

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
<b>Bold</b>	Bold indicates <ul style="list-style-type: none"><li>• Field name</li><li>• Drop down options</li><li>• Other UX labels</li></ul>
	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:

# Chapter 1

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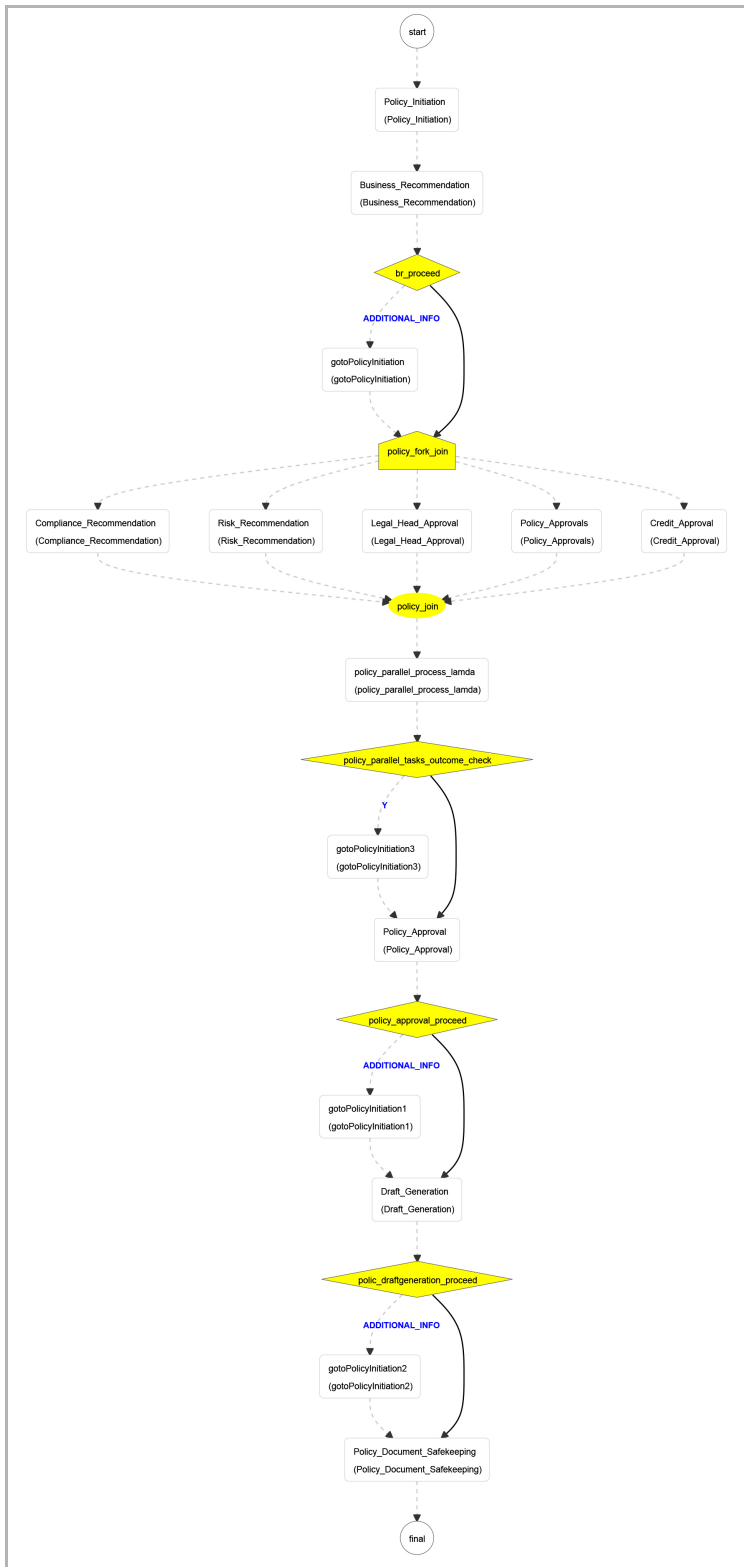
Icons	Icon Name
	Add icon
	Calendar icon
	Configuration / settings icon
	Delete icon
	Edit icon

# Chapter 3

---

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:





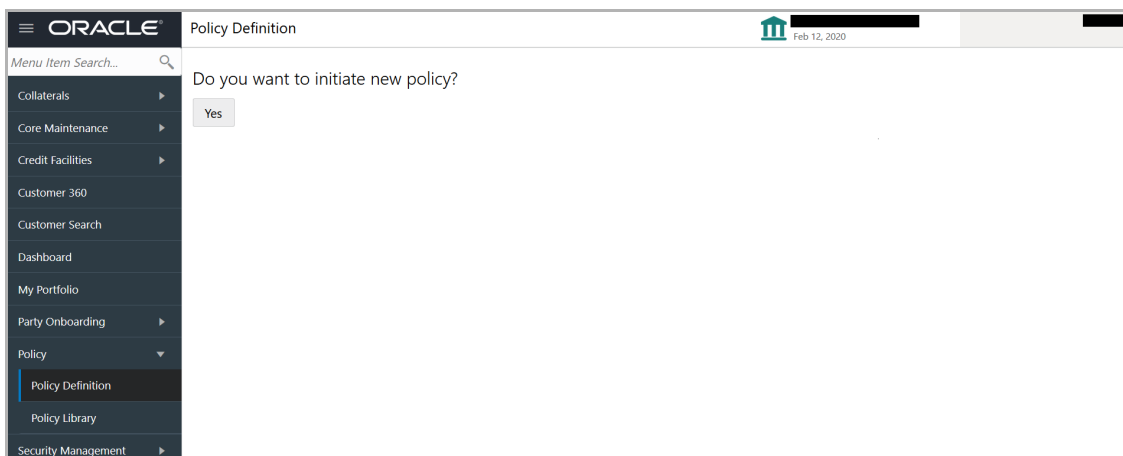
# Chapter 3

## 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.

1 Policy Initiation 2 Sector Evaluation 3 Appetite Setting 4 Policy Definition 5 Policy Summary 6 Comments

Policy ID: PL200721143 Effective Date: 03/01/20 Valid Till: 03/03/20 Currency: USD

Policy Description

Select Sector: Energy

Select industry group: Energy

Select industry and Sub industries

Energy Equipment and Services (Selected) Select All Reset  
Oil and Gas Drilling Oil and Gas Equipment and Services

Oil, Gas and Consumable Fuels (Selected) Select All Reset  
Integrated Oil and Gas Oil and Gas Exploration and Production Oil and Gas Refining and Marketing Oil and Gas Storage and Transportation

Hold Back Next Save & Close Cancel

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.

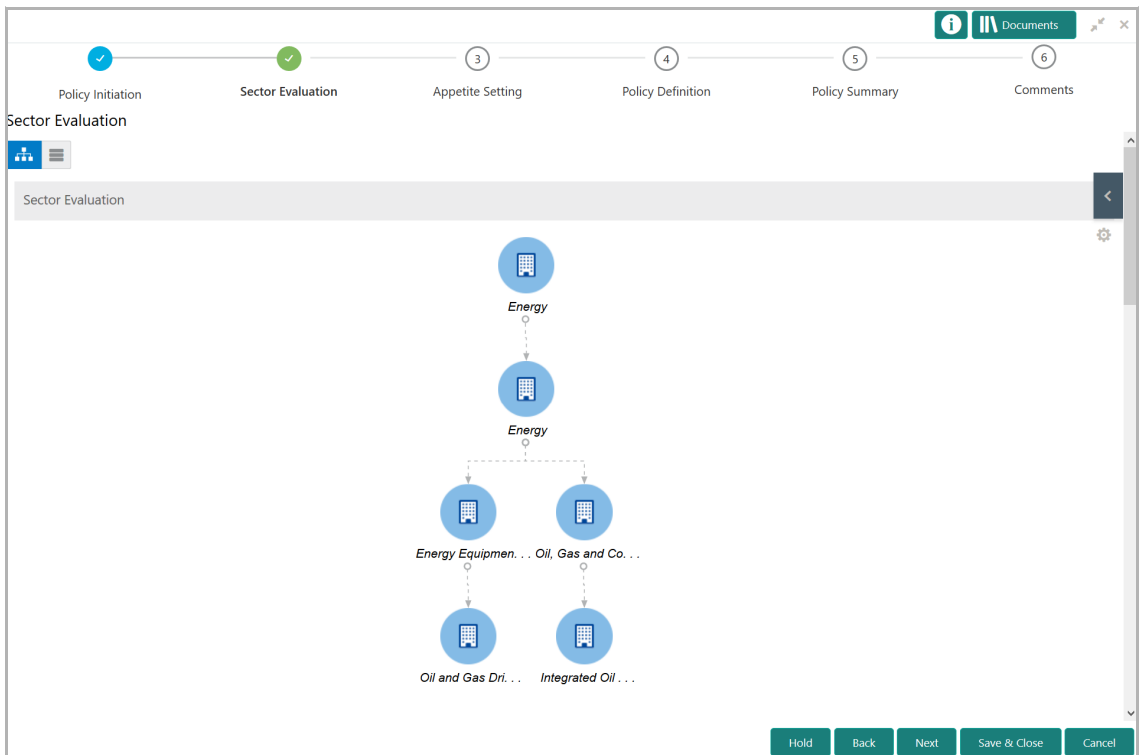
In *Select industry and Sub industries* section:

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

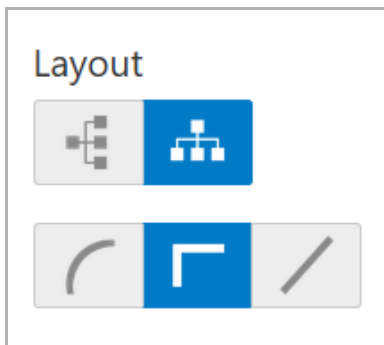
OBCFPM allows the Policy Analysts to evaluate the sector, sub sector, industry and sub industries selected for association with the policy and view the score for each evaluation instantly.

