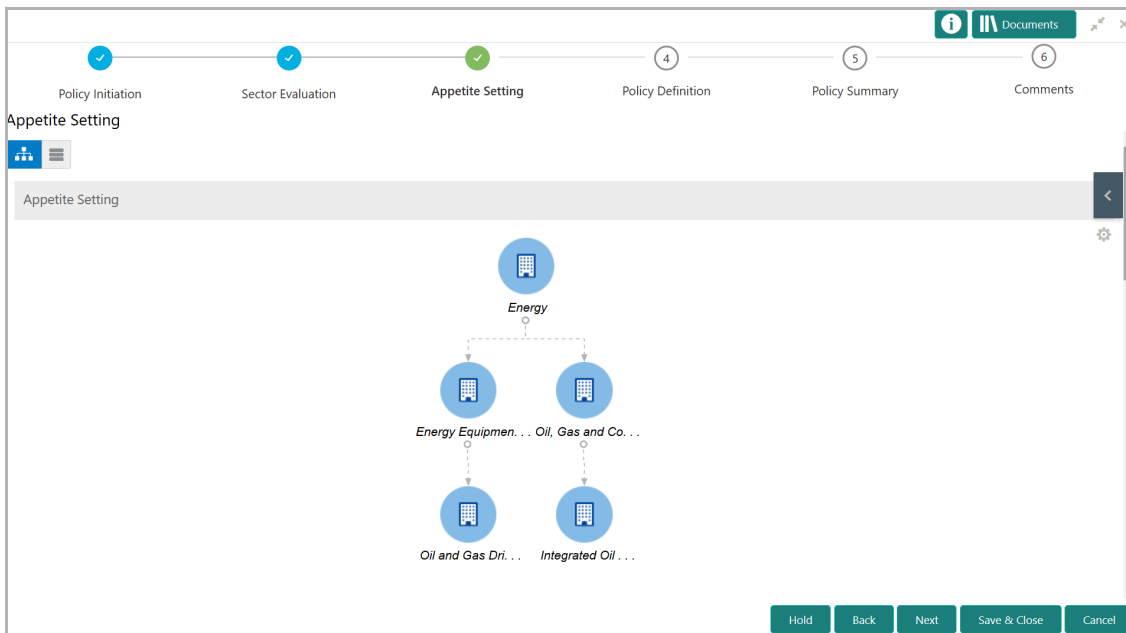
25. To close the **Sector Evaluation Summary**, click the right arrow in the summary window.

26. Click **Next**. *Appetite Setting* page appears.

Appetite Setting

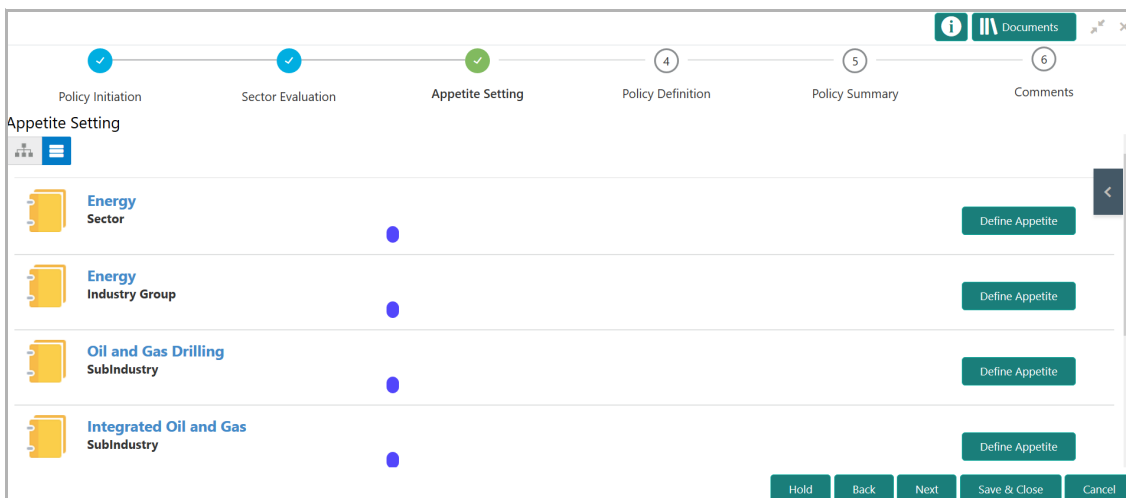
In this data segment, the Policy Analysts can allocate fund for the selected sector, sub sector, industry and sub industries based on the capital available in the Bank.

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Refer Sector Evaluation section for information on changing the layout of the tree view.

27. To change the tree view to list view, click the list icon at the top left corner. *Appetite Setting* page view is changed as shown below:



28. To define appetite for the sector, click the **Define Appetite** button in list view or right click the sector icon in tree view. *Appetite Setting* window appears:

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The screenshot shows the 'Appetite Setting' dialog box with the following details:

Field	Value
Currency	USD
Bank Total Available Capital	\$900,000,000,000.00
Suggested Capital Allocation	40%
Evaluation Score	37
Sector	Energy
Capital Allocation - Maximum limit	Slider
Effective Capital Available For Allocation	\$77,368,421,053.00
Fund Based Allocation - Maximum limit	Slider
Effective Appetite	\$101,052,631,579.00
Non Fund Based Allocation - Maximum limit	Slider
Effective Appetite	\$104,210,526,316.00



In *Appetite Setting* page, all the amount specified will be considered in Currency selected in the *Policy Initiation* page.

29. Specify the **Bank Total Available Capital**.
30. Specify percentage to be allocated for the selected sector in **Suggested Capital Allocation** field.



Suggested Capital Allocation can be specified either by directly entering the percentage or clicking the up arrow.

Down arrow will be enabled, if the value entered in Suggested Capital Allocation field is greater than zero. Use the down arrow to reduce the percentage.

31. Set **Maximum Limit** for the following allocations to the selected sector, by dragging the slider or directly entering the value in respective fields:
 - Capital Allocation
 - Fund Based Allocation
 - Non Fund Based Allocation
32. Click **Submit**. Allocated amount is displayed in *Appetite Setting* page as shown below:

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Entity	Capital Allocation	Non Fund Based Allocation	Fund Based Allocation	Action
Energy Sector	\$77,368,421,053.00	\$104,210,526,316.00	\$101,052,631,579.00	Define Appetite
Energy Industry Group	\$0.00	\$0.00	\$0.00	Define Appetite
Oil and Gas Drilling SubIndustry	\$0.00	\$0.00	\$0.00	Define Appetite
Integrated Oil and Gas SubIndustry	\$0.00	\$0.00	\$0.00	Define Appetite

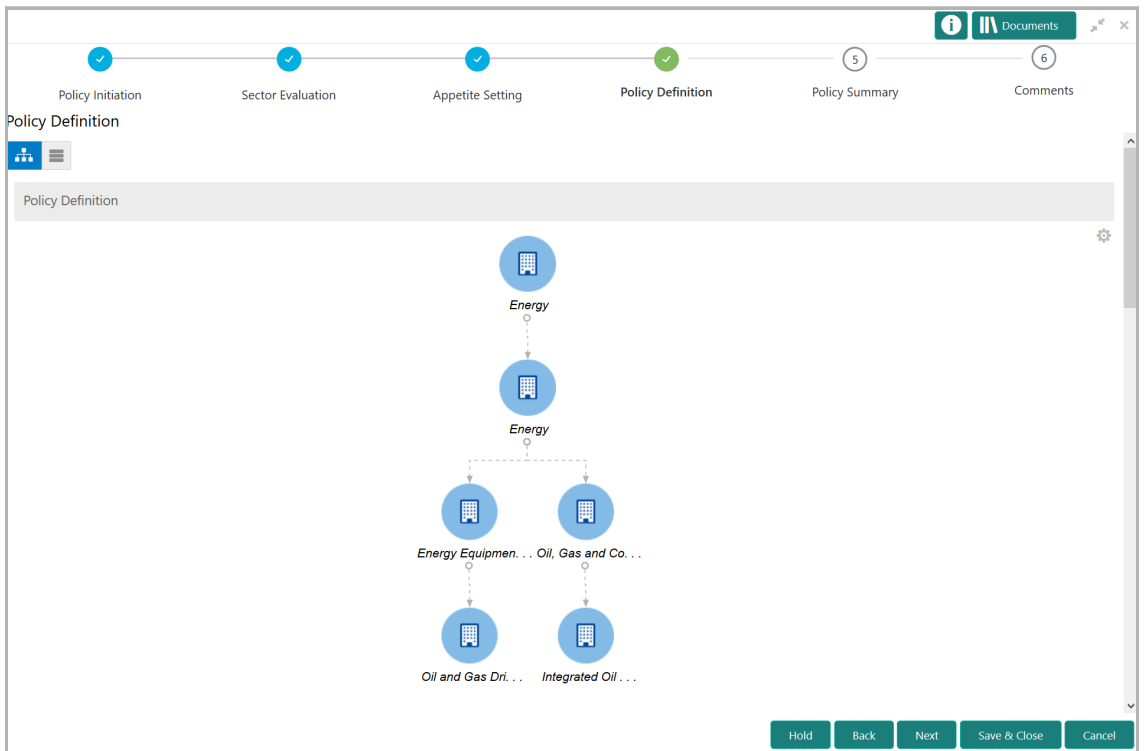
33. **Define Appetite** for the Industry Group and all the Sub Industries.

34. Click **Next**.

Policy Definition

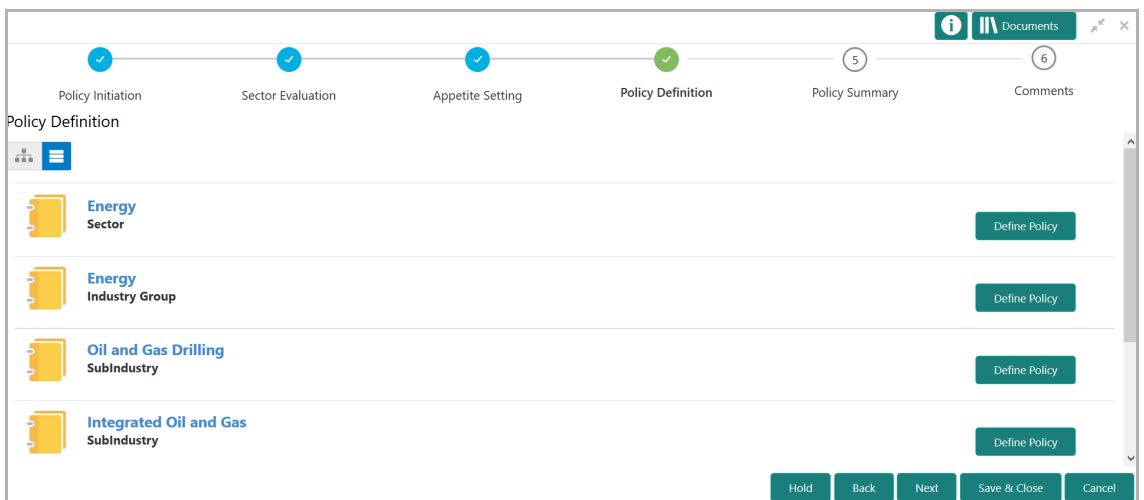
In Policy Definition data segment, the Pricing, Terms And Conditions, Covenants, Documents, Products, Collateral and Lending Authority for the selected sector, sub sector, industry and sub industries are configured.

