

# Oracle® Banking Credit Facilities Process Management Policy Definition User Guide



Release 14.8.1.0.0  
G54388-01  
October 2025

The Oracle logo, consisting of a solid red square with the word "ORACLE" in white, uppercase, sans-serif font centered within it.

ORACLE®

Copyright © 2018, 2025, Oracle and/or its affiliates.

This software and related documentation are provided under a license agreement containing restrictions on use and disclosure and are protected by intellectual property laws. Except as expressly permitted in your license agreement or allowed by law, you may not use, copy, reproduce, translate, broadcast, modify, license, transmit, distribute, exhibit, perform, publish, or display any part, in any form, or by any means. Reverse engineering, disassembly, or decompilation of this software, unless required by law for interoperability, is prohibited.

The information contained herein is subject to change without notice and is not warranted to be error-free. If you find any errors, please report them to us in writing.

If this is software, software documentation, data (as defined in the Federal Acquisition Regulation), or related documentation that is delivered to the U.S. Government or anyone licensing it on behalf of the U.S. Government, then the following notice is applicable:

U.S. GOVERNMENT END USERS: Oracle programs (including any operating system, integrated software, any programs embedded, installed, or activated on delivered hardware, and modifications of such programs) and Oracle computer documentation or other Oracle data delivered to or accessed by U.S. Government end users are "commercial computer software," "commercial computer software documentation," or "limited rights data" pursuant to the applicable Federal Acquisition Regulation and agency-specific supplemental regulations. As such, the use, reproduction, duplication, release, display, disclosure, modification, preparation of derivative works, and/or adaptation of i) Oracle programs (including any operating system, integrated software, any programs embedded, installed, or activated on delivered hardware, and modifications of such programs), ii) Oracle computer documentation and/or iii) other Oracle data, is subject to the rights and limitations specified in the license contained in the applicable contract. The terms governing the U.S. Government's use of Oracle cloud services are defined by the applicable contract for such services. No other rights are granted to the U.S. Government.

This software or hardware is developed for general use in a variety of information management applications. It is not developed or intended for use in any inherently dangerous applications, including applications that may create a risk of personal injury. If you use this software or hardware in dangerous applications, then you shall be responsible to take all appropriate fail-safe, backup, redundancy, and other measures to ensure its safe use. Oracle Corporation and its affiliates disclaim any liability for any damages caused by use of this software or hardware in dangerous applications.

Oracle®, Java, MySQL, and NetSuite are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

Intel and Intel Inside are trademarks or registered trademarks of Intel Corporation. All SPARC trademarks are used under license and are trademarks or registered trademarks of SPARC International, Inc. AMD, Epyc, and the AMD logo are trademarks or registered trademarks of Advanced Micro Devices. UNIX is a registered trademark of The Open Group.

This software or hardware and documentation may provide access to or information about content, products, and services from third parties. Oracle Corporation and its affiliates are not responsible for and expressly disclaim all warranties of any kind with respect to third-party content, products, and services unless otherwise set forth in an applicable agreement between you and Oracle. Oracle Corporation and its affiliates will not be responsible for any loss, costs, or damages incurred due to your access to or use of third-party content, products, or services, except as set forth in an applicable agreement between you and Oracle.

# Contents

<b>1</b>	<b>Preface</b>	
1.1	About this guide	1
1.2	Intended Audience	1
1.3	Conventions Used	1
1.4	Common Icons in OBCFPM	1
<b>2</b>	<b>Policy Definition Overview</b>	
<b>3</b>	<b>Policy Initiation</b>	
3.1	Policy Initiation	2
3.2	Sector Evaluation	4
3.3	Headroom Definition	7
3.4	Policy Definition	10
3.4.1	Configuring Customer Terms and Conditions	12
3.4.2	Configuring Customer Covenants	14
3.4.3	Configuring Customer Documents	16
3.4.4	Configuring Facility Category	18
3.4.5	Configuring Collateral	31
3.4.6	Configuring Minimum Eligibility Criteria	34
3.4.7	Configuring Assessment Details	36
3.5	Policy Summary	42
3.6	Comments	44
<b>4</b>	<b>Business Recommendation</b>	
4.1	Policy Definition Configuration	4
<b>5</b>	<b>Approval from Legal Head</b>	