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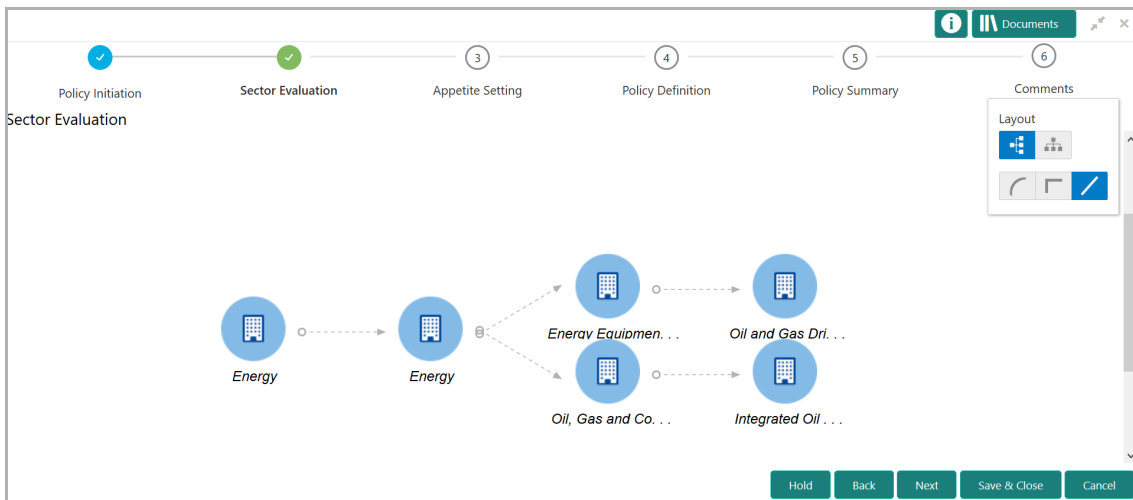
In *Sector Evaluation* page:

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:

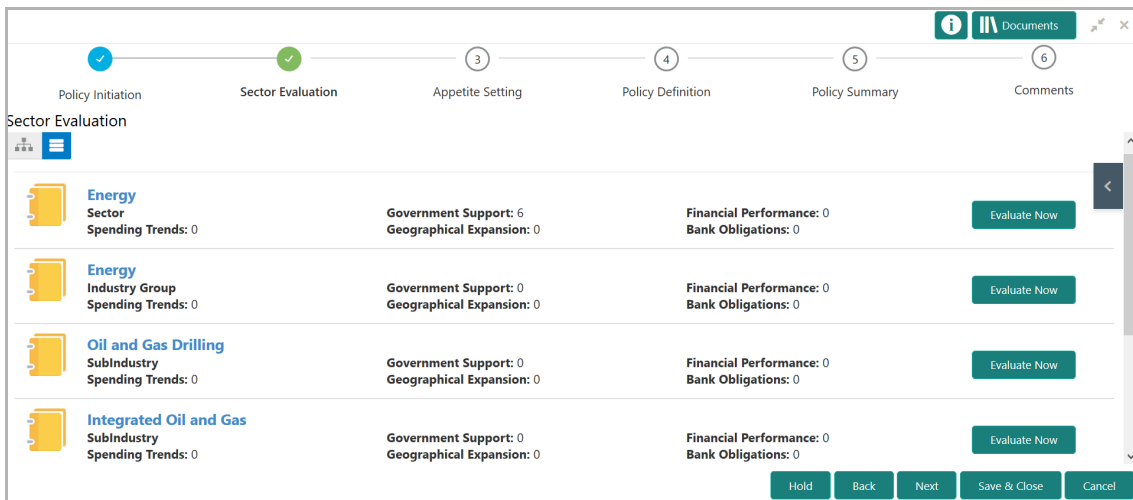


15. Select the required layout option. Tree view is changed to the selected layout as shown below:

# Chapter 3

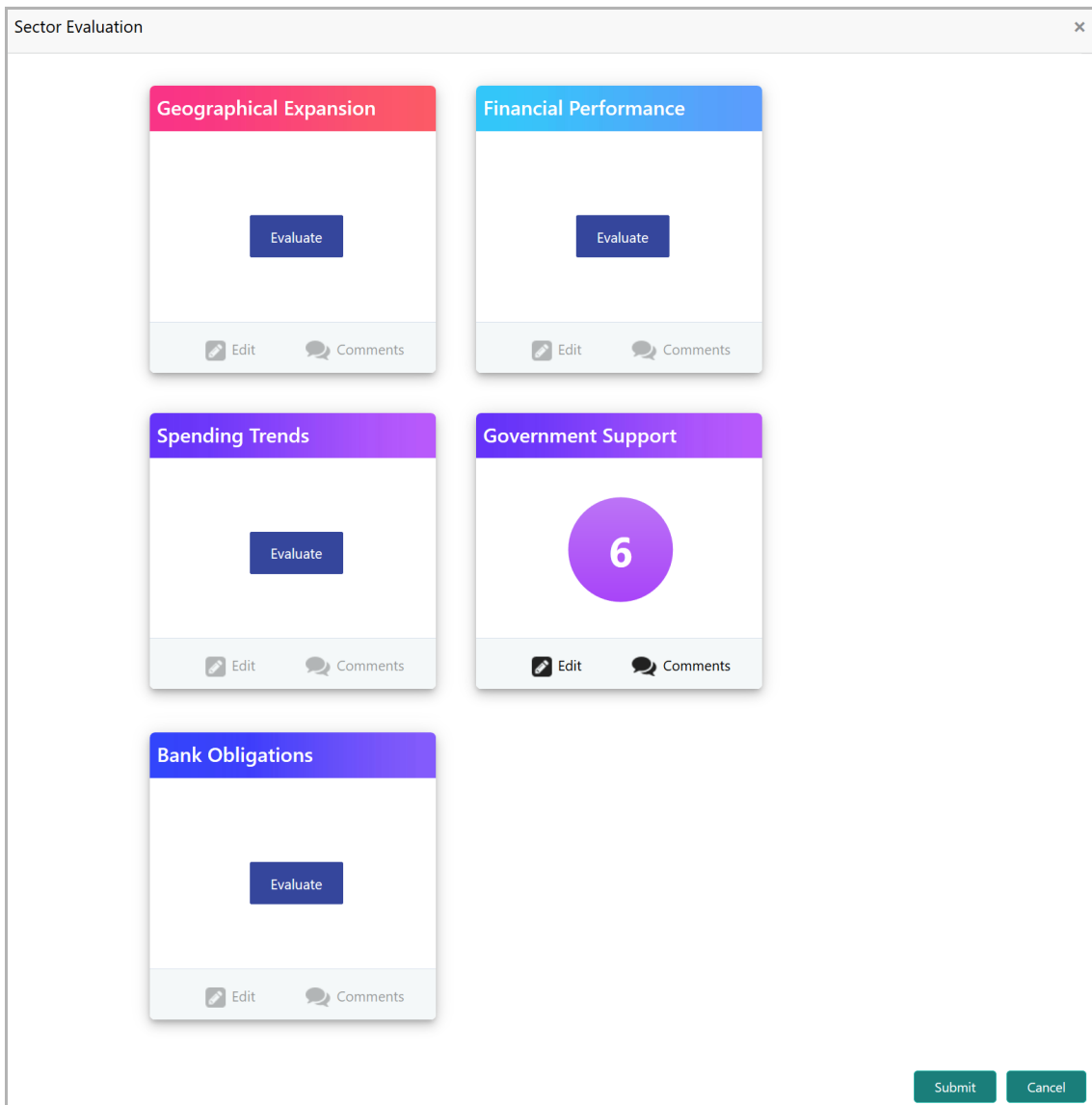


16. To change the tree view to list view, click the list icon at the top left corner. *Sector Evaluation* page view is changed as shown below:



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:

# Chapter 3

Geographical Expansion

Score 11

Which of the following Locations does the Sector see itself growing in?

- Europe
- Australia
- South America
- Asia
- North America

Comment

Submit Cancel

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:

Sector Evaluation

Geographical Expansion

11

Edit Comments

Financial Performance

Evaluate

Edit Comments

Spending Trends

Government Support

Submit Cancel

# Chapter 3

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: 1. Policy Initiation (checked), 2. Sector Evaluation (checked), 3. Appetite Setting (3), 4. Policy Definition (4), 5. Policy Summary (5), and 6. Comments (6). Below the progress bar, the 'Sector Evaluation' section lists four categories with their respective evaluation scores:

Category	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

At the bottom of the page, there are five buttons: Hold, Back, Next, Save & Close, and Cancel.

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.

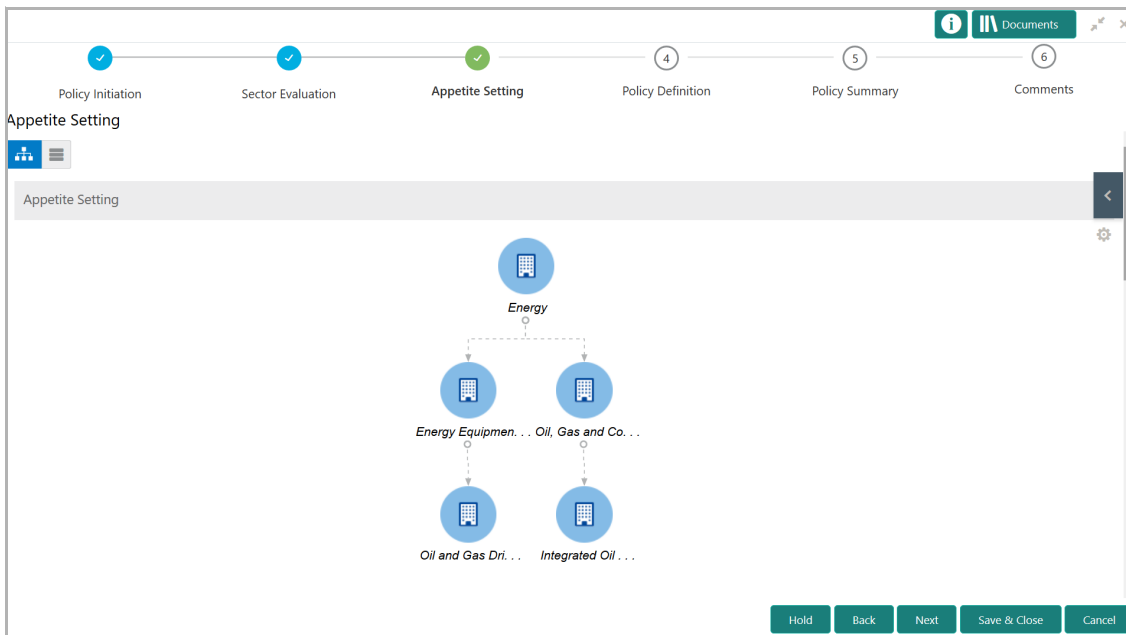
26. Click **Next**. *Appetite Setting* page appears.