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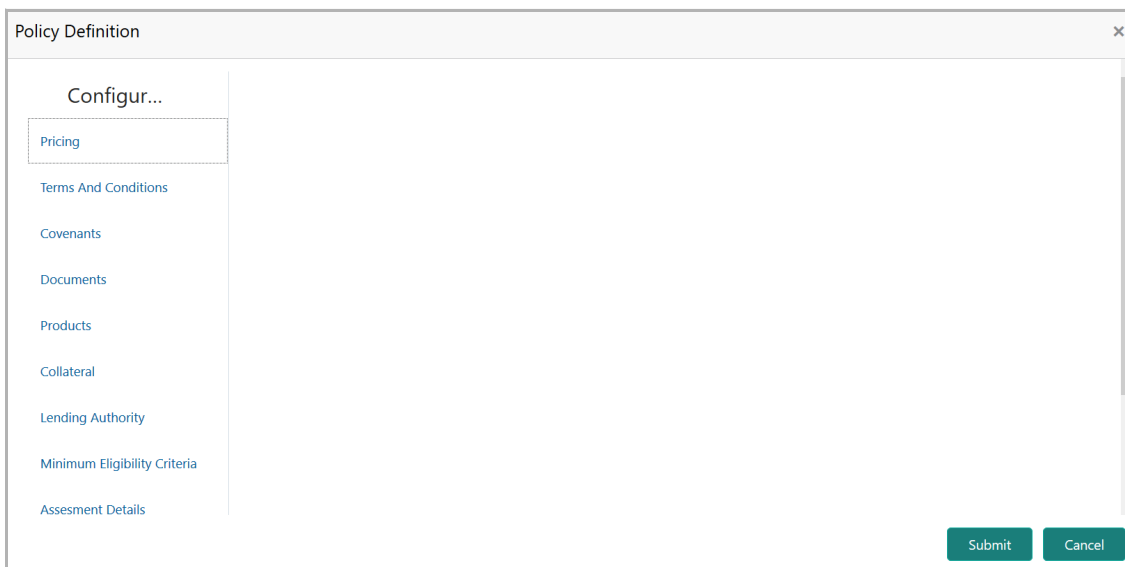
Refer Sector Evaluation section for information on changing the layout of the tree view.

35. To change the tree view to list view, click the list icon at the top left corner. *Policy Definition* page view is changed as shown below:



36. To define policy for the sector, click the **Define Policy** button in list view or right click the sector icon in tree view. *Configuration* window appears:

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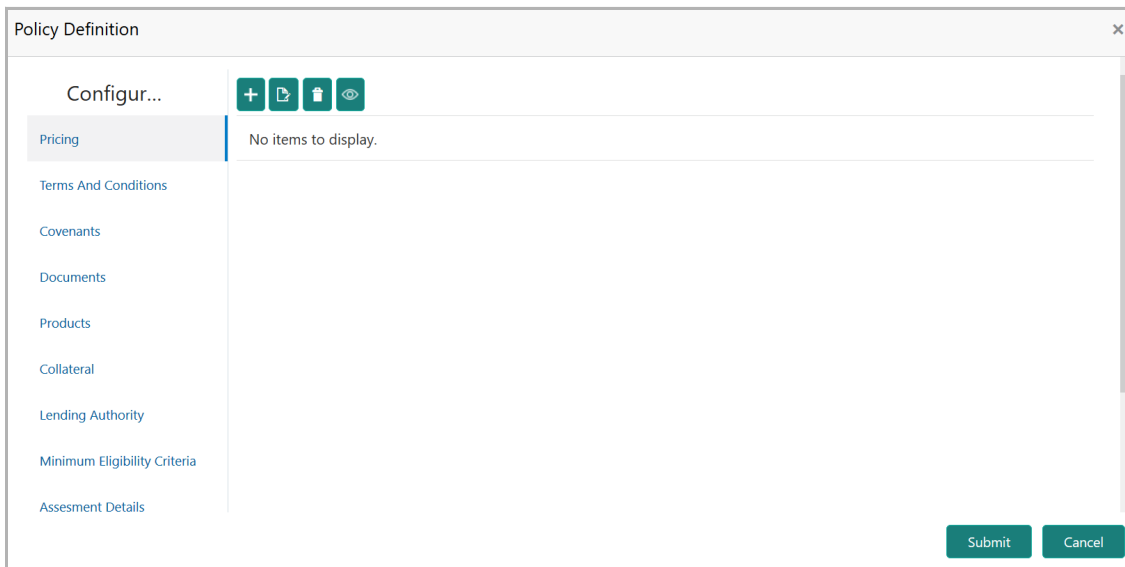
In *Configuration* window, policy can be defined for the following dimensions:

- Pricing
- Terms And Conditions
- Covenants
- Documents
- Products
- Collateral
- Lending Authority
- Minimum Eligibility Criteria
- Assesment Details

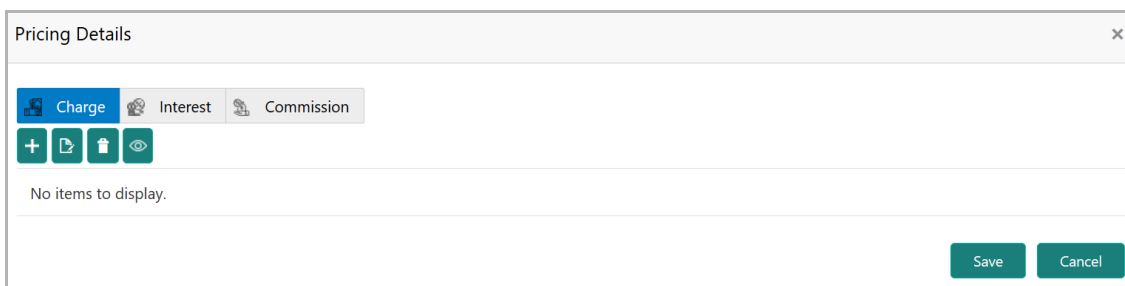
Configuring Pricing:

37. To define policy for the pricing dimension, click **Pricing**.

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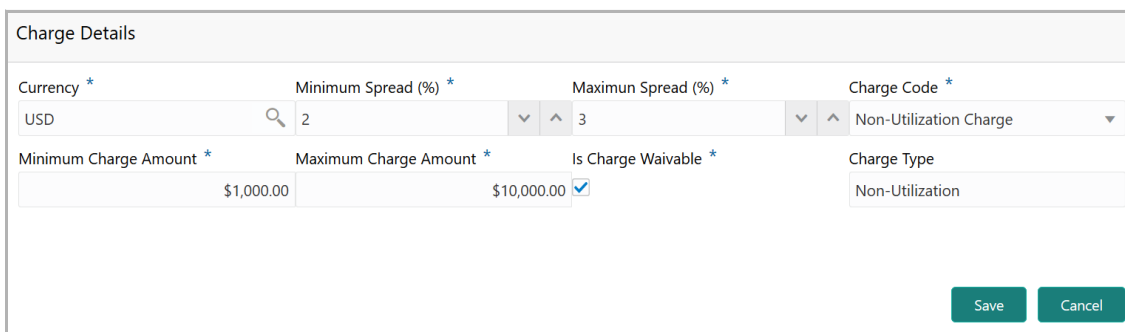


38. Click the add icon. *Pricing Details* window appears:



In *Pricing Details* window, policy related to Charge, Interest, and Commission can be defined for any **Currency**, **Charge Code** and **Charge Type**.

39. To add **Charge** related policy, click the add icon. *Charge Details* window appears:



40. Search and Fetch the **Currency** for associating the Charge Details.

41. Specify the **Minimum Spread (%)** and **Maximum Spread (%)**. The spread mentioned while adding charge in any credit process will be validated with respect to this Minimum Spread and Maximum Spread.

42. Select the **Charge Code** from the drop down list.

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- 43. Specify the **Minimum Charge Amount** and **Maximum Charge Amount**.
- 44. Enable **Is Charge Waivable** check box, if waver can be availed according to this policy.
- 45. Type the **Charge Type**.
- 46. Click **Save**. Charge is added and listed as shown below:

The screenshot shows a 'Pricing Details' window with a close button (x) in the top right corner. Below the title bar, there are three tabs: 'Charge' (selected), 'Interest', and 'Commission'. Under the 'Charge' tab, there are four icons: a plus sign, a document, a trash can, and an eye. The main content area displays 'Non-Utilization Charge' in blue text. Below it, there are three fields: 'Minimum Spread (%)' with the value '2', 'Maximum Spread (%)' with the value '3', and 'Is Charge Waivable' with the value 'No'. At the bottom right, there are two buttons: 'Save' and 'Cancel'.

- 47. To add **Interest** related policy, click the **Interest** tab and then click the add icon. *Interest Details* window appears:

The screenshot shows an 'Interest Details' window with a close button (x) in the top right corner. Below the title bar, there are two dropdown menus: 'Component Type *' with the value 'Main Interest' and 'Rate Type *' with the value 'Fixed'. Below the dropdowns, there are three icons: a plus sign, a document, and a trash can. The main content area displays 'No items to display.' At the bottom right, there are two buttons: 'Save' and 'Cancel'.

- 48. Select the **Component Type** and **Rate Type** from the drop down list.
If **Rate Type** is selected as **Fixed**, then the **Fixed Interest Rate Details** must be added.
- 49. Click the add icon. *Fixed Interest Rate Details* window appears:

Fixed Interest Rate Details

Currency	Fixed Interest Rate
USD	10

Save Cancel

50. Search and Fetch the **Currency** for the interest.

51. Specify the **Fixed Interest Rate**.



Fixed Interest Rate can be specified either by directly entering the value or clicking the up arrow.

Down arrow will be enabled, if the value entered in **Fixed Interest Rate** field is greater than zero. Use the down arrow to reduce the percentage.

52. Click **Save**. Fixed Interest Rate Details are added and displayed as shown below:

Interest Details

Component Type *	Rate Type *
Main Interest	Fixed

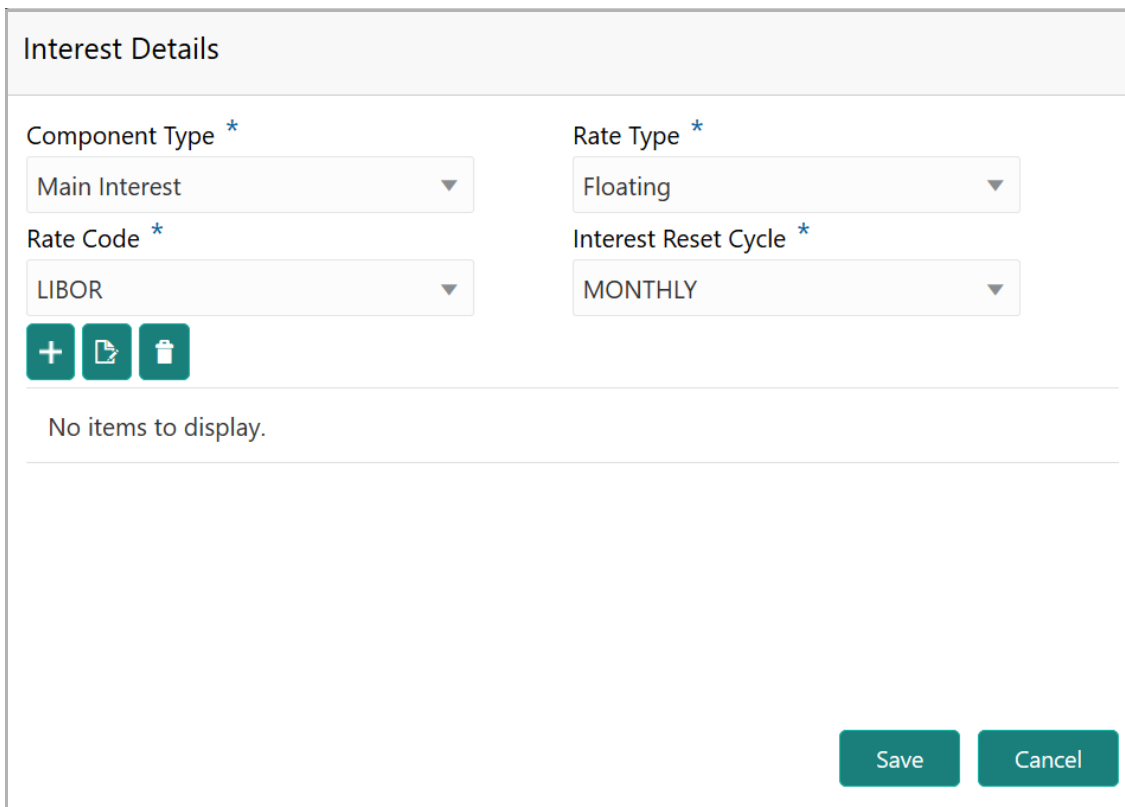
+ [document icon] [trash icon]

Currency: USD **Fixed Interest Rate:** 10

Save Cancel

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If **Rate Type** is selected as **Floating**, then the Interest Details window appears as shown below:

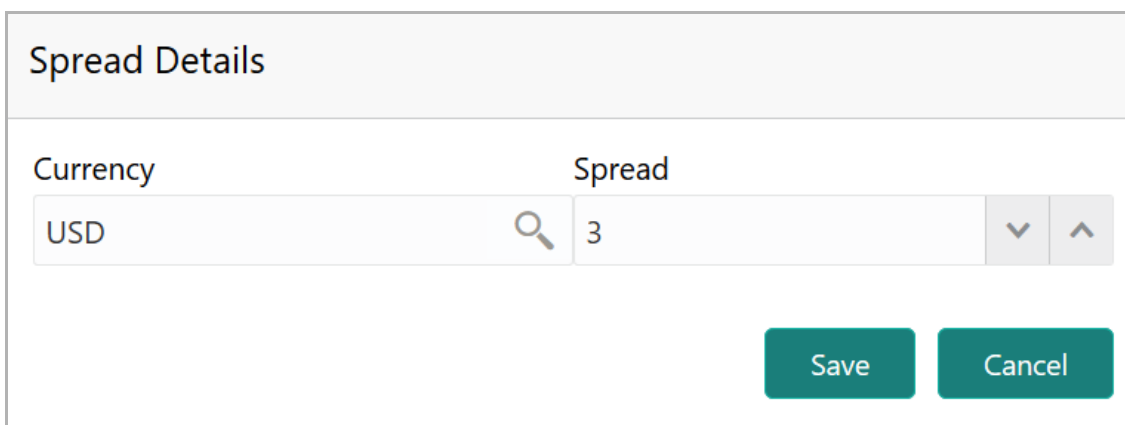


The screenshot shows the 'Interest Details' window. It has a title bar 'Interest Details'. Below the title bar, there are four dropdown menus: 'Component Type *' with 'Main Interest' selected, 'Rate Type *' with 'Floating' selected, 'Rate Code *' with 'LIBOR' selected, and 'Interest Reset Cycle *' with 'MONTHLY' selected. Below these dropdowns are three icons: a plus sign, a document with a plus sign, and a trash can. Below the icons, the text 'No items to display.' is shown. At the bottom right, there are two buttons: 'Save' and 'Cancel'.

53. Select the **Rate Code**. The options available are: LIBOR and SIBOR.

54. Select the **Interest Rest Cycle**. The options available are: MONTHLY, QUARTERLY, HALF-YEARLY, YEARLY, and AUTO.

55. Click the add icon. *Spread Details* window appears:



The screenshot shows the 'Spread Details' window. It has a title bar 'Spread Details'. Below the title bar, there are two input fields: 'Currency' with 'USD' and a search icon, and 'Spread' with '3' and up/down arrow icons. At the bottom right, there are two buttons: 'Save' and 'Cancel'.

56. Search and Fetch the **Currency** for the **Spread**.



57. Specify the **Spread**.

58. Click **Save**. Spread details are added and displayed as shown below:

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Interest Details

Component Type *	Rate Type *
Main Interest	Floating
Rate Code *	Interest Reset Cycle *
LIBOR	MONTHLY

+  

Currency: USD Spread: 3

Save Cancel

If the **Rate Type** is selected as **Special Amount**, then the *Interest Details* window appears as shown below:

Interest Details

Component Type *	Rate Type *
Main Interest	Special Amount
Currency *	Special Interest Amount *
USD	\$1,000.00

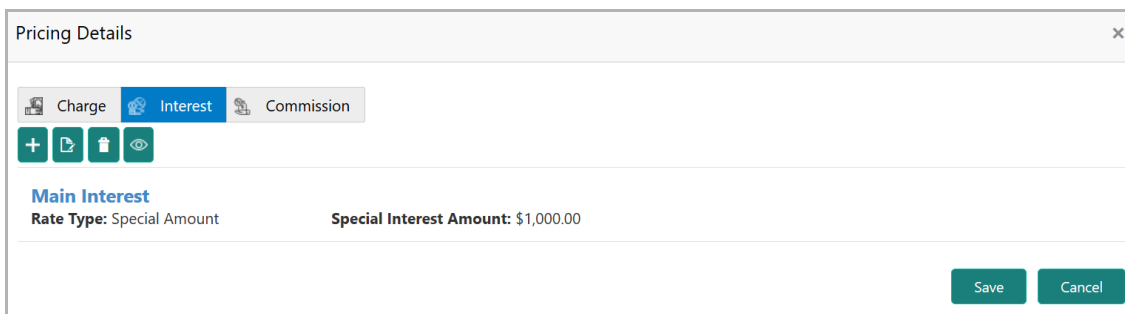
Save Cancel

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59. Search and Fetch the **Currency** for the **Special Interest Amount**.

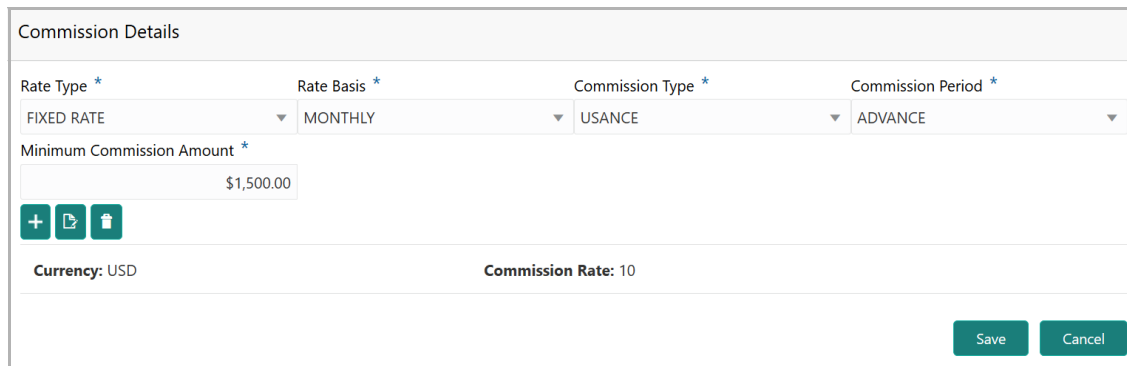
60. Specify the **Special Interest Amount**.

61. Click **Save**. Interest Details are added and displayed in *Pricing Details* window as shown below:



The screenshot shows a window titled "Pricing Details" with a close button (X) in the top right corner. Below the title bar, there are three tabs: "Charge", "Interest" (which is selected and highlighted in blue), and "Commission". Under the "Interest" tab, there are four icons: a plus sign, a document, a trash can, and an eye. The main content area displays "Main Interest" in blue text, followed by "Rate Type: Special Amount" and "Special Interest Amount: \$1,000.00". At the bottom right, there are two buttons: "Save" and "Cancel".

62. To add commission related policy, click the **Commission** tab. *Commission Details* window appears:



The screenshot shows a window titled "Commission Details". It features four dropdown menus: "Rate Type *" (set to "FIXED RATE"), "Rate Basis *" (set to "MONTHLY"), "Commission Type *" (set to "USANCE"), and "Commission Period *" (set to "ADVANCE"). Below these is a text input field for "Minimum Commission Amount *" containing "\$1,500.00". There are three icons (plus, document, trash) below the input field. At the bottom, it shows "Currency: USD" and "Commission Rate: 10". "Save" and "Cancel" buttons are at the bottom right.

63. Select the following details from the drop down list:

- Rate Type
- Rate Basis
- Commission Type
- Commission Period

64. If the **Rate Type** is selected as **FIXED RATE**, specify the **Minimum Commission Amount** and then click the add icon to capture **Commission Rate**.

65. If the **Rate Type** is selected as **FLAT AMOUNT**, *Commission Details* window appears as shown below:

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The screenshot shows a form titled "Commission Details". It contains four dropdown menus: "Rate Type" (set to "FLAT AMOUNT"), "Rate Basis" (set to "MONTHLY"), "Commission Type" (set to "USANCE"), and "Commission Period" (set to "ADVANCE"). Below these are two input fields: "Currency" (set to "USD" with a search icon) and "Commission Amount" (set to "\$1,400.00"). At the bottom right, there are "Save" and "Cancel" buttons.

- 66. Search and select the **Currency** for the **Commission Amount**.
- 67. Specify the **Commission Amount**.
- 68. Click **Save**. Commission Details are added and displayed in *Pricing Details* window as shown below:

The screenshot shows a window titled "Pricing Details" with a close button (X) in the top right. It has three tabs: "Charge", "Interest", and "Commission" (which is selected and highlighted in blue). Below the tabs are four icons: a plus sign (+), a document with a pencil (edit), a trash can (delete), and an eye (view). The main content area displays the following information: **FLAT AMOUNT**, **Rate Basis: MONTHLY**, **Commission Type: USANCE**, and **Commission Amount: \$1,400.00**. At the bottom right, there are "Save" and "Cancel" buttons.

- 69. To edit the charge, interest or commission details, select the required element and click the edit icon.
- 70. To delete the charge, interest or commission details, select the required element and click the delete icon.
- 71. To view the charge, interest or commission details, select the required element and click the view icon.
- 72. To save the **Pricing Details**, click **Save**. Pricing Details are added and displayed as shown below:

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The screenshot shows a 'Policy Definition' window with a sidebar menu on the left containing 'Pricing', 'Terms And Conditions', 'Covenants', 'Documents', 'Products', 'Collateral', 'Lending Authority', 'Minimum Eligibility Criteria', and 'Assesment Details'. The 'Pricing' section is active, displaying a table with three columns: 'Charge: 1', 'Interest: 1', and 'Commission: 1'. Above the table are icons for adding, editing, deleting, and viewing. At the bottom right are 'Submit' and 'Cancel' buttons.

73. To add another pricing detail, click the add icon again and perform the necessary steps.

74. To modify the added pricing detail, select the pricing and click the edit icon. *Pricing Details* window appears.

75. To delete the pricing detail, select the pricing and click the delete icon.

76. To view the pricing detail, select the pricing and click the view icon.

Configuring Terms and Conditions:

77. To add terms and conditions, click **Terms And Conditions** from the menu. *Terms And Conditions* window appears:

The screenshot shows a 'Terms And Conditions' window with the following fields: 'Condition Code *' (dropdown menu with 'Interest Repayment' selected), 'Terms And Conditions Type *' (dropdown menu with 'Pre-Disbursement' selected), 'Is Waivable? *' (checkbox checked), and 'Frequency *' (dropdown menu with 'Half Yearly' selected). Below these is a 'Condition Description' field containing 'Repayment of Interest' and a 'Comments' field containing 'Pre-disbursement condition for Energy sector'. At the bottom right are 'Save' and 'Cancel' buttons.

78. Select the **Condition Code** from the drop down list.

79. Select the **Terms And Conditions Type** from the drop down list. The options available are: Pre-Disbursement and Post-Disbursement.

80. Enable **Is Waivable?** check box, if waive off option is allowed for the terms and conditions.

81. Select the Frequency from the drop down list. The options available are: Yearly, Half Yearly, Quarterly, and Monthly.

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- 82. Type the **Condition Description** and **Comments** to help Approvers in making quick decision.
- 83. Click **Save**. Terms and conditions are added and displayed in the *Terms And Conditions* window.
- 84. To add another terms and conditions, click the add icon again and perform the necessary steps.
- 85. To modify the added terms and conditions, select it and click the edit icon.
- 86. To delete the terms and conditions, select it and click the delete icon.
- 87. To view the added terms and condition, select it and click the view icon.

Configuring Covenant:

88. To add a covenant, click **Covenants** from the left menu and then click the add icon. *Covenant Details* window appears:

Covenant Name *	Classification Type	Covenant Type	Frequency
DSCR on the basis of Cash Flow	EXTERNAL	FIN	QUARTERLY

Notice Days: 15

Covenant Description: DSCR on the basis of Cash Flow

Is Waivable? *

Target condition: < > = BETWEEN

Covenant Target Condition * Equal To

Target Value * 12222

Comments

Save Cancel

- 89. Select the **Covenant Name** from the list of already created and maintained covenants. Details associated with the covenants are automatically fetched and displayed in the *Covenant Details* window.
- 90. Enable **Is Waivable?** check box, if waive off option is allowed for the covenant.
- 91. Type the Comments to help Approvers in making quick decision.
- 92. Click **Save**. **Covenant Details** are added and displayed in *Covenants* window.
- 93. To add another covenant, click the add icon again and perform the necessary steps.
- 94. To modify the added covenant, select it and click the edit icon.
- 95. To delete the added covenant, select it and click the delete icon.
- 96. To view the added covenant, select it and click the view icon.