6 Approval from Policy Team

---

7 Approval from Credit Team

---

8 Risk Recommendations

---

9 Compliance Recommendations

---

10 Policy Approval

---

11 Reference and Feedback

---

# 1

## Preface

- [About this guide](#)
- [Intended Audience](#)
- [Conventions Used](#)
- [Common Icons in OBCFPM](#)

### 1.1 About this guide

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

### 1.2 Intended Audience

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

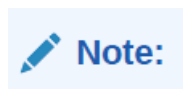
### 1.3 Conventions Used

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

**Table 1-1 Conventions Used**

Convention	Description
<b>Bold</b>	Bold indicates: <ul style="list-style-type: none"><li>• Field Name</li><li>• Screen Name</li><li>• Drop-down Options</li><li>• Other UX labels</li></ul>
	This icon indicates a Note.






**Figure 1-1 Note**



### 1.4 Common Icons in OBCFPM

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

**Table 1-2 Common Icons**

Icons	Purpose
<p><b>Figure 1-2 Add</b></p> 	To add new record.
<p><b>Figure 1-3 Edit</b></p> 	To modify existing record.
<p><b>Figure 1-4 Delete</b></p> 	To delete a record.
<p><b>Figure 1-5 Calendar</b></p> 	To select start or end date.
<p><b>Figure 1-6 Upload</b></p> 	To upload a record.

**Table 1-2 (Cont.) Common Icons**

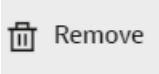








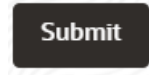
Icons	Purpose
<b>Figure 1-7 Remove</b> 	To remove the record.
<b>Figure 1-8 List View</b> 	To change the screen layout to list view.
<b>Figure 1-9 Table View</b> 	To change the screen layout to table view.
<b>Figure 1-10 Tree View</b> 	To change the screen layout to tree view.
<b>Figure 1-11 Action Button</b> 	To view, edit, and delete a record

Table 1-2 (Cont.) Common Icons

Icons	Purpose
Figure 1-12 Hold	To hold the process.
	
Figure 1-13 Back	To go back to the previous screen.
	
Figure 1-14 Next	To go to the next data segment.
	
Figure 1-15 Save and Close	To save the captured information and exit the process window.
	
Figure 1-16 Submit	To submit the task to next stage.
	



**Table 1-2 (Cont.) Common Icons**

Icons	Purpose
<b>Figure 1-17 Cancel</b>	To exit the window without saving the captured information.



# 2

## Policy Definition Overview

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 fields validated in credit processes are listed separately in the document.

The following are the stages involved in **Policy Definition**:

- Policy Initiation
- Sector Evaluation
- Headroom Definition
- Policy Definition
- Business Recommendation
- Approval from Legal Head
- Approval from Policy Team
- Approval from Credit Team
- Risk Recommendations
- Compliance Recommendations
- Policy Approval