## 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.

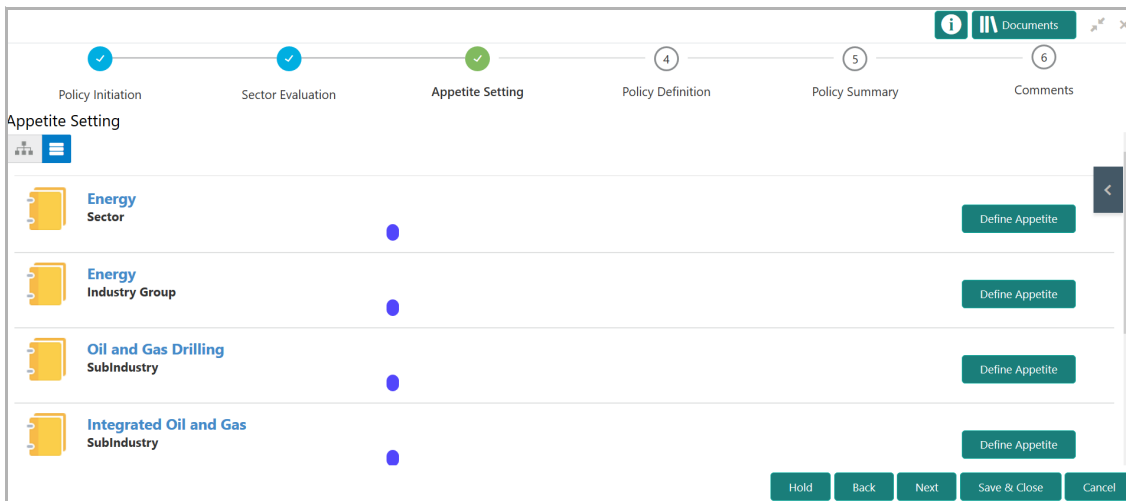


# Chapter 3



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.

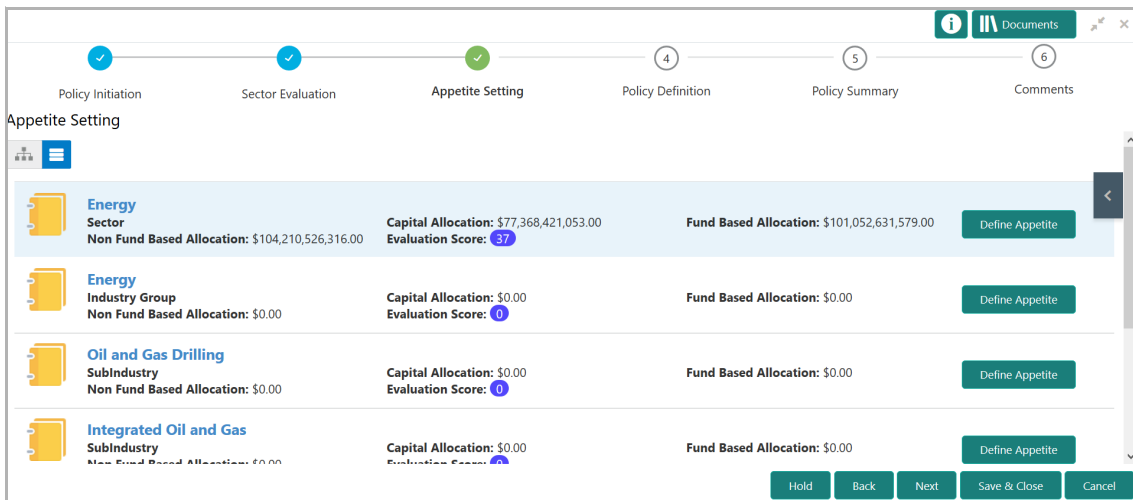
Down arrow will be enabled, if the value entered in Suggested Capital Allocation field is greater than zero. Use the down arrow to reduce the percentage.

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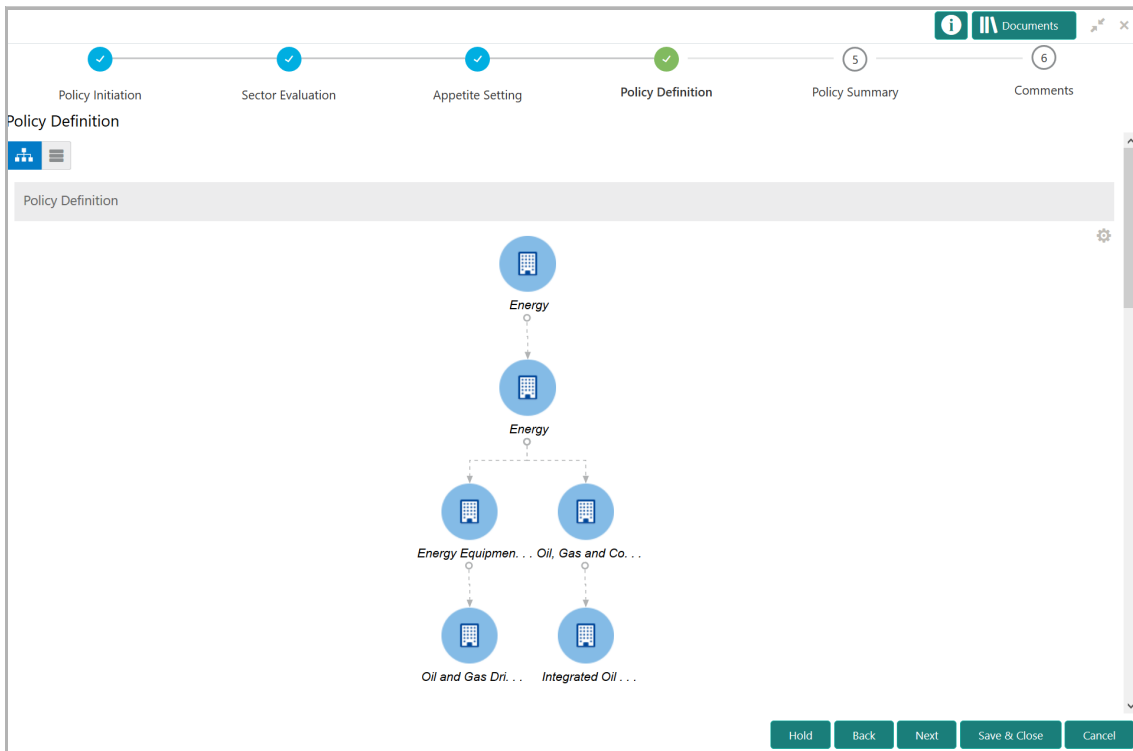
33. **Define Appetite** for the Industry Group and all the Sub Industries.

34. Click **Next**.

## Policy Definition

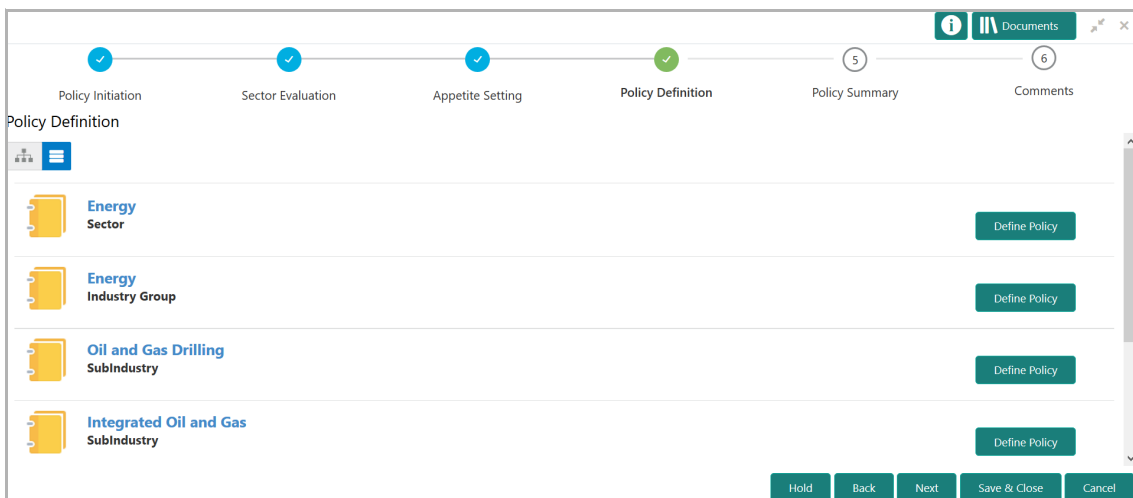
In Policy Definition data segment, the Pricing, Terms And Conditions, Covenants, Documents, Products, Collateral and Lending Authority for the selected sector, sub sector, industry and sub industries are configured.