Configuring Documents:

97. To add the document related policy, click **Documents** from the left menu and then click the add icon. *Document Details* window appears:

Chapter 3

Document Details

Document Code * Document Type Is Mandatory? *

Proposal Documents Proposal Documents

Submit Cancel

98. Select the **Document Code** from the drop down list.
99. Enable **Is Mandatory?** check box.
100. Click **Submit**. **Document Details** are added and displayed in *Documents* window.
101. To add another document related policy, click the add icon again and perform the necessary steps.
102. To modify the document details, select it and click the edit icon.
103. To delete the document details, select it and click the delete icon.
104. To view the added document details, select it and click the view icon.

Configuring Products:

105. To add product related policy, click **Products** from the left menu and then click the add icon. *Add Product* window appears:

Add Product

Product Type * Currency * Minimum Amount * Maximum Amount *

OverDraft USD \$2,000,000.00 \$8,000,000.00

Minimum Tenor (months) * Maximum Tenor (months) * Regions *

12 30 INDIA × United States ×

Currency Covenants Terms & Conditions Documents Pricing

Currency

+ -

No items to display.

Save Cancel

In the *Add Product* window, the following dimensions can be defined for a product:

- Currency
- Covenants

Chapter 3

- Terms & Conditions
- Documents
- Pricing

106. Select the **Product Type** from the drop down menu.

107. Search and select the **Currency** for the minimum and maximum Amounts to be lent as the selected product.

108. Specify the **Minimum Amount** and **Maximum Amount** for the selected Product Type.

109. Specify the **Minimum Tenor** and **Maximum Tenor** for the product in months.



Tenor can be specified either by directly entering the value or clicking the up arrow.

Down arrow will be enabled, if the value entered in Tenor field is greater than zero. Use the down arrow to reduce the percentage.

110. Click and select the **Regions** for the product.

111. To add the **Currency** in which the product can be offered, click the add icon. *Currency* window appears:

Lending Type *	Currency *	Minimum Spread *	Maximum Spread (%) *
Secured	USD	2	3

Save Cancel

112. Select the **Lending Type**. The options available are: Secured and Unsecured.

113. Search and select the **Currency** for the **Minimum Spread** and the **Maximum Spread**.

114. Specify the **Minimum Spread** and **Maximum Spread (%)**.

115. Click **Save**. Currency is added and listed in *Add Product* window.

116. To capture covenant details for the product, click the **Covenants** tab in *Add Product* window and then click the add icon. *Add Covenant* window appears:

Chapter 3

Add Covenant

Lending Type *	Covenant Name *	Classification Type	Covenant Type
Secured	DSCR on the basis of Cash Flow	EXTERNAL	FIN
Frequency	Notice Days	Covenant Description	Is Waivable? *
QUARTERLY	15	DSCR on the basis of Cash Flow	<input checked="" type="checkbox"/>

Target condition

< > = BETWEEN

Covenant Target Condition *	Minimum Target Value *	Maximum Target Value *
Between	5000	10000

Comment

Save Cancel

117. Select the **Lending Type**. The options available are: Secured and Unsecured.
118. Select the **Covenant Name** from the list of already created and maintained covenants. Details associated with the covenants are automatically fetched and displayed in the *Covenant Details* window.
119. Enable **Is Waivable?** check box, if waive off option is allowed for the covenant.
120. Type the Comments to help Approvers in making quick decision.
121. Click **Save**. **Covenant Details** are added and displayed in *Add Product* window.
122. To add the terms and conditions for the product, click the **Terms & Conditions** tab in *Add Product* window and then click the add icon. *Add Terms & Conditions* window appears:

Add Terms & Conditions

Lending Type *	Condition Code *	Terms & Conditions Type *	Is Waivable? *
Secured	Annual Fees Charges	Post-Disbursement	<input checked="" type="checkbox"/>
Frequency *			
Quarterly			

Condition Clause

Charges worth of \$39000 has to be paid

Comment

Save Cancel

123. Select the **Lending Type**. The options available are Secured and Unsecured.

Chapter 3

- 124. Select the **Condition Code** from the drop down list. Condition Clause is displayed.
- 125. Select the **Terms And Conditions Type** from the drop down list. The options available are: Pre-Disbursement and Post-Disbursement.
- 126. Enable **Is Waivable?** check box, if waive off option is allowed for the terms and conditions.
- 127. Select the Frequency from the drop down list. The options available are: Yearly, Half Yearly, Quarterly, and Monthly.
- 128. Type the **Comments** to help Approvers in making quick decision.
- 129. Click **Save**. Terms and conditions are added and displayed in the *Add Product* window.
- 130. To add documents details, click the **Documents** tab in the *Add Product* window and then click the add icon.

Documents

Lending Type *	Document Code *	Document Type	Is Mandatory? *
Secured	Proposal Documents	Proposal Documents	<input checked="" type="checkbox"/>

Save Cancel

- 131. Select the **Lending Type**. The options available are: Secured and Unsecured.
- 132. Select the **Document Code** from the drop down list.
- 133. Enable **Is Mandatory?** check box, if required.
- 134. Click **Submit**. **Document Details** are added and displayed in *Add Product* window.
- 135. To add pricing details for the product, click the Pricing tab in *Add Product* window and then click the add icon.

Pricing

Lending Type *
Secured

Charge Interest

+ [document icon] [trash icon] [eye icon]

Non-Utilization Charge		
Minimum Spread (%): 2	Maximun Spread (%): 3	Is Charge Waivable: No

Save Cancel

- 136. Select the **Lending Type**. The options available are Secured and Unsecured.
- 137. Add **Charge** and **Interest** for the product.

Chapter 3

Refer **Configuring Pricing** section for information on adding **Charge** and **Interest** details.

Add Product

Product Type * Currency * Minimum Amount * Maximum Amount *

Term Loan USD \$2,000,000.00 \$8,000,000.00

Minimum Tenor (months) * Maximum Tenor (months) * Regions *

12 30 INDIA x United States x

Currency Covenants Terms & Conditions Documents Pricing

Currency

+ [edit] [delete]

USD

Lending Type: Secured Minimum Spread: 2 Maximum Spread (%): 3

Save Cancel

138. In the *Add Product* window, click **Save**.

Configuring Collateral:

139. To add collateral related policy, click **Collateral** from the left menu and then click the add icon. *Collateral Details* window appears:

Collateral Details

Collateral Type * Min LTV * Min frequency for valuation (yrs) * Regions *

Machine 8000000 1 INDIA x United States x

Covenants Terms & Conditions Documents Pricing

Covenant Details

+ [edit] [delete]

No items to display.

Save Cancel

140. Select the **Collateral Type** from the drop down list.

141. Specify the minimum loan to value in **Min LTV** field.

142. Specify the frequency for evaluating the collateral in **Min frequency for valuation (yrs)** field.

Chapter 3

143. Click and select the **Regions** for the collateral.

144. Add **Covenant**, **Terms & Conditions**, **Documents** and **Pricing** details for the collateral.

Refer **Configuring Covenants**, **Configuring Terms & Conditions**, **Configuring Documents**, and **Configuring Pricing** sections for information on adding Covenants, Terms & Conditions, Documents and Pricing.

The screenshot shows the 'Collateral Details' window. At the top, there are four input fields: 'Collateral Type *' with a dropdown menu showing 'Machine', 'Min LTV *' with the value '8000000', 'Min frequency for valuation (yrs) *' with the value '1', and 'Regions *' with two tags: 'INDIA x' and 'United States x'. Below these fields is a horizontal tab bar with four tabs: 'Covenants' (active), 'Terms & Conditions', 'Documents', and 'Pricing'. Under the 'Covenants' tab, there is a 'Covenant Details' section with three icons: a plus sign, a document icon, and a trash icon. Below the icons, there is a blue header 'DSCR on the basis of Cash Flow' and two lines of text: 'Is Waivable?: No' and 'Target condition: Should be Between 5000 and 10000'. At the bottom right of the window, there are two buttons: 'Save' and 'Cancel'.

145. In *Collateral Details* window, click **Save**.

Configuring Lending Authority:

146. Click **Lending Authority** from the left menu. Default lending authority configuration appears:

The screenshot shows a 'Policy Definition' window with a sidebar menu on the left containing: Configur..., Pricing, Terms And Conditions, Covenants, Documents, Products, Collateral, Lending Authority (selected), Minimum Eligibility Criteria, and Assesment Details. The main content area is titled 'Lending Authority' and contains six rows of configuration. Each row has a 'Lending Amount (USD) *' field with a text input and a 'Lending Authority *' dropdown menu. The rows are: 1) Lending Amount: <1M, Lending Authority: AA1; 2) Lending Amount: 1M - 10M, Lending Authority: AA1; 3) Lending Amount: 10M - 20M, Lending Authority: AA2; 4) Lending Amount: 20M - 30M, Lending Authority: AA2; 5) Lending Amount: 30M - 50M, Lending Authority: AA1+AA2; 6) Lending Amount: >50M, Lending Authority: AA3. At the bottom left is a 'Save' button, and at the bottom right are 'Submit' and 'Cancel' buttons.

Lending Amount (USD) *	Lending Authority *
<1M	AA1
1M - 10M	AA1
10M - 20M	AA2
20M - 30M	AA2
30M - 50M	AA1+AA2
>50M	AA3

147. Select **Lending Authority** for each **Lending Amount (USD)** based on your bank structure.

148. Click **Save** and then click **Submit**.

Configuring Minimum Eligibility Criteria:

149. Click **Minimum Eligibility Criteria** from the left menu. *Vintage* window appears:

Chapter 3

The screenshot shows the 'Policy Definition' window with the 'Minimum Eligibility Criteria' tab selected. The 'Vintage' section is active, displaying configuration options for four product types: Secured Lending, Unsecured Lending, Fund Based Products, and Non Fund Based Products. Each product type has two input fields: 'Minimum years of operations' and 'Minimum years of financial documents available'. The values are: Secured Lending (8, 5), Unsecured Lending (15, 10), Fund Based Products (10, 10), and Non Fund Based Products (15, 10). A 'Submit' button and a 'Cancel' button are located at the bottom right.

150. Specify the **Minimum years of operations** and **Minimum years of financial documents available** requirement for the following elements:

- Secured Lending
- Unsecured Lending
- Fund Based Products
- Non Fund Based Products

151. To capture **Ratings & Grading** requirement, click the right arrow at the top right corner. **Ratings & Grading** window appears:

The screenshot shows the 'Policy Definition' window with the 'Ratings & Grading' tab selected. The 'Moody's' field is set to 'AA', 'Fitch' to 'A+', 'S&P' to 'AAA', and 'CRISIL' to 'AA'. The 'Default grading' field is set to 'A'. A 'Submit' button and a 'Cancel' button are located at the bottom right.

Chapter 3

152. Capture the Ratings & Gradings requirement from the following agencies:

- Moodys
- Fitch
- S&P
- CRISIL

153. Specify the **Default Grading** requirement and click the right arrow at the top right corner. *Legal Status* window appears:

The screenshot shows a 'Policy Definition' window with a sidebar on the left containing menu items: Configur..., Pricing, Terms And Conditions, Covenants, Documents, Products, Collateral, Lending Authority, Minimum Eligibility Criteria, and Assesment Details. The 'Legal Status' section is active, displaying a grid of radio button options for various legal entities. The 'Others *' field is set to 'Not Allowed'. A 'Save' button is located below the 'Others *' field. At the bottom right of the window are 'Submit' and 'Cancel' buttons.