# 3

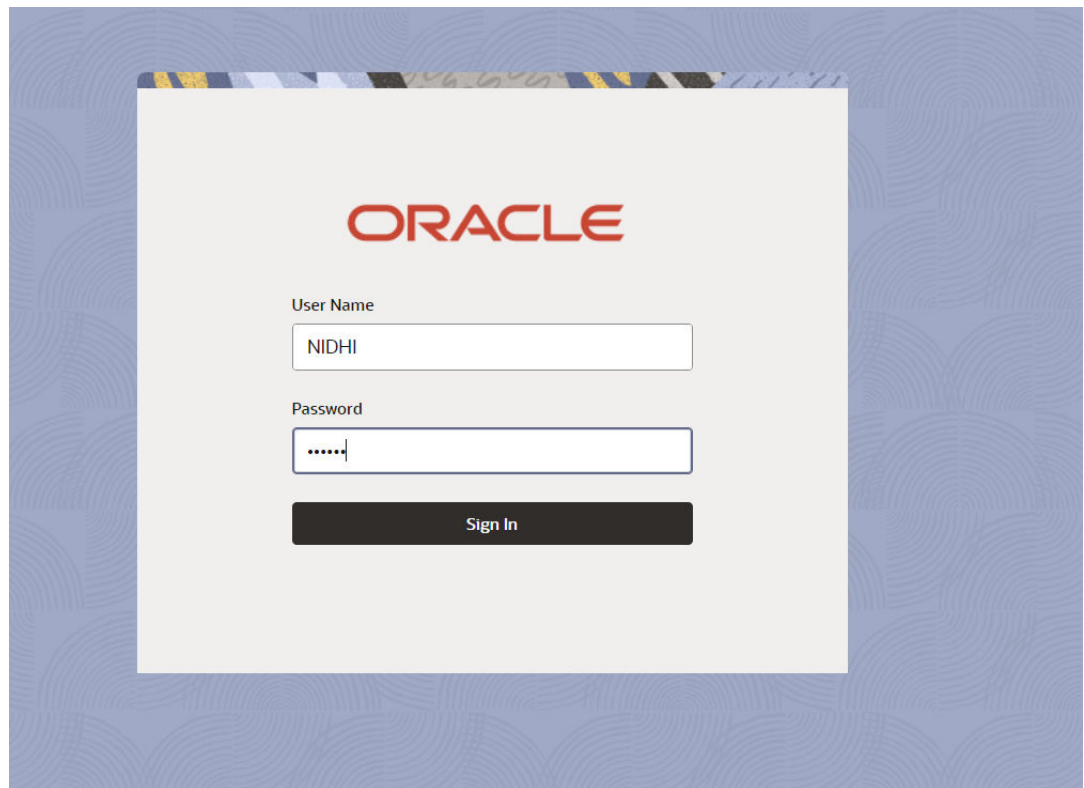
## Policy Initiation

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**. Enter your **User Name**, **Password** and click **Sign In**.

**Figure 3-1 Login Screen**



2. Navigate to **Policy > Policy Definition**. Select **Sector** from drop-down list and Click **Initiate Policy**. **Policy Initiation** page is displayed.

Figure 3-2 Policy Definition

Figure 3-3 Policy Initiation

- [Policy Initiation](#)
- [Sector Evaluation](#)
- [Headroom Definition](#)
- [Policy Definition](#)
- [Policy Summary](#)
- [Comments](#)

## 3.1 [Policy Initiation](#)

In **OBCFPM**, the Policy Analysts can set the policy for the sector and its associated industry group, industry and sub-industry while defining the policy.

Figure 3-4 Policy Initiation\_Select Sector

Figure 3-5 Policy Initiation\_Select Sector

Select Sector screen:

For information on Select Sector, refer the below table.

Table 3-1 Select Sector

Fields/Icons	Description
<b>Effective Date</b>	Select <b>Effective Date</b> for the policy by clicking <b>Calendar</b> icon. The <b>Effective Date</b> should be in future.
<b>Valid Till</b>	Select <b>Valid Till</b> date for the policy by clicking <b>Calendar</b> icon. The <b>Valid Till</b> date should be in future and more than the effective date.
<b>Next Review Date</b>	Select <b>Next Review Date</b> date for the policy by clicking <b>Calendar</b> icon. The <b>Next Review Date</b> should be in future and more than the effective date.
<b>Currency</b>	Search and fetch <b>Currency</b> for the policy.
<b>Policy Description</b>	Enter the description for the policy in <b>Policy Description</b> field.

Table 3-1 (Cont.) Select Sector

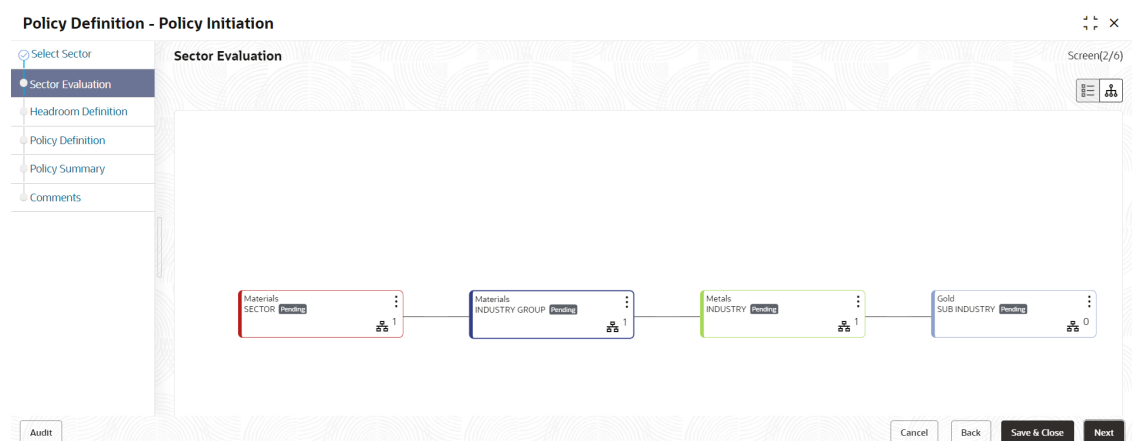
Fields/Icons	Description
Select Sector	Select Sector for which policy needs to be defined.