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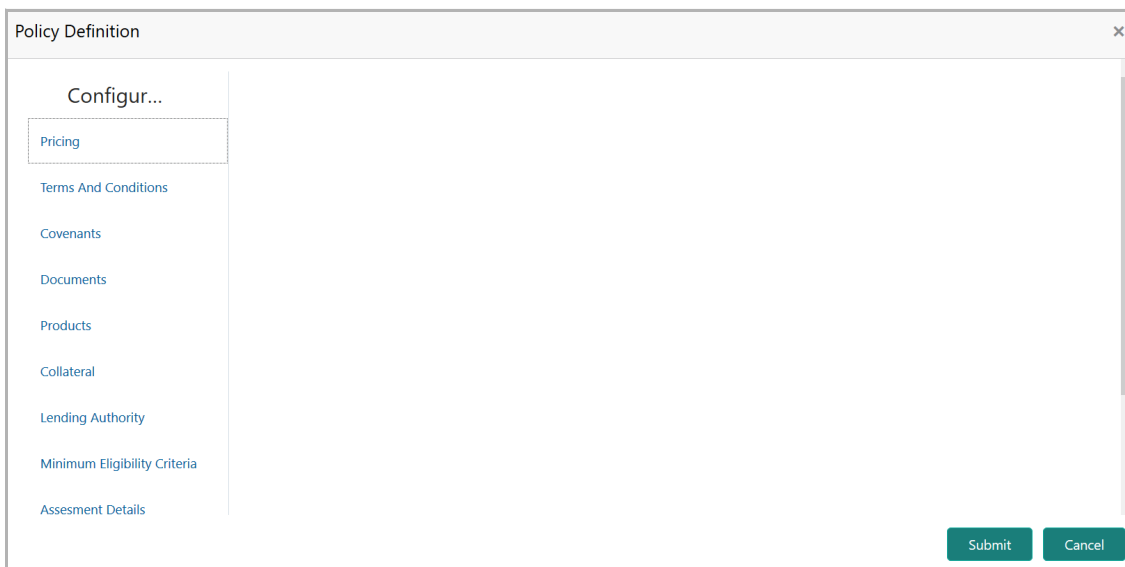
Refer Sector Evaluation section for information on changing the layout of the tree view.

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:

# Chapter 3



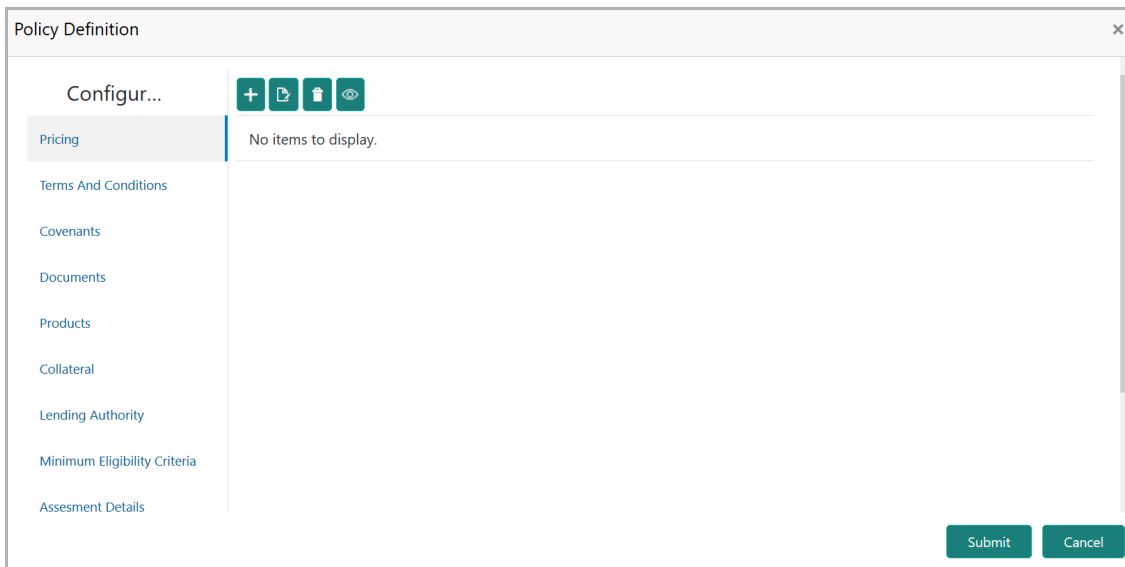
In *Configuration* window, policy can be defined for the following dimensions:

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

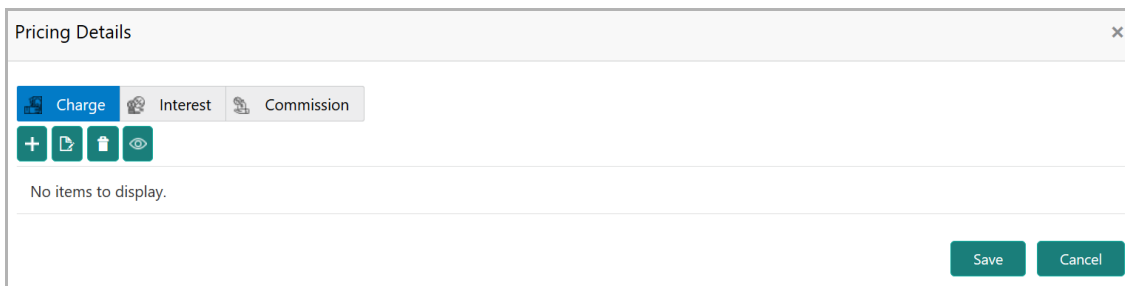
### **Configuring Pricing:**

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

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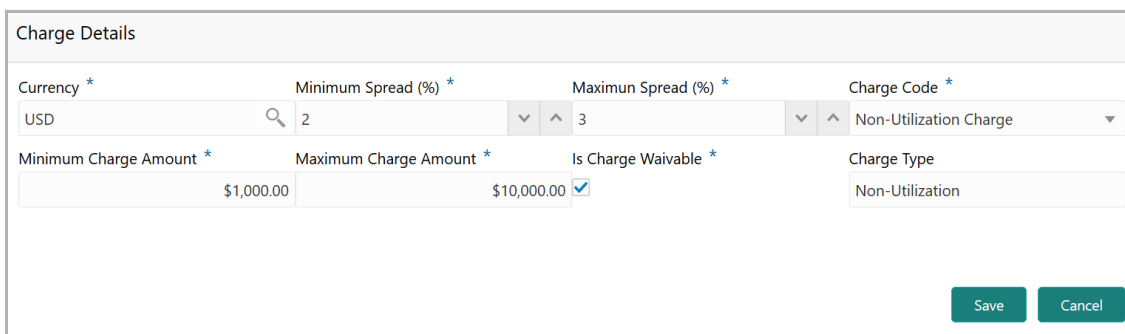


38. Click the add icon. *Pricing Details* window appears:



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. Below the title bar 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, three fields are shown: '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. Below the title bar are two dropdown menus: 'Component Type \*' with 'Main Interest' selected, and 'Rate Type \*' with 'Fixed' selected. Below the dropdowns 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]

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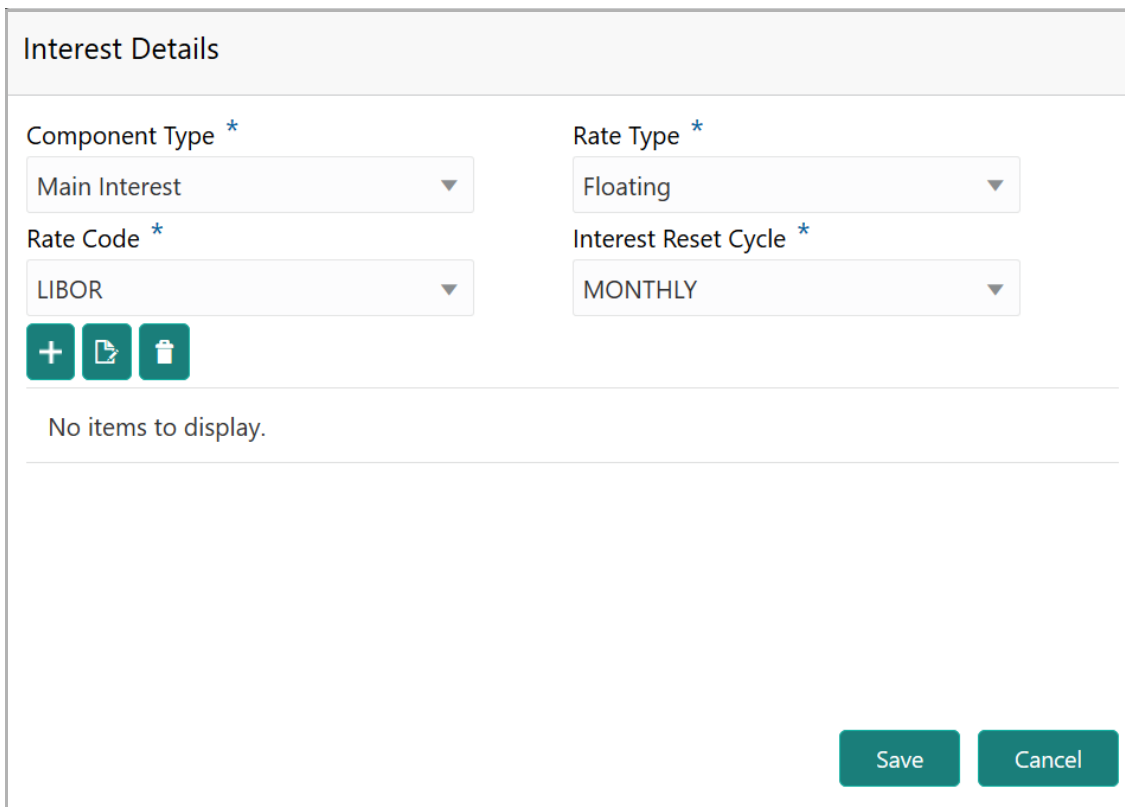
**Currency:** USD                      **Fixed Interest Rate:** 10

Save Cancel



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

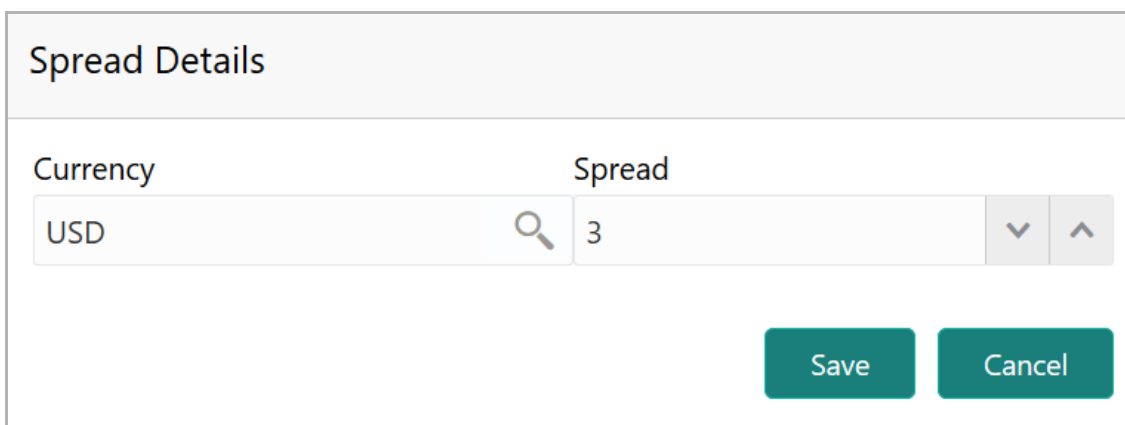


The screenshot shows the 'Interest Details' window. It contains four dropdown menus: 'Component Type' (Main Interest), 'Rate Type' (Floating), 'Rate Code' (LIBOR), and 'Interest Reset Cycle' (MONTHLY). Below these are three icons: a plus sign, a document, and a trash can. A message 'No items to display.' is shown in the list area. At the bottom right are 'Save' and 'Cancel' buttons.