Legal Status	Allowed	Not Allowed
Pvt Ltd. *	<input checked="" type="radio"/>	<input type="radio"/>
Proprietorship *	<input checked="" type="radio"/>	<input type="radio"/>
Partnership *	<input type="radio"/>	<input checked="" type="radio"/>
Public Ltd *	<input checked="" type="radio"/>	<input type="radio"/>
Government owned *	<input checked="" type="radio"/>	<input type="radio"/>
Society *	<input type="radio"/>	<input checked="" type="radio"/>
Trust *	<input type="radio"/>	<input checked="" type="radio"/>
HUF *	<input checked="" type="radio"/>	<input type="radio"/>
Others *	<input type="text" value="Not Allowed"/>	

154. Capture the **Legal Status** requirement.

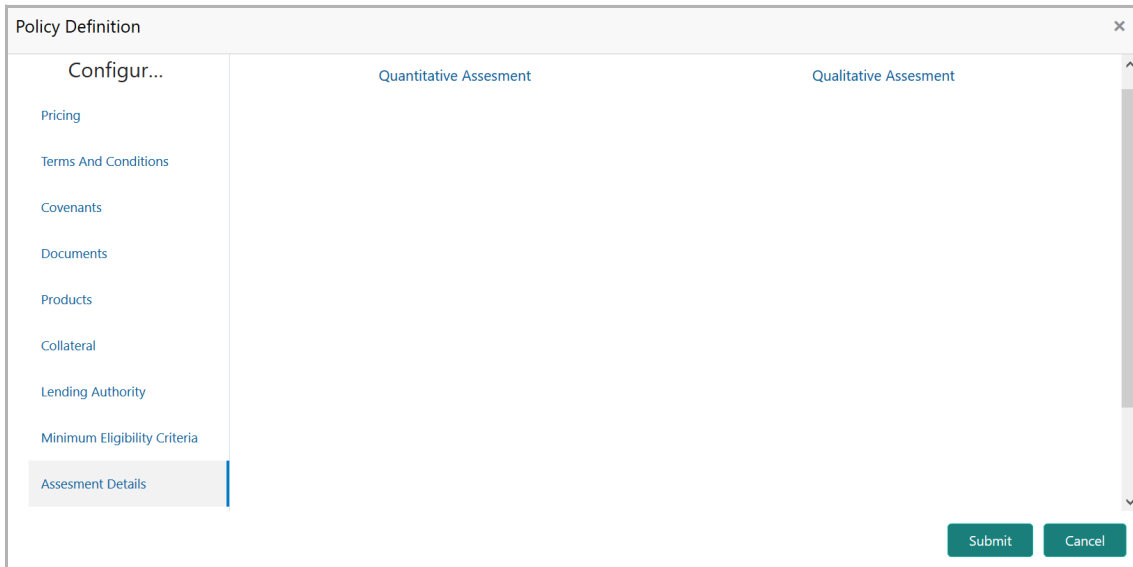
155. Specify if the organizations of type **Other** than the mentioned types are **Allowed** or **Not Allowed**.

156. Click **Submit**.

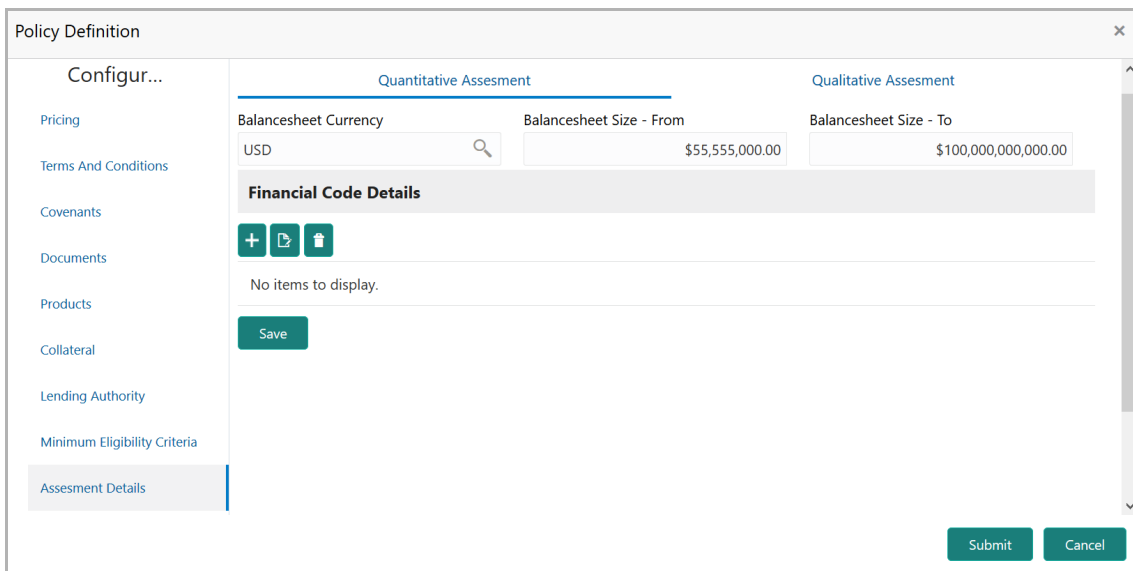
Configuring Assessment Details:

157. Click **Assessment Details** from the left menu. **Assessment** window appears:

Chapter 3



158. Click the **Quantitative Assessment** tab.



159. Search and select the **Balancesheet Currency**.

160. Specify the balance sheet size requirement in **Balancesheet Size - From** and **Balancesheet Size - To** fields, respectively.

161. To capture the **Financial Code Details**, click the add icon. *Benchmark Details* window appears:

Chapter 3

Benchmark Details

Financial Code	Industry Benchmark Value	Absolute Range Min.	Absolute Range Max.
Net Operating Profit	555	559	566

Target Condition

< > = BETWEEN

Benchmark Target Condition * Bank Benchmark Value

Equal To 561

Save Cancel

162. Select the **Financial Code** from the drop down list.
163. Specify the **Industry Benchmark Value**.
164. Specify the allowed Benchmark range in **Absolute Range Min** and **Absolute Range Max** fields.
165. Select the **Target Condition** for Benchmark.
166. Specify the **Bank Benchmark Value**.



If BETWEEN is selected as **Target Condition**, Minimum and Maximum Benchmark Value must be provided instead of **Bank Benchmark Value**.



Industry Benchmark Value, Absolute Range Min, Absolute Range Max, and Bank Benchmark Value can be specified either by directly entering the value or clicking the up arrow.

Down arrow will be enabled, if the value entered in these fields is greater than zero. Use the down arrow to reduce the percentage.

167. Click **Save**. Quantitative Assessment details are displayed as shown below:

Chapter 3

The screenshot shows the 'Policy Definition' window with the 'Assesment Details' tab selected. The 'Quantitative Assessment' section includes fields for 'Balancesheet Currency' (USD), 'Balancesheet Size - From' (\$55,555,000.00), and 'Balancesheet Size - To' (\$100,000,000,000.00). Below this is the 'Financial Code Details' section with a table containing one entry: 'Net Operating Profit' with an 'Industry Benchmark Value' of 555, an 'Absolute Range Min.' of 559, and an 'Absolute Range Max.' of 566. A 'Save' button is located below the table. At the bottom right of the window are 'Submit' and 'Cancel' buttons.

168. To add another **Financial Code Details**, click the add icon again and perform the necessary steps.

169. To edit the Financial Code Details, select the code and then click the edit icon.

170. To delete the Financial Code Details, select the code and then click the delete icon.

171. Click **Qualitative Assessment** tab. *Questionnaire Linkage Details* window appears:

The screenshot shows the 'Questionnaire Linkage Details' window. It features a 'Category Code' dropdown menu set to 'Other Analysis', and two input fields for 'From Balance Sheet Size' (\$5,555,555,555.00) and 'To Balance Sheet Size' (\$10,000,000,000,000.00). Below these is the 'Question Linkage' section with a table of sub-categories. The table has columns for 'Question Code', 'Question Description', 'Factor', and 'Actions'. Two rows are visible: one for 'QUECD39' (Test Sub cat 1?) with a factor of 2, and one for 'QUECD45' (Profit sub cat question?) with a factor of 5. Each row has 'View' and 'Remove' buttons. At the bottom right are 'Submit' and 'Cancel' buttons.

Question Code	Question Description	Factor	Actions
QUECD39	Test Sub cat 1?	2	<button>View</button> <button>Remove</button>
QUECD45	Profit sub cat question?	5	<button>View</button> <button>Remove</button>

172. Select the **Category Code** from the drop down list.

173. Specify the balance sheet size requirement in **From Balance Sheet Size** and **To Balance Sheet Size** fields.

In Question Linkage sections, already maintained question details are listed.

Chapter 3

174. Click the **View** button in **Actions** column. *Question Details* window appears:

Question Code *	Question Description *	Factor *
QUECD39	Test Sub cat 1?	2

Answer Description	Score
1	1
2	2

Done

175. View the details and click **Done**.

176. To remove the question, click the **Remove** button in the **Action** column.

177. Click **Submit**. Assessment details are added as shown below:

Policy Definition

Configur...

Quantitative Assesment | Qualitative Assesment

Other Analysis

From Balance Sheet Size: 5555555555 | To Balance Sheet Size: 1000000000000 | Number Of Questions: 5

Submit | Cancel

178. To save the overall configuration details, click **Submit**. *Policy Definition* page appears.

179. Define policy for the sub sector and all the sub industries, and then click **Next**. *Policy Summary* page appears:

Chapter 3

Policy Summary

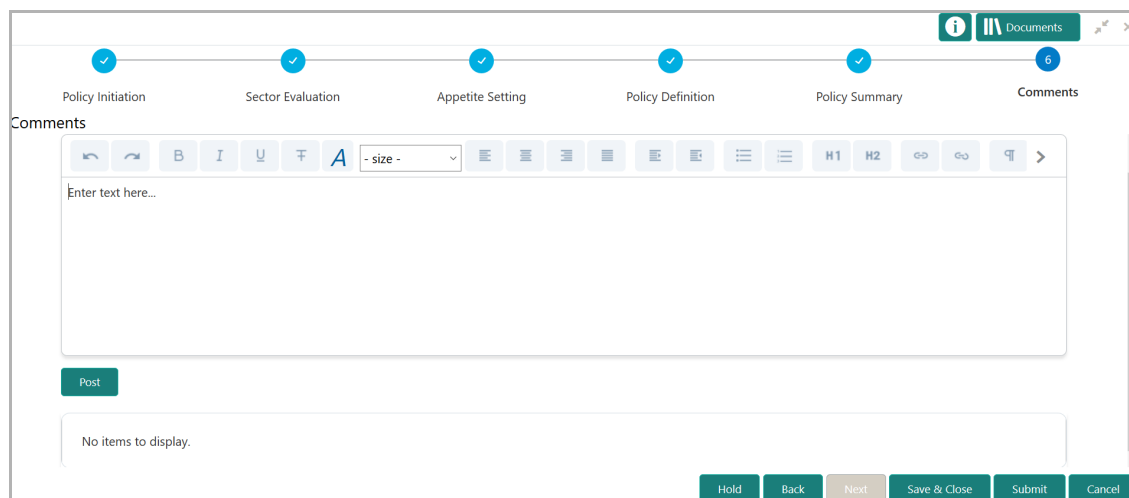
The summary page provides a holistic view of all the dimensions configured in this policy definition initiation stage.

180. View the **Policy Summary** and click **Next** after verifying all the details.
181. To modify the necessary details, use the **Back** button.
182. To hold the policy definition process, click the **Hold** button.
183. To save the entered details and close the process, click **Save & Close**.

Comments

In this page, the overall comments for the policy definition initiation stage are captured. The comments captured in this page are used by the Approvers to make quick decisions.

Upon clicking the **Next** button in *Policy Summary* page, *Comments* page appears:



The screenshot displays a web interface for the 'Comments' stage of a policy definition process. At the top, a horizontal progress bar shows six stages: 'Policy Initiation', 'Sector Evaluation', 'Appetite Setting', 'Policy Definition', 'Policy Summary', and 'Comments'. The 'Comments' stage is the current active stage, indicated by a blue circle with the number '6'. Below the progress bar, there is a 'Comments' section with a rich text editor. The editor has a toolbar with icons for undo, redo, bold, italic, underline, text color, font size, bulleted list, numbered list, link, unlink, H1, H2, link, unlink, and a right arrow. The text area contains the placeholder 'Enter text here...'. Below the text area is a green 'Post' button. Underneath the 'Post' button, it says 'No items to display.' At the bottom of the page, there is a row of buttons: 'Hold', 'Back', 'Next', 'Save & Close', 'Submit', and 'Cancel'.

184. **Post** the **Comments** for this stage. Posted comments appear at the bottom of the **Comments** box.

185. Click **Submit**. **Checklist** related to the policy definition process appears:

Chapter 3

Checklist ✕

No items to display.

Save Checklist

* Outcome Proceed ▼ Submit

186. Select the **Outcome** as **Proceed** and then click **Submit**. The policy is moved to Business Recommendation stage.