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 two input fields: 'Currency' (USD) and 'Spread' (3). The 'Spread' field has a search icon and up/down arrows. At the bottom right are 'Save' and 'Cancel' buttons.

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:

# Chapter 3

Interest Details

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

+ [document icon] [trash icon]

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

# Chapter 3

- 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:

Pricing Details

Charge Interest Commission

+ copy trash eye

**Main Interest**  
Rate Type: Special Amount      Special Interest Amount: \$1,000.00

Save Cancel

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

Commission Details

Rate Type \*      Rate Basis \*      Commission Type \*      Commission Period \*

FIXED RATE      MONTHLY      USANCE      ADVANCE

Minimum Commission Amount \*  
\$1,500.00

+ copy trash

Currency: USD      Commission Rate: 10

Save Cancel

- 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" (selected: FLAT AMOUNT), "Rate Basis" (selected: MONTHLY), "Commission Type" (selected: USANCE), and "Commission Period" (selected: ADVANCE). Below these are two input fields: "Currency" (selected: USD) and "Commission Amount" (input: \$1,400.00). There are "Save" and "Cancel" buttons at the bottom right.

- 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 icon, a trash can, and an eye icon. The main content area displays the following details: **FLAT AMOUNT**, **Rate Basis: MONTHLY**, **Commission Type: USANCE**, and **Commission Amount: \$1,400.00**. There are "Save" and "Cancel" buttons at the bottom right.

- 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 are 'Condition Description' (text area with 'Repayment of Interest') and 'Comments' (text area with '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.

# Chapter 3

- 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

+      edit      delete

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 *	Maximun Spread (%)*
Secured	USD	2	3

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.

The screenshot shows a form titled "Documents" with the following fields and controls:

- Lending Type \***: A dropdown menu with "Secured" selected.
- Document Code \***: A dropdown menu with "Proposal Documents" selected.
- Document Type**: A dropdown menu with "Proposal Documents" selected.
- Is Mandatory? \***: A checked checkbox.
- Buttons: "Save" and "Cancel" in teal.

- 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.

The screenshot shows a form titled "Pricing" with the following fields and controls:

- Lending Type \***: A dropdown menu with "Secured" selected.
- Buttons: "Charge" (with a plus icon) and "Interest" (with a plus icon).
- Row of icons: "+", "document", "trash", and "eye".
- Non-Utilization Charge** section:
  - Minimum Spread (%)**: 2
  - Maximun Spread (%)**: 3
  - Is Charge Waivable**: No
- Buttons: "Save" and "Cancel" in teal.

- 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 (highlighted), 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 dropdown menu 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 of the main area is a 'Save' button. At the bottom right are 'Submit' and 'Cancel' buttons.

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, and the configuration is as follows:

Category	Minimum years of operations *	Minimum years of financial documents available *
Secured Lending	8	5
Unsecured Lending	15	10
Fund Based Products	10	10
Non Fund Based Products	15	10

Buttons for 'Submit' and 'Cancel' are located at the bottom right of the window.

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 configuration is as follows:

Agency	Rating
Moody's *	AA
Fitch *	A+
S&P *	AAA
CRISIL *	AA

The 'Default grading \*' field contains the value 'A'. Buttons for 'Submit' and 'Cancel' are located at the bottom right of the window.

# 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 legal entity types with 'Allowed' and 'Not Allowed' toggle buttons. 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. *	Allowed	Not Allowed
Proprietorship *	Allowed	Not Allowed
Partnership *	Allowed	Not Allowed
Public Ltd *	Allowed	Not Allowed
Government owned *	Allowed	Not Allowed
Society *	Allowed	Not Allowed
Trust *	Allowed	Not Allowed
HUF *	Allowed	Not Allowed
Others *	Not Allowed	

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

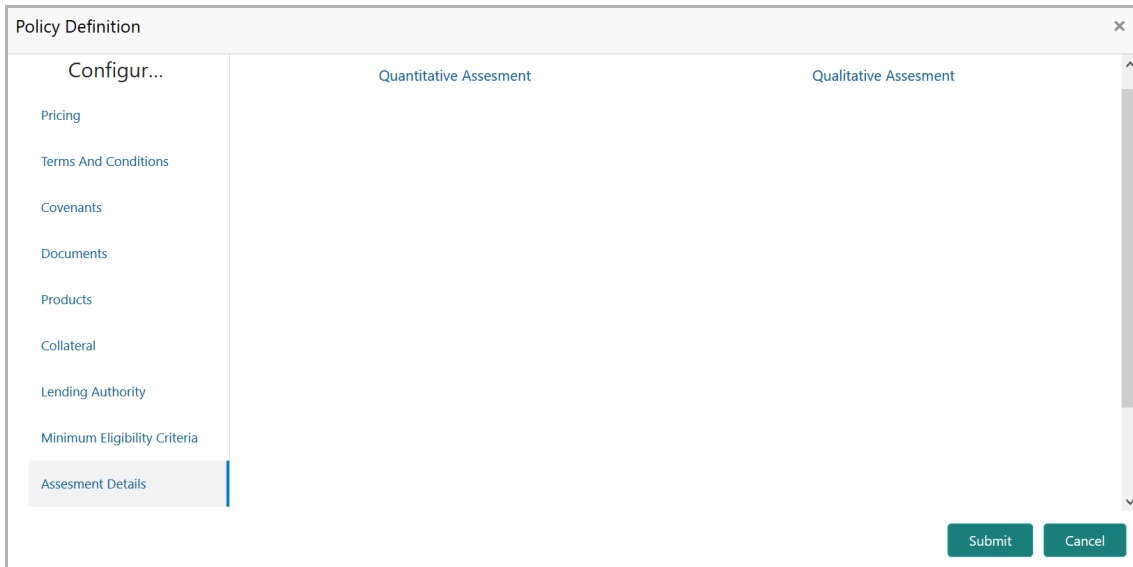
155. Specify if the organizations of type **Other** than the mentioned types are **Allowed** or **Not Allowed**.

156. Click **Submit**.

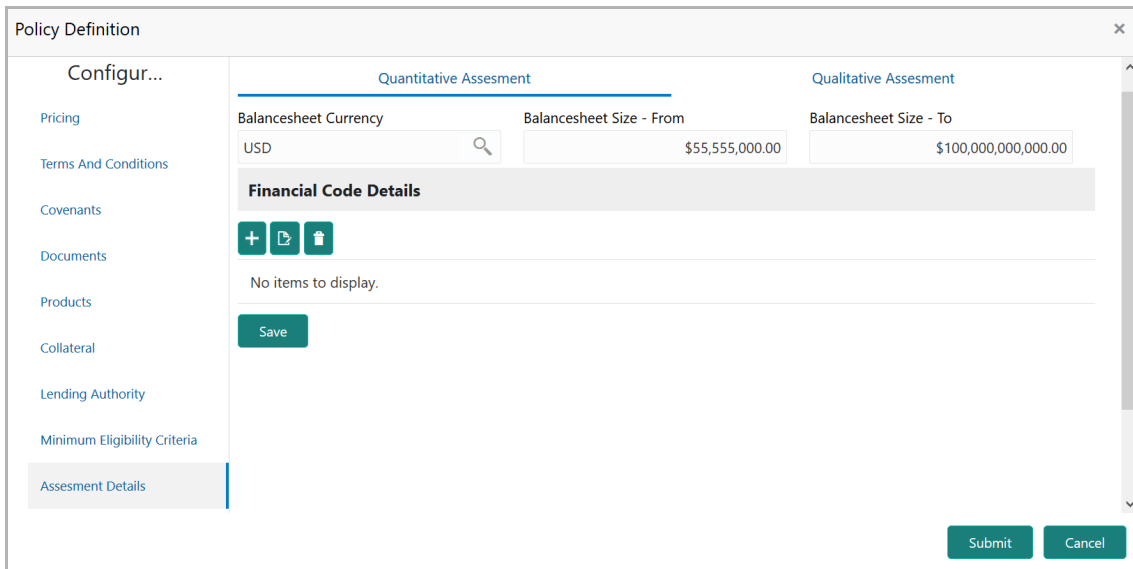
## Configuring Assessment Details:

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 'Quantitative Assessment' tab selected. The 'Balancesheet Currency' is set to 'USD'. The 'Balancesheet Size - From' is \$55,555,000.00 and the 'Balancesheet Size - To' is \$100,000,000,000.00. Under 'Financial Code Details', there is a 'Net Operating Profit' entry with an 'Industry Benchmark Value' of 555, an 'Absolute Range Min.' of 559, and an 'Absolute Range Max.' of 566. A 'Save' button is visible below the details. At the bottom right, there 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. The 'Category Code' is 'Other Analysis'. The 'From Balance Sheet Size' is \$5,555,555,555.00 and the 'To Balance Sheet Size' is \$10,000,000,000,000.00. Below this, there is a 'Question Linkage' section with a table of sub-categories.

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>

At the bottom right, there are 'Submit' and 'Cancel' buttons.

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

Pricing

Terms And Conditions

Covenants

Documents

Products

Collateral

Lending Authority

Minimum Eligibility Criteria

Assesment Details

**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

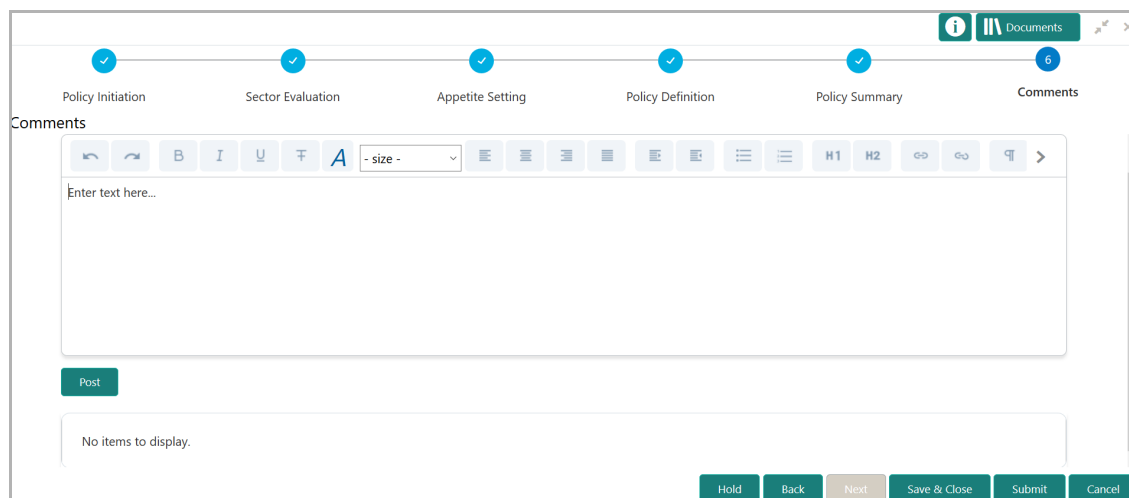
The summary page provides a holistic view of all the dimensions configured in this policy definition initiation stage.

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' page. 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 text 'Enter text here...'. Below the text area is a green 'Post' button. Underneath the 'Post' button, there is a message that 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:

Checklist ✕

No items to display.

Save Checklist

\* Outcome

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

# Chapter 3

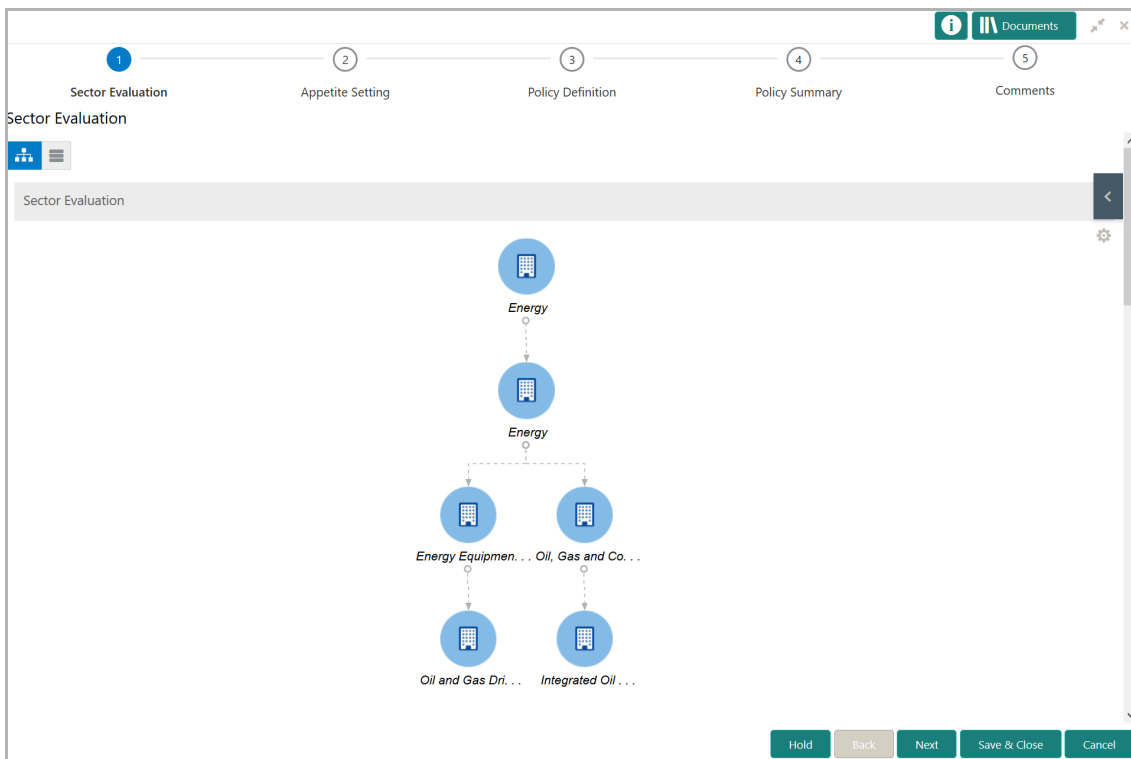
## Business Recommendation

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.

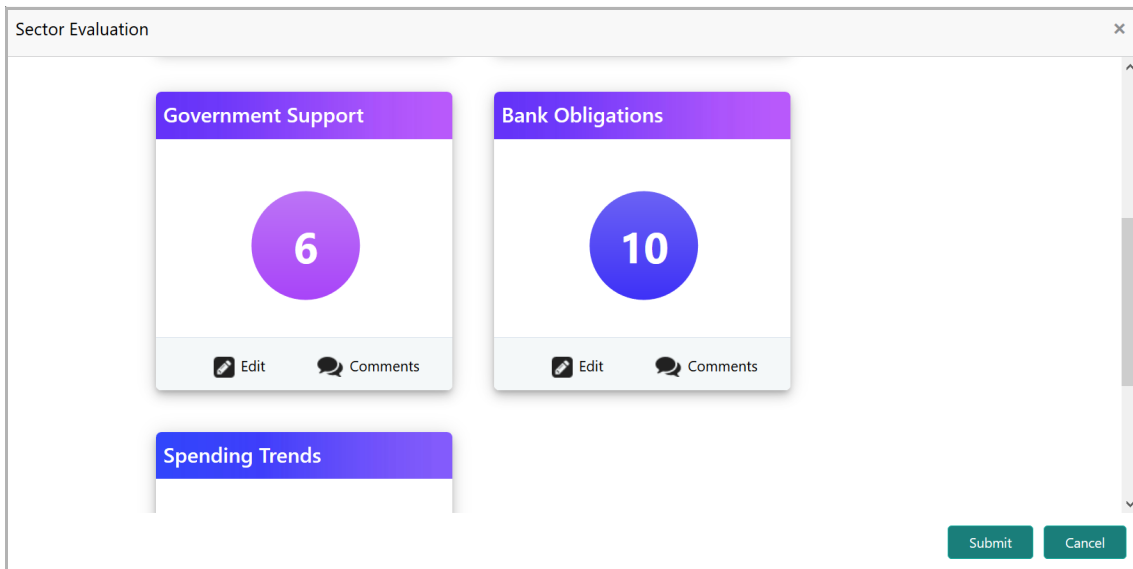
1. To acquire the Business Recommendation task, navigate to **Tasks > Free Tasks** from the **Navigation Menu**.
2. Click **Edit** and acquire the required task. *Sector Evaluation* page appears:



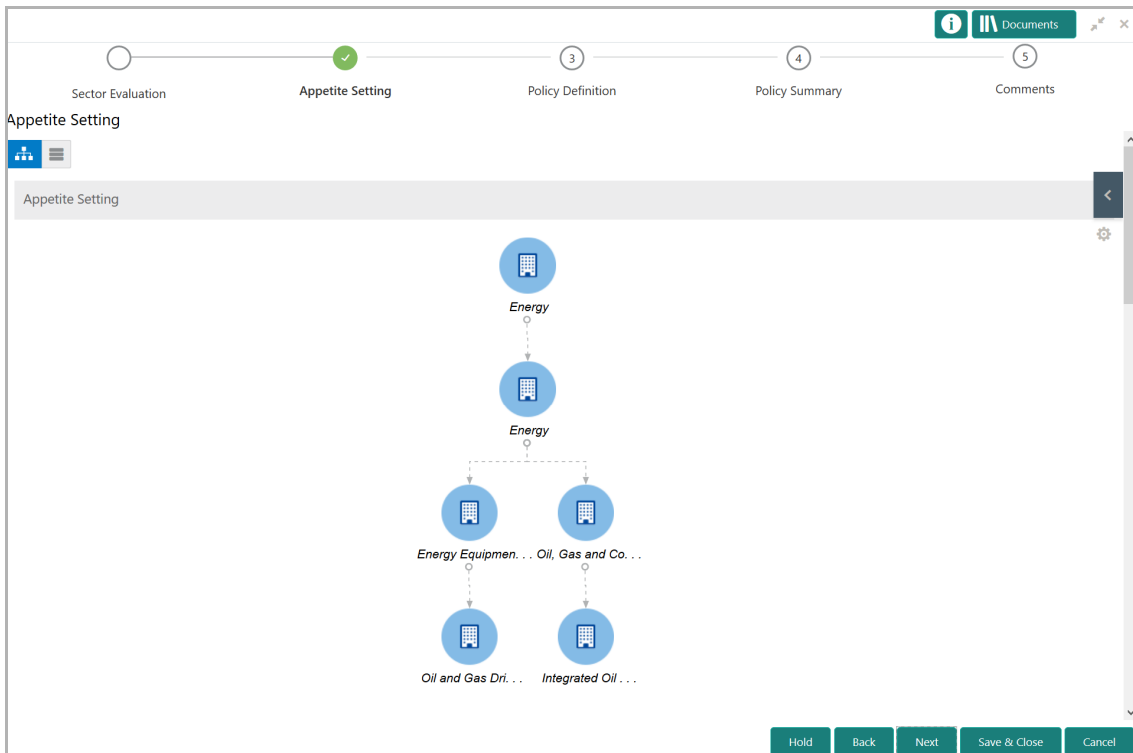
In *Sector Evaluation* page, business head can perform re-evaluation and capture comments for the evaluation.