Chapter 3

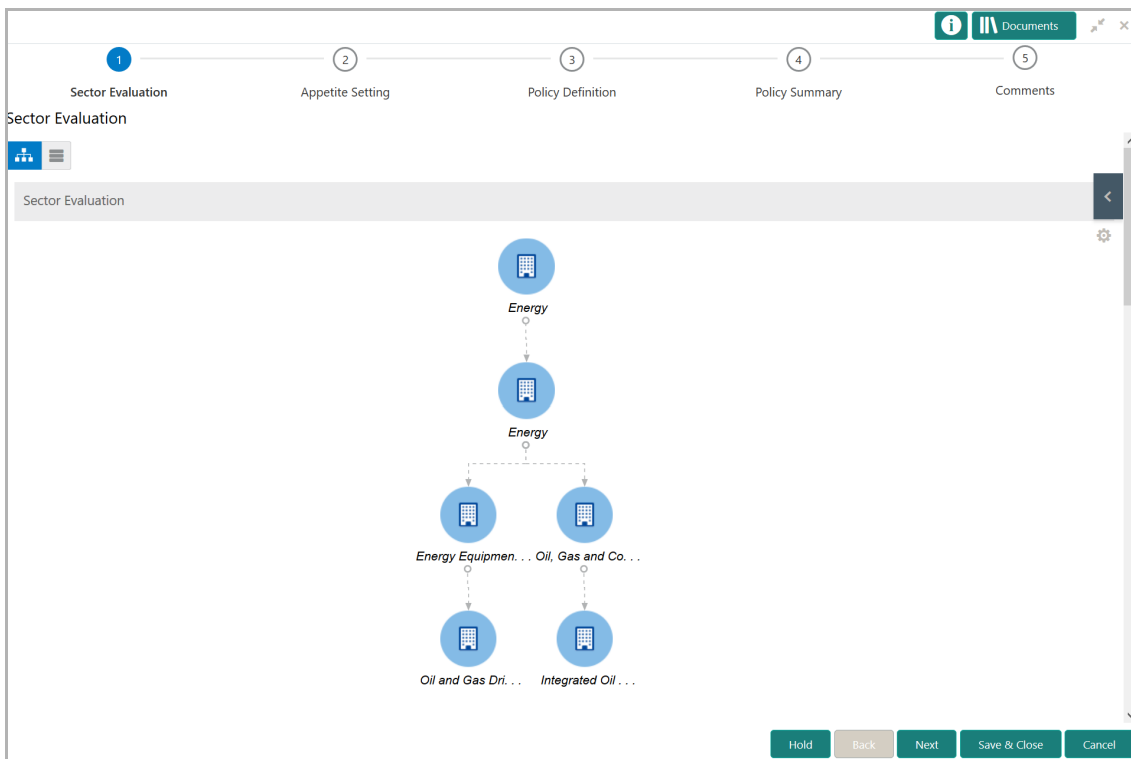
Business Recommendation

In this stage, Business Head in the bank verifies the policy details defined by the Policy Analysts and recommends the necessary changes.



In this Chapter, only the actions that must be performed by the Business Head are explained. Refer Initiating Policy Definition chapter for field level explanations.

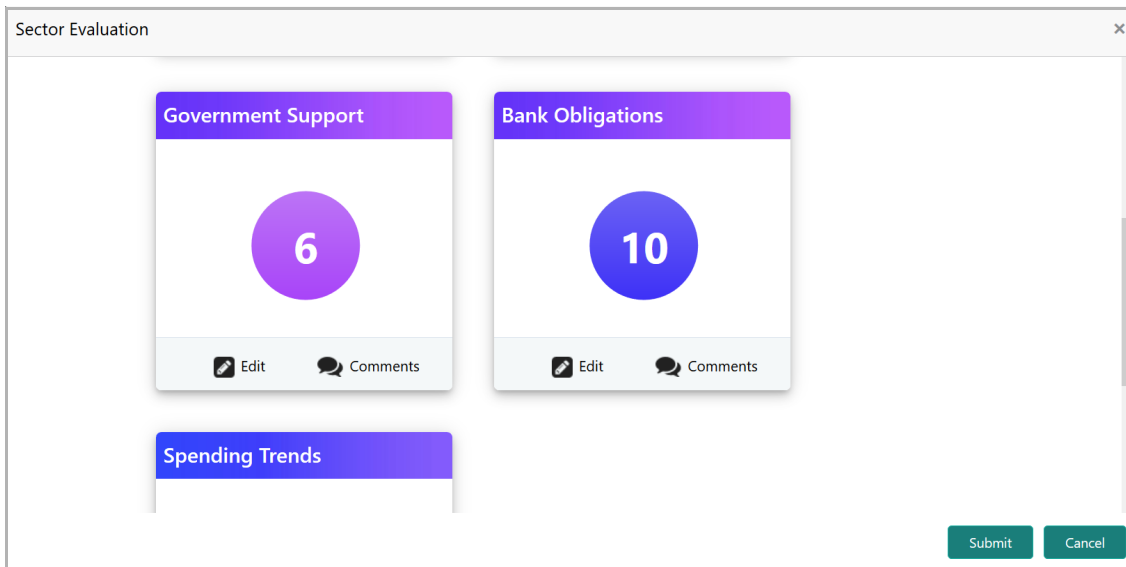
1. To acquire the Business Recommendation task, navigate to **Tasks > Free Tasks** from the **Navigation Menu**.
2. Click **Edit** and acquire the required task. *Sector Evaluation* page appears:



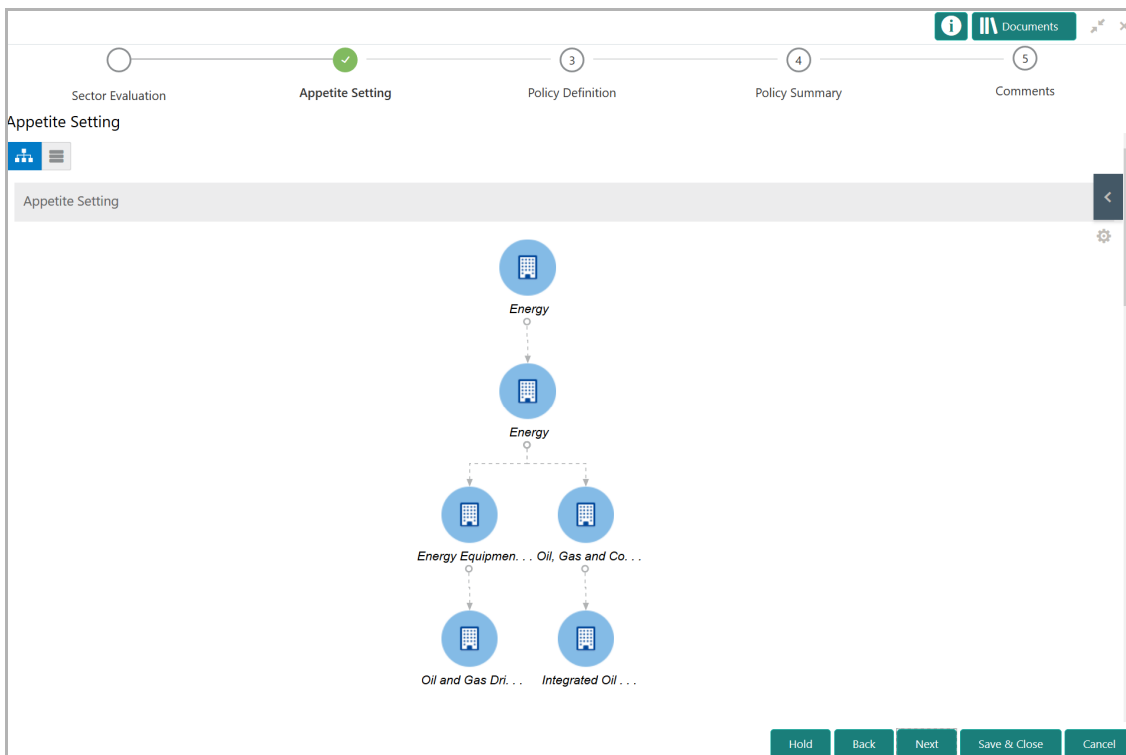
In *Sector Evaluation* page, business head can perform re-evaluation and capture comments for the evaluation.

3. Right click the sector, sub sector, industry or sub industry and then click **Evaluate Now**. *Sector Evaluation* window appears:

Chapter 3



4. To perform re-evaluation, click **Edit**.
5. To capture comments for the evaluation, click **Comments**.
6. Click **Submit** to close the window.
7. In *Section Evaluation* page, click **Next**. **Appetite Setting** page appears:



8. Right click the sector, sub sector, industry or sub industry and then click **Define Appetite**. *Appetite Setting* window appears:

Chapter 3

The screenshot shows the 'Policy Definition' window with the 'Pricing' tab selected. The configuration includes 'Charge: 1', 'Interest: 1', and 'Commission: 1'. A sidebar on the left lists various configuration categories, and 'Submit' and 'Cancel' buttons are at the bottom right.

12. To capture recommendation for the **Pricing** configuration, click the added pricing and then click the edit icon. *Pricing Details* window appears:

The screenshot shows the 'Pricing Details' window for a 'Non-Utilization Charge'. It displays 'Minimum Spread (%)' as 2, 'Maximum Spread (%)' as 3, and 'Is Charge Waivable' as Yes. 'Save' and 'Cancel' buttons are at the bottom right.

13. Select the required **Charge** and then click the edit icon. **Charge Details** Window appears:

The screenshot shows the 'Charge Details' window with the following fields: Currency (USD), Minimum Spread (%) (2), Maximum Spread (%) (3), Charge Code (Non-Utilization Charge), Minimum Charge Amount (\$1,000.00), Maximum Charge Amount (\$10,000.00), Is Charge Waivable (checked), and Charge Type (Non-Utilization). A text area for 'Business Recommendations' is at the bottom, and 'Save' and 'Cancel' buttons are at the bottom right.

14. View the details and type the **Business Recommendations**

15. Click **Save**.

Chapter 3

16. To capture business recommendations for the terms and conditions, click **Terms And Conditions** from the left menu.

17. Select the required terms and conditions and then click the edit icon. *Terms And Conditions* window appears:

Terms And Conditions

Condition Code *	Terms And Conditions Type *	Is Waivable? *	Frequency *
Interest Repayment	Pre-Disbursement	<input checked="" type="checkbox"/>	Half Yearly

Condition Description
Repayment of Interest

Comments
Pre-disbursement condition for Energy sector

Business Recommendations *
Enter Business Recommendations

Save Cancel

18. View the details and type **Business Recommendations**.

19. Click **Save**.

20. To capture business recommendations for the covenants, click **Covenants** from the left menu.

21. Select the required covenant and then click the edit icon. *Covenant Details* window appears:

Covenant Details

Covenant Name *	Classification Type	Covenant Type	Frequency
DSCR on the basis of Cash Flow	EXTERNAL	FIN	QUARTERLY

Notice Days
15

Covenant Description
DSCR on the basis of Cash Flow

Is Waivable? *

Target condition
< > = BETWEEN

Covenant Target Condition * Minimum Target Value * Maximum Target Value *

Comments
Added waive off option

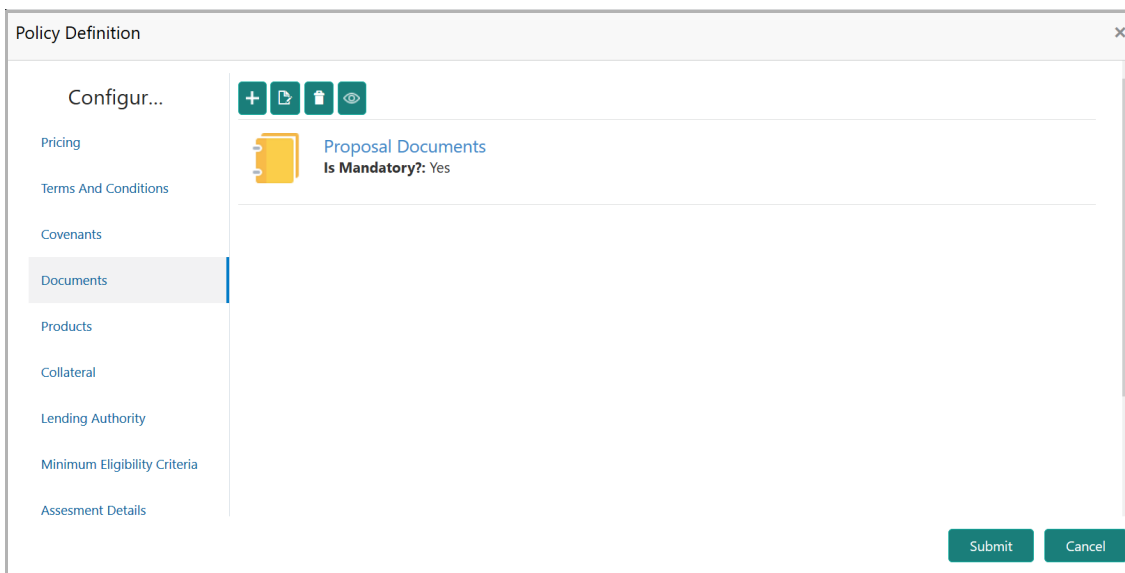
Business Recommendations *
Enter Business Recommendations

Save Cancel

22. View the details and type **Business Recommendations**.

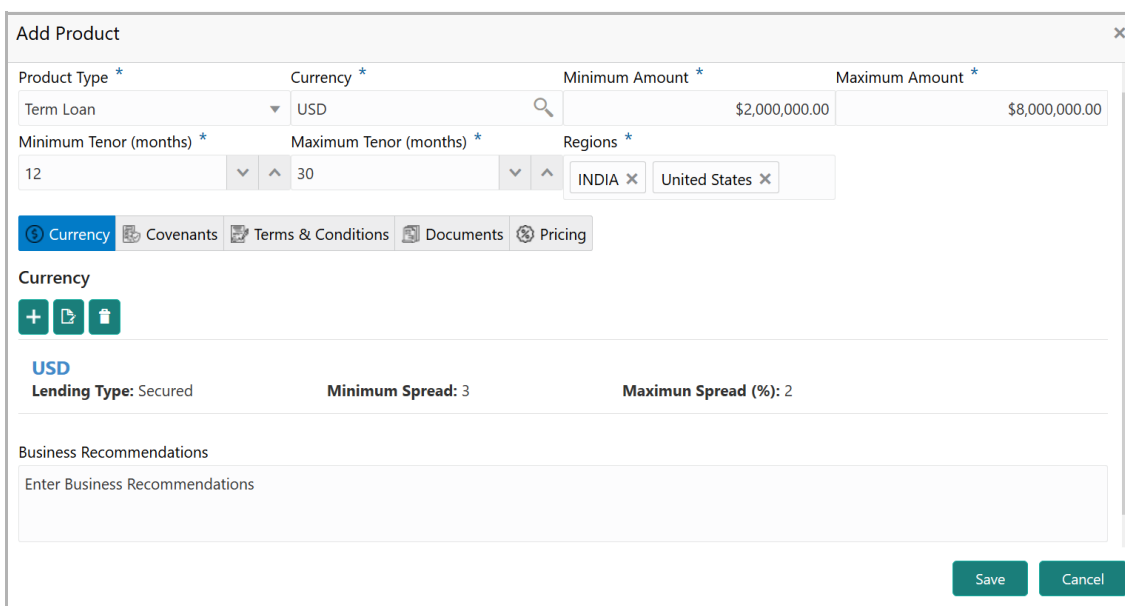
Chapter 3

- 23. Click **Save**.
- 24. Click **Documents** from the left menu.



In *Documents* window, either new document details can be added or the already added document details can be modified.

- 25. To add new document details, click the add icon.
- 26. To modify the document details, select the detail and then click the edit icon.
- 27. To capture business recommendation for the products, click **Products** from the left menu.
- 28. Select the product and then click edit icon. *Add Product* window appears:



- 29. View the details and type **Business Recommendations**.

Chapter 3

30. Click **Save**.

31. To capture business recommendations for the collaterals, click **Collaterals** from the left menu.

32. Select the required collateral details and then click the edit icon. *Collateral Details* window appears:

Collateral Details

Collateral Type * Min LTV * Min frequency for valuation (yrs) * Regions *

Machine 8000000 1 INDIA x United States x

Covenants Terms & Conditions Documents Pricing

Covenant Details

+ [Document Icon] [Trash Icon]

DSCR on the basis of Cash Flow

Is Waivable?: Yes Target condition: Should be Between 5000 and 10000

Business Recommendations *

Enter Business Recommendations

Save Cancel

33. View the details and type the **Business Recommendations**.

34. Click **Save**.

35. To capture business recommendations for the lending authority, click **Lending Authority** from the left menu. *Lending Authority* window appears:

Policy Definition

Configur...

Lending Authority

Lending Amount (USD) * Lending Authority *

<1M AA1

Business Recommendations

Enter Business Recommendations

Lending Amount (USD) * Lending Authority *

1M - 10M AA1

Business Recommendations

Enter Business Recommendations

Submit Cancel

36. View the details and type the **Business Recommendations**

37. Click **Save**.

Chapter 3

38. To capture business recommendations for the minimum eligibility criteria, click **Minimum Eligibility Criteria** from the left menu. *Vintage* window appears:

Policy Definition

Configur...

Pricing

Terms And Conditions

Covenants

Documents

Products

Collateral

Lending Authority

Minimum Eligibility Criteria

Assesment Details

Vintage

Secured Lending

Minimum years of operations * 8

Minimum years of financial documents available * 5

Unsecured Lending

Minimum years of operations * 15

Minimum years of financial documents available * 10

Fund Based Products

Minimum years of operations * 10

Minimum years of financial documents available * 8

Non Fund Based Products

Minimum years of operations * 18

Minimum years of financial documents available * 12

Business Recommendations

Enter Business Recommendations

Submit Cancel

39. View the details and type the **Business Recommendations**.

40. To capture business recommendations for **Ratings & Gradings**, click right arrow at the top right corner. *Ratings & Grading* window appears:

Policy Definition

Configur...

Pricing

Terms And Conditions

Covenants

Documents

Products

Collateral

Lending Authority

Minimum Eligibility Criteria

Assesment Details

Ratings & Grading

Moody's * AAA

Fitch * AA

S&P * AA

CRISIL * A+

Default grading * A

Business Recommendations

Enter Business Recommendations

Submit Cancel

Chapter 3

41. View the details and type the **Business Recommendations**.

42. To view the **Legal Status**, click right arrow at the top right corner. *Legal Status* window appears:

The screenshot shows a 'Policy Definition' window with a sidebar on the left containing menu items: Configur..., Pricing, Terms And Conditions, Covenants, Documents, Products, Collateral, Lending Authority, Minimum Eligibility Criteria, and Assesment Details. The main content area is titled 'Legal Status' and features a grid of status options for various legal entities. Each entity has two buttons: 'Allowed' (highlighted in blue) and 'Not Allowed' (grey). The entities and their current status are: Pvt Ltd. * (Allowed), Proprietorship * (Allowed), Partnership * (Not Allowed), Public Ltd * (Allowed), Government owned * (Allowed), Society * (Not Allowed), Trust * (Not Allowed), and HUF * (Not Allowed). There is also an 'Others *' field with a dropdown menu currently set to 'Not Allowed'. A 'Save' button is located below the 'Others' field. At the bottom right of the window are 'Submit' and 'Cancel' buttons.

In *Legal Status* window, the status can be modified.

43. Modify the status, if required.

44. Click **Save** and then click **Submit**.

45. To view the **Policy Summary**, click **Next** in the *Policy Definition* page.

Chapter 3

Sector Evaluation Appetite Setting Policy Definition **Policy Summary** Comments

Policy Summary

Sector: Select Industry Group: Select Industry: Select Sub-Industry: Select

Go

Appetite Summary

USD Currency Allocated Capital \$0

Allocated for Fund Based Facilities \$0

Allocated for Non Fund Based Facilities \$0

Policy Evaluation Summary

Geographic Expansion 0

Financial Performance 0

Spending Trends 0

Minimum Eligibility Criteria

Vintage Financial Ratios

Ratings Legal Status

Collateral Max LTV

Product

Pricing

Covenants

Financial Covenants

Non-Financial Covenants

Terms and Conditions

Pre-Disbursement Conditions

Post Disbursement Conditions

Lending Authority

Unsecured Lending

Minimum Documents Required For

Overdraft

Term Loan

WCDL

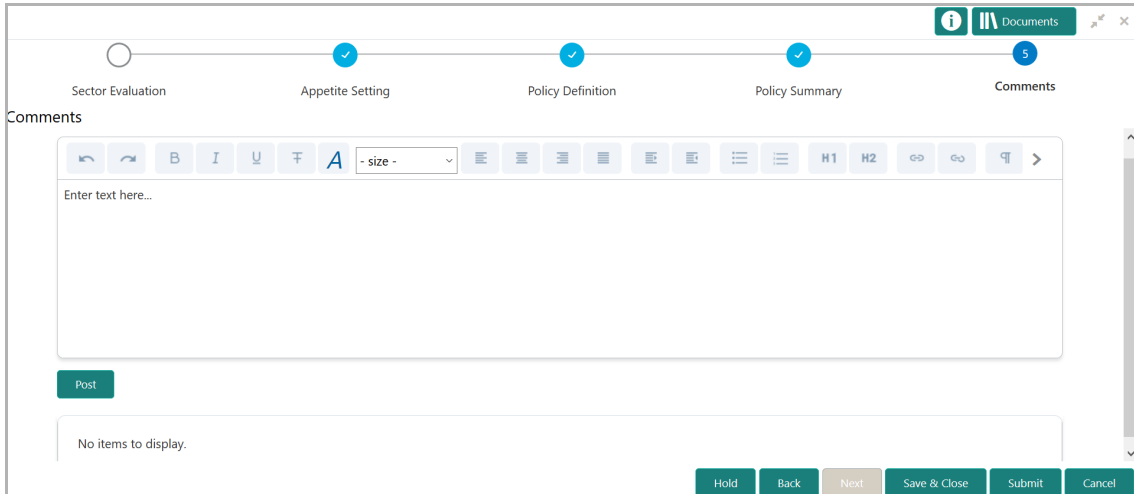
Bill Discounting

Hold Back Next Save & Close Cancel

46. Select the sector, sub sector, industry and sub industry and then click **Go**. Policy Summary is displayed.
47. View the **Policy Summary** and click **Next** after verifying all the details.
48. To modify the necessary details, use the **Back** button.
49. To hold the policy definition process, click the **Hold** button.
50. To save the entered details and close the process, click **Save & Close**.

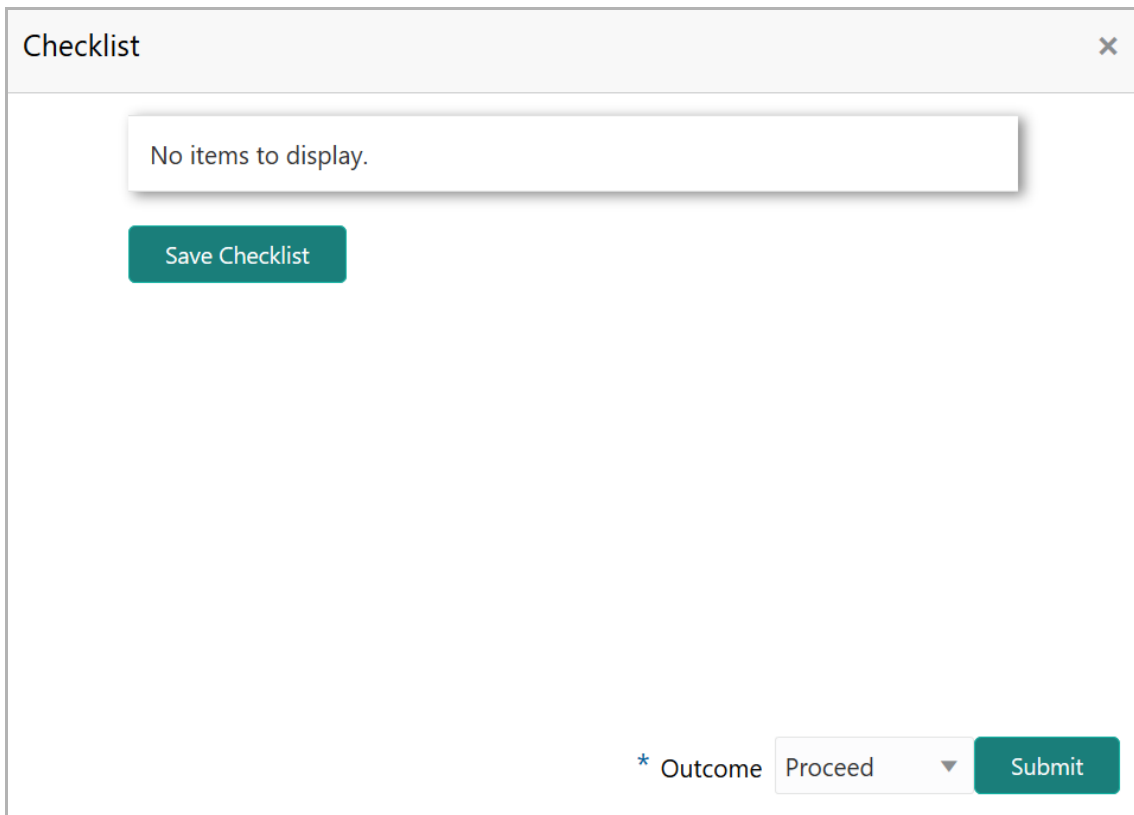
Chapter 3

Upon clicking the **Next** button in *Policy Summary* page, *Comments* page appears:



51. **Post** the **Comments** for this stage. Posted comments appear at the bottom of the **Comments** box.