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:

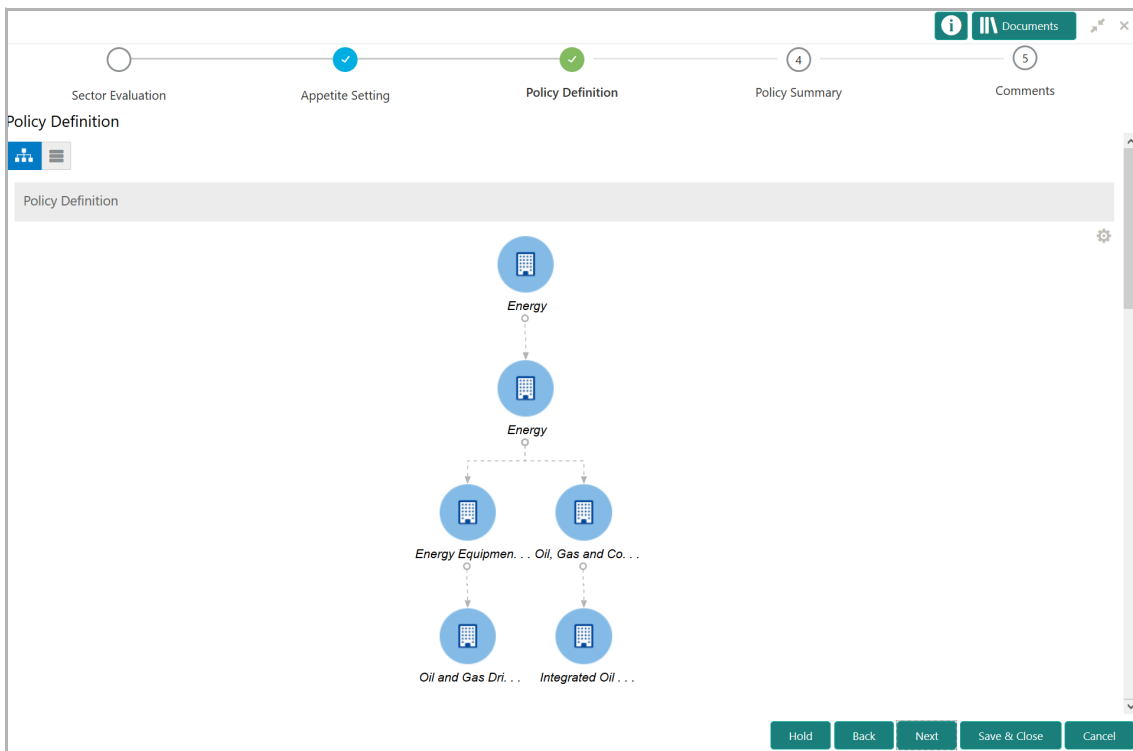
# Chapter 3

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

In *Appetite Setting* window, the values cannot be modified.

9. View the necessary details and click **Submit**.

10. In the *Appetite Setting* page, click **Next**. *Policy Definition* page appears:



11. Right click the sector, sub sector, industry or sub industry and then click **Define Policy**. *Configuration* 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 other configuration areas like 'Terms And Conditions', 'Covenants', etc. '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 'Pricing Details' window shows a 'Non-Utilization Charge' configuration. It includes fields for 'Minimum Spread (%)' (2), 'Maximum Spread (%)' (3), and 'Is Charge Waivable' (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 'Charge Details' window contains several fields: 'Currency' (USD), 'Minimum Spread (%)' (2), 'Maximum Spread (%)' (3), and 'Charge Code' (Non-Utilization Charge). It also has 'Minimum Charge Amount' (\$1,000.00), 'Maximum Charge Amount' (\$10,000.00), and 'Is Charge Waivable' (checked). A 'Business Recommendations' text area is at the bottom, along with 'Save' and 'Cancel' buttons.

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

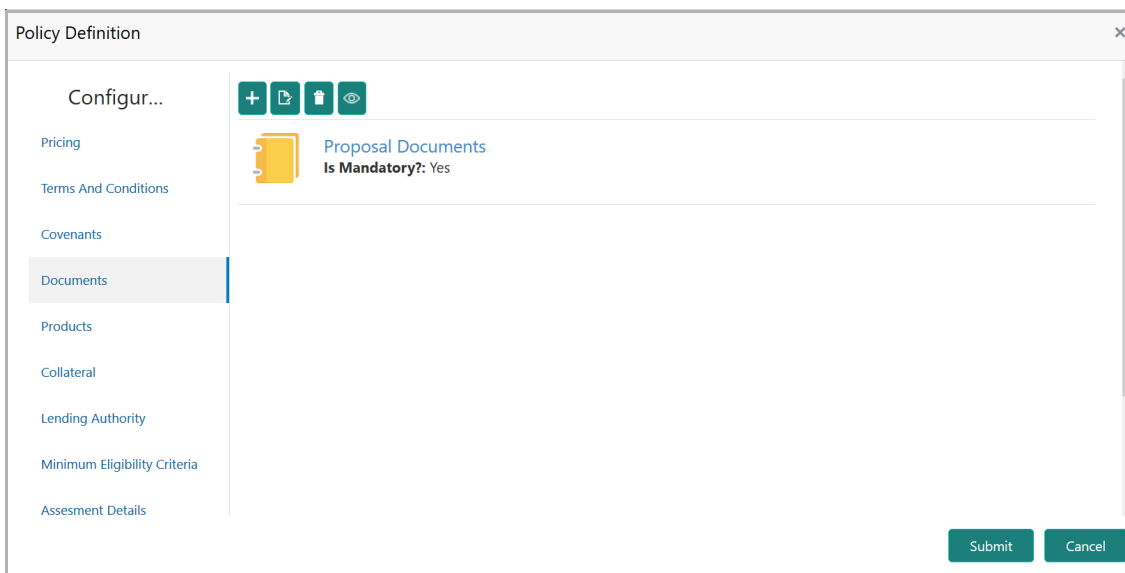
Business Recommendations \*  
Enter Business Recommendations

Save Cancel

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

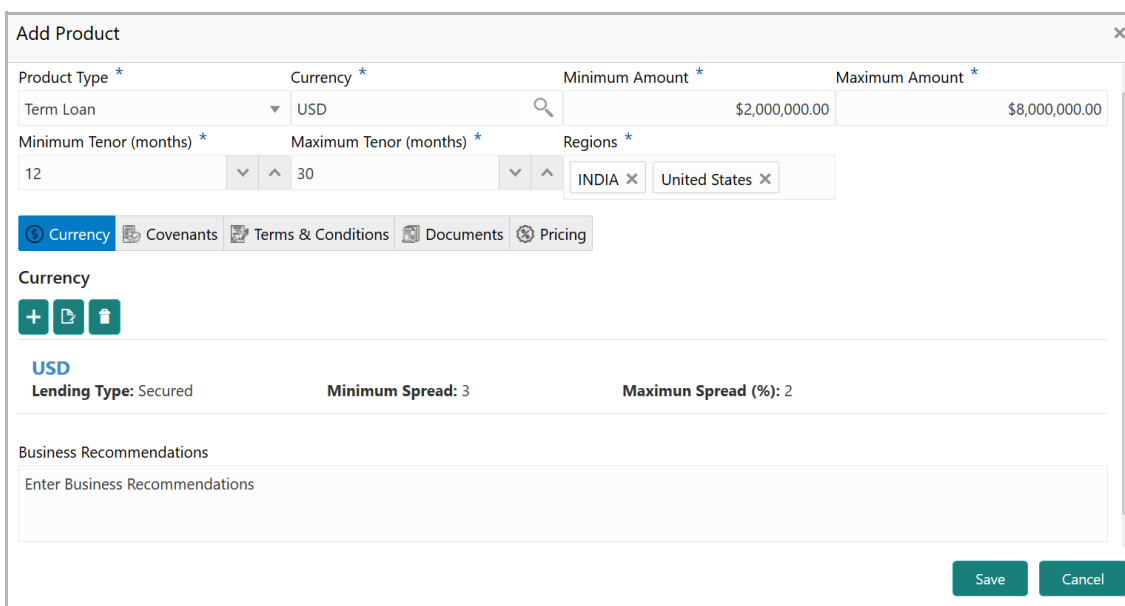
# Chapter 3

- 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

+    [Edit]    [Delete]

**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...

Pricing

Terms And Conditions

Covenants

Documents

Products

Collateral

**Lending Authority**

Minimum Eligibility Criteria

Assesment Details

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 & Grading**, 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 'Legal Status' section is active, displaying 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    \$0 Allocated Capital

\$0 Allocated for Fund Based Facilities

\$0 Allocated for Non Fund Based Facilities

**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

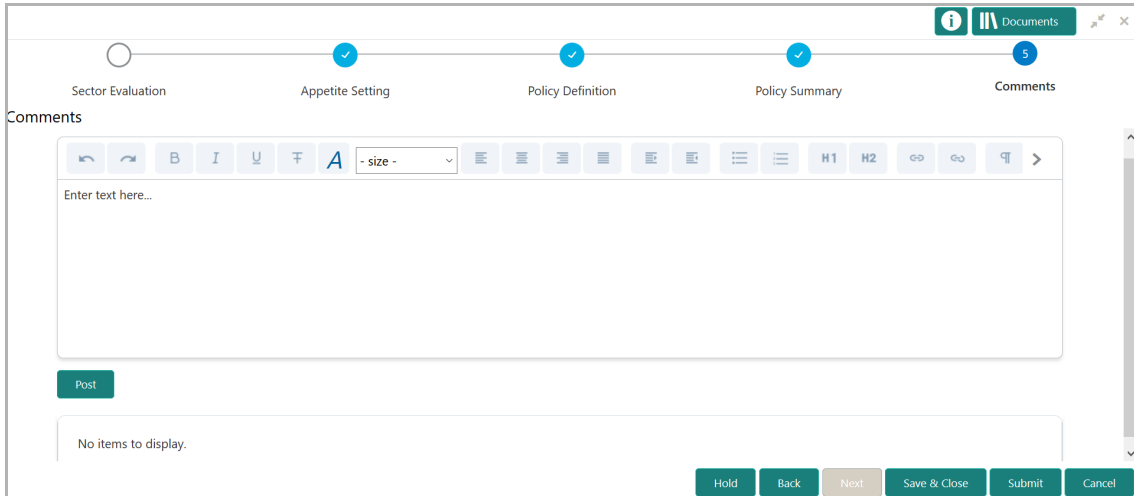
Bill Discounting

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**.