52. Click **Submit**. **Checklist** related to the policy definition process appears:



53. Select the **Outcome**. The options available are: Proceed and Additional Info.

If Proceed is selected as **Outcome**, the policy is moved to the Credit Approval stage.

Chapter 3

If Additional Info is selected as Outcome, the policy is moved back to the Policy Initiation stage. The Policy Manager has to modify the policy details and submit it again for Business Recommendation stage.

Chapter 3

Approval from Legal Head

In this stage, the Legal Head in the legal team can capture their comments after viewing the policy details. If the information provided in the Policy Initiation Stage is insufficient, then the additional information can be requested.



Legal Head Approval stage is similar to the Business Recommendation stage. Refer Chapter 3 for information on capturing **Legal Comments**.

Chapter 3

Approval from Policy Team

In Policy Approval stage, the policy team in the bank can capture their comments after viewing the policy details. If the information provided in the Policy Initiation Stage is insufficient, then the additional information can be requested.



Policy Approval stage is similar to the Business Recommendation stage. Refer Chapter 3 for information on capturing **Policy Approver Comments**.

Chapter 3

Approval from Credit Team

The policy submitted in the Business Recommendation stage is moved to multiple parallel stages for approval. In Credit Approval stage, the Credit Approver in the bank can capture their comments after viewing the policy details. If the information provided in the Policy Initiation Stage is insufficient, then the additional information can be requested.



Credit Approval stage is similar to the Business Recommendation stage. Refer Chapter 3 for information on capturing **Credit Approver Comments**.

Chapter 3

Risk Recommendations

Recommendations from the risk team is necessary for the final policy approver in taking better decision. In this stage, the risk team in the bank can capture their comments after viewing the policy details. If the information provided in the Policy Initiation Stage is insufficient, then the additional information can be requested.



Risk Recommendations stage is similar to the Business Recommendation stage. Refer Chapter 3 for information on capturing **Risk Approver Comments**.

Chapter 3

Compliance Recommendations

Compliance recommendations from the compliance team plays a vital role in eliminating non-compliance related penalties. In this stage, the compliance team in the bank can capture their comments after viewing the policy details. If the information provided in the Policy Initiation Stage is insufficient, then the additional information can be requested.



Compliance Recommendations stage is similar to the Business Recommendation stage. Refer Chapter 3 for information on capturing **Compliance Head Comments**.

Chapter 3

Policy Approval

After the multiple stages of approval and recommendation, the policy head finalizes the policy in this stage. Unlike the other approval stages, the final policy approver is provided with **View Previous Comments** option to view the comments captured in all the stages as shown below:

Charge Details			
Currency *	Minimum Spread (%) *	Maximum Spread (%) *	Charge Code *
USD	2	3	Non-Utilization Charge
Minimum Charge Amount *	Maximum Charge Amount *	Is Charge Waivable *	Charge Type
\$1,000.00	\$10,000.00	<input checked="" type="checkbox"/>	Non-Utilization
View Previous Comments			
Approver Comments			
Approved			
Save Cancel			

For all the dimensions in Policy Definition data segment, view the policy details and the previous comments and then capture **Approver Comments**.



Refer Chapter 3 for navigation related information.

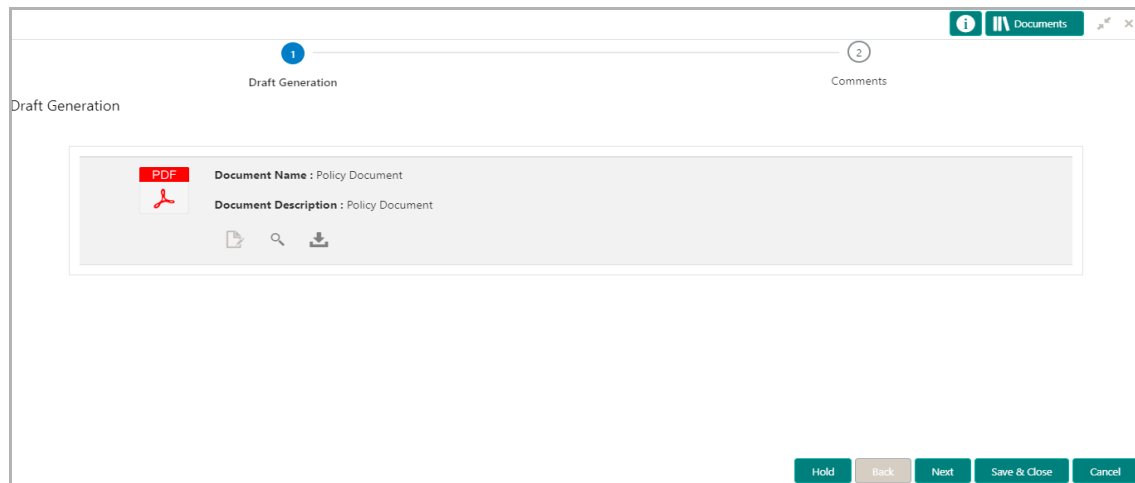
If the Outcome is selected as **Approve** in this stage, the policy is moved to the **Draft Generation** stage.

If the Outcome is selected as **Reject**, the policy definition process is terminated.

Chapter 3

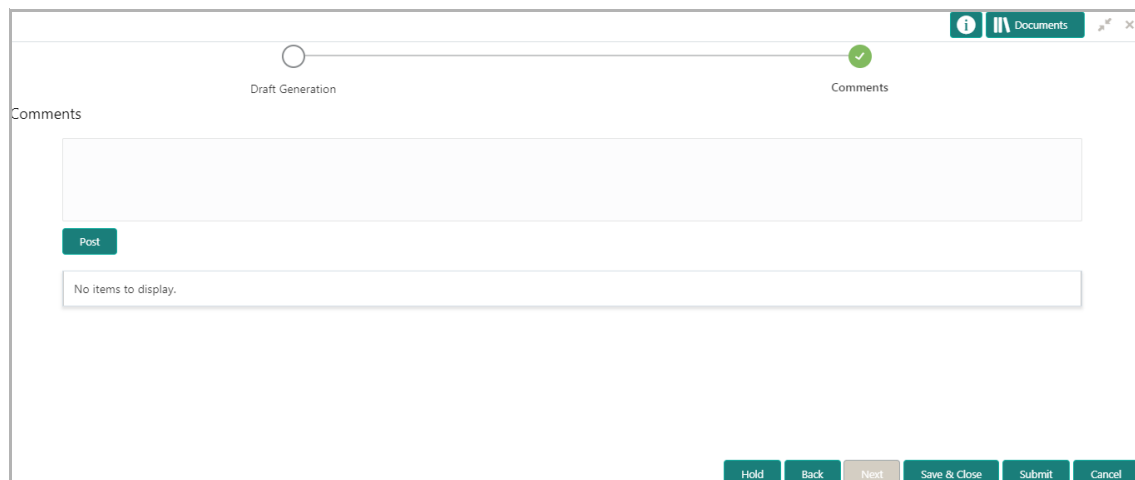
Draft Generation

In this stage, the banker can generate policy draft for the bank's internal and external use.



1. To generate draft document for the policy, click the edit icon. Document is generated and displayed.
2. To search the document by its name, click the search icon.
3. To view the generated document, click the download icon.
4. To hold the draft generation task, click **Hold** in *Draft Generation* page. Draft Generation task will be available in *Hold Task* page.
5. To go to the *Comments* page, click **Next**.
6. To save the provided information and exit the page, click **Save & Close**. Draft Generation task will be available in *My Task* page.
7. To exit the page without saving the information, click **Cancel**.

Upon clicking **Next**, the *Comments* page appears as shown below:



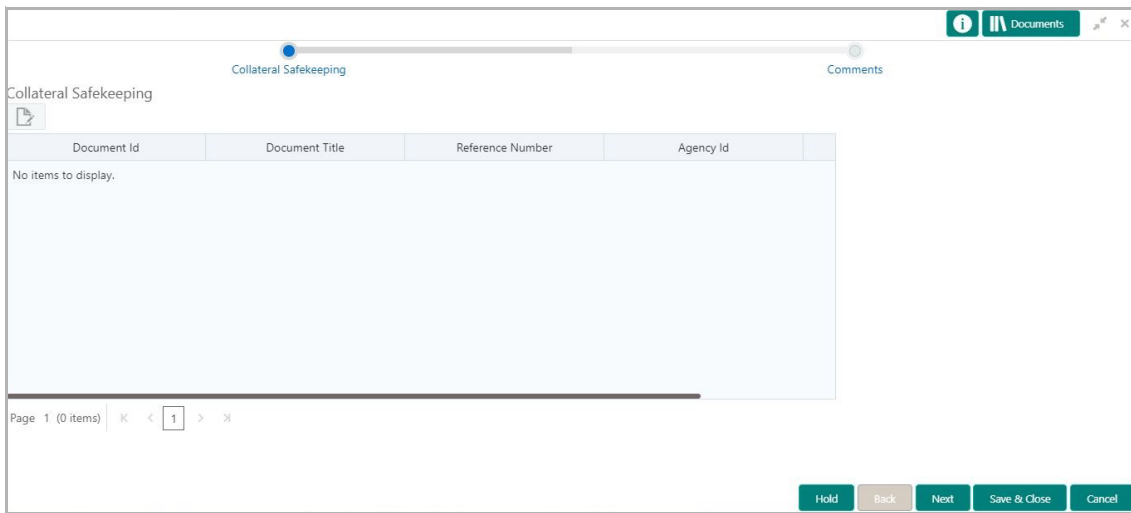
Chapter 3

8. **Post** the **Comments** for this stage. Posted comments appear at the bottom of the **Comments** box.
9. Click **Submit**. **Checklist** related to the draft generation stage appears.
10. Select the **Outcome** as Proceed and click **Submit**. The task is moved to Document Safekeeping stage.

Chapter 3

Policy Document Safekeeping

In this stage, the banker can specify storage location of the documents along with the other document details, and send them for storage.



1. Click the edit icon at the top left corner.
2. Specify the following details:
 - Document Id
 - Document Title
 - Safekeeping Date
 - Safekeeping Location
 - Shelf Number
 - Drawer Number
 - Key Number
3. Click **Save**.
4. To hold the draft generation task, click **Hold** in *Collateral Safekeeping* page. Collateral Safekeeping task will be available in *Hold Task* page.
5. To go to the *Comments* page, click **Next**.
6. To save the provided information and exit the page, click **Save & Close**. Collateral Safekeeping task will be available in *My Task* page.
7. To exit the page without saving the information, click **Cancel**.

Upon clicking **Next**, the *Comments* page appears:

8. **Post** the **Comments** for this stage. Posted comments appear at the bottom of the **Comments** box.
9. Click **Submit**. **Checklist** related to the collateral safekeeping stage appears.

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10. Select the **Outcome** as Proceed and click **Submit**. The Policy Definition process is completed.

Chapter 3

Reference and Feedback

References

For more information on any related features, you can refer to the following documents:

- Oracle Banking Procedure User Guide
- Oracle Banking SMS User Guide
- Oracle Banking Common Core
- Oracle Banking Credit Facilities Process Management Installation Guides

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