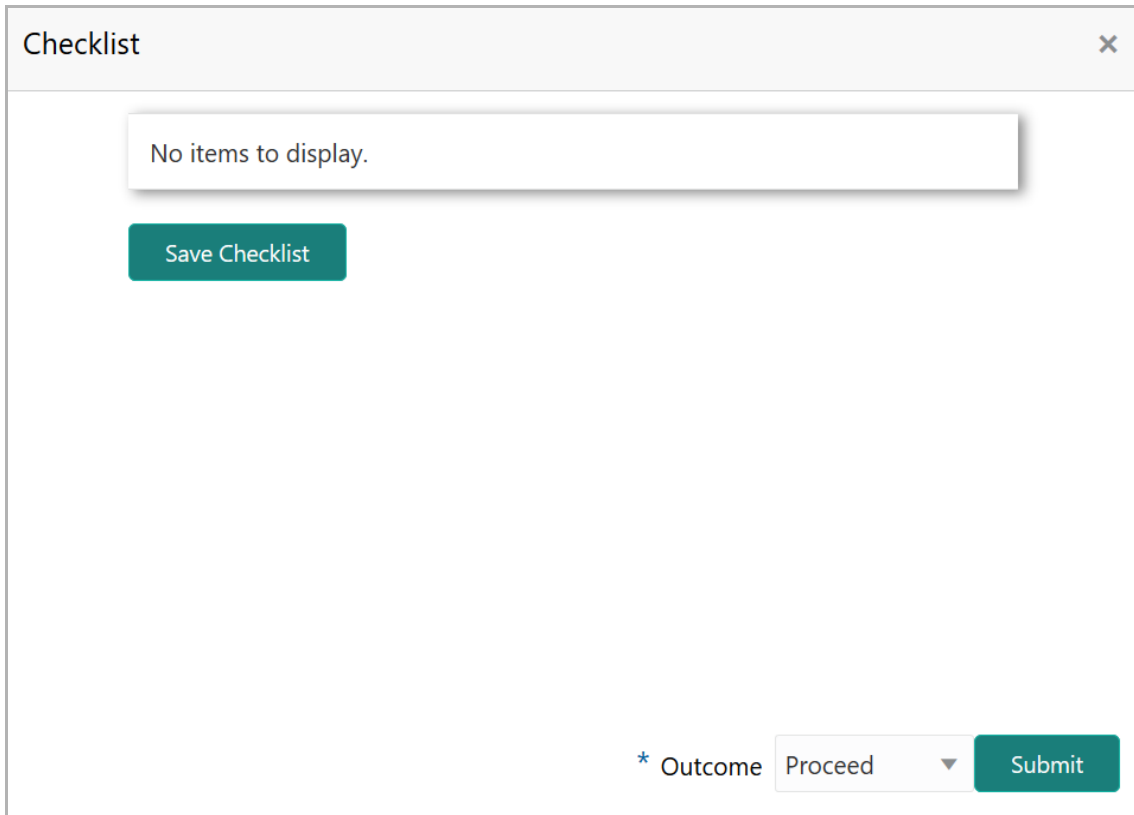
# Chapter 3

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

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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

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## 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

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## 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

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## 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

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## 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

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## 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
<a href="#">View Previous Comments</a>			
Approver Comments			
Approved			
<a href="#">Save</a> <a href="#">Cancel</a>			

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.

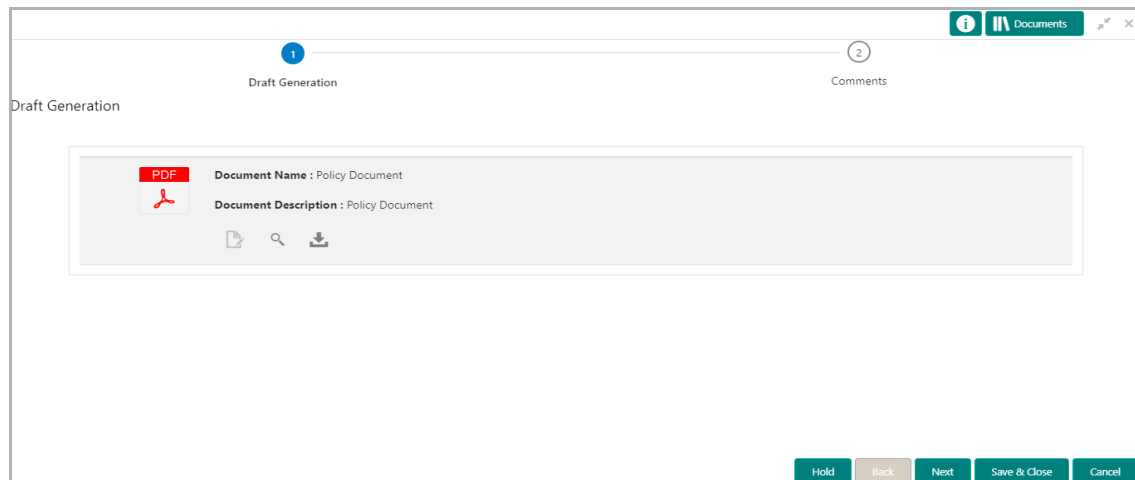
If the Outcome is selected as **Approve** in this stage, the policy is moved to the **Draft Generation** stage.

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

# Chapter 3

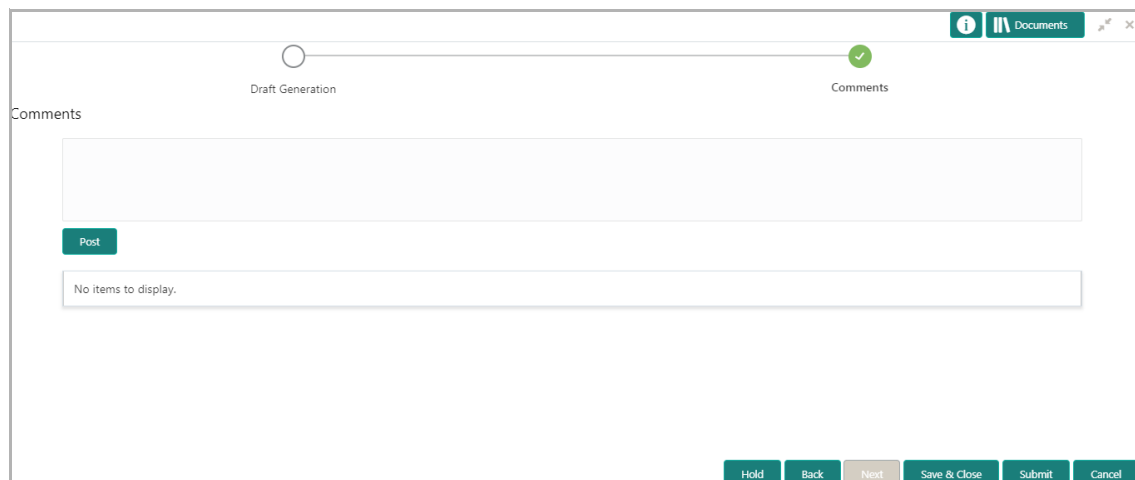
## Draft Generation

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

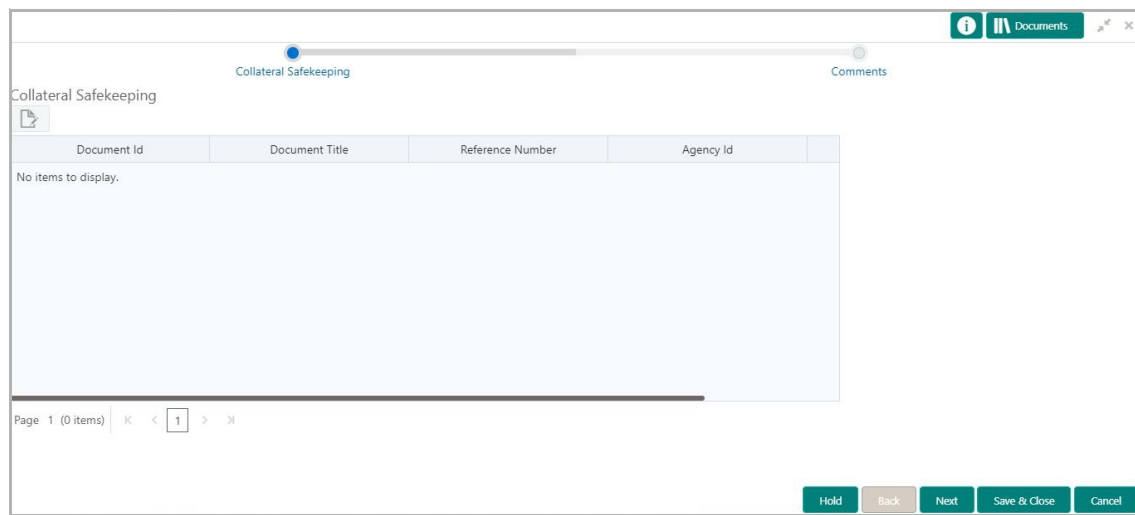
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8. **Post** the **Comments** for this stage. Posted comments appear at the bottom of the **Comments** box.
9. Click **Submit**. **Checklist** related to the draft generation stage appears.
10. Select the **Outcome** as Proceed and click **Submit**.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

# Chapter 3

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

# Chapter 3

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## 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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