1. In Select **Industry Group** section, select the required group.
2. In Select **Industry** and **Sub - Industry** section:  
Select required **Industry** and **Sub - Industry**.
3. Click **Next**. **Sector Evaluation** page is displayed.

## 3.2 Sector Evaluation

**OBCFPM** allows the Policy Analysts to evaluate the sector, industry group, industry and sub - industry selected and view the score for each evaluation instantly.

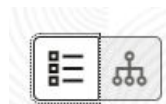
Figure 3-6 Policy Initiation\_Sector Evaluation



In **Sector Evaluation** page:

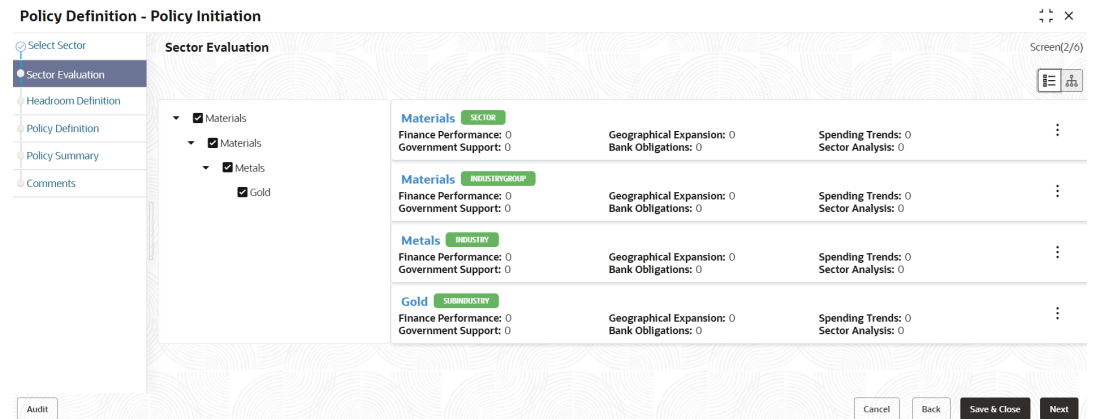
1. To change the layout of the tree view, click the configuration icon at the top right corner. The layout options are displayed as shown below:

Figure 3-7 Layout



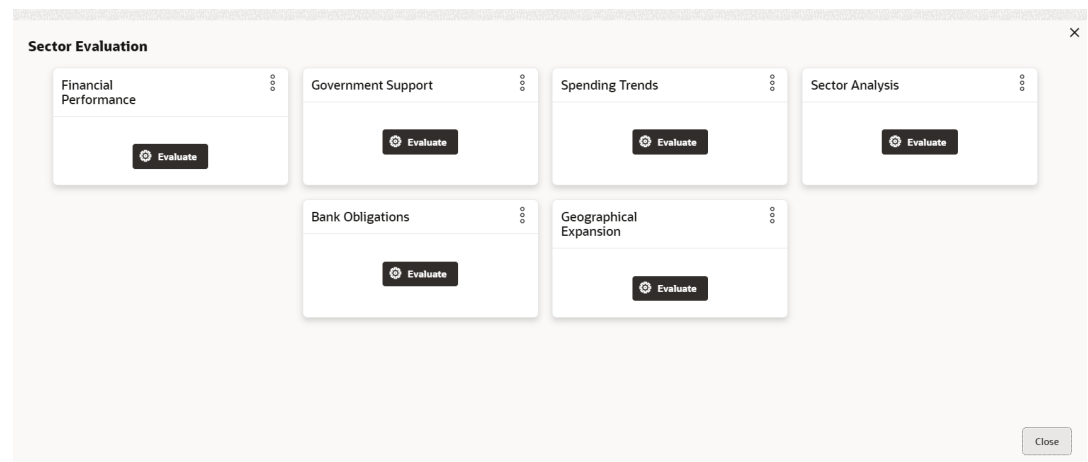
2. To change the tree view to list view, click the list icon at the top left corner. **Sector Evaluation** page view is changed as shown below:

Figure 3-8 Sector Evaluation



- To evaluate the sector, click **Evaluate Now** button in list view or right click sector icon in tree view. **Sector Evaluation** window is displayed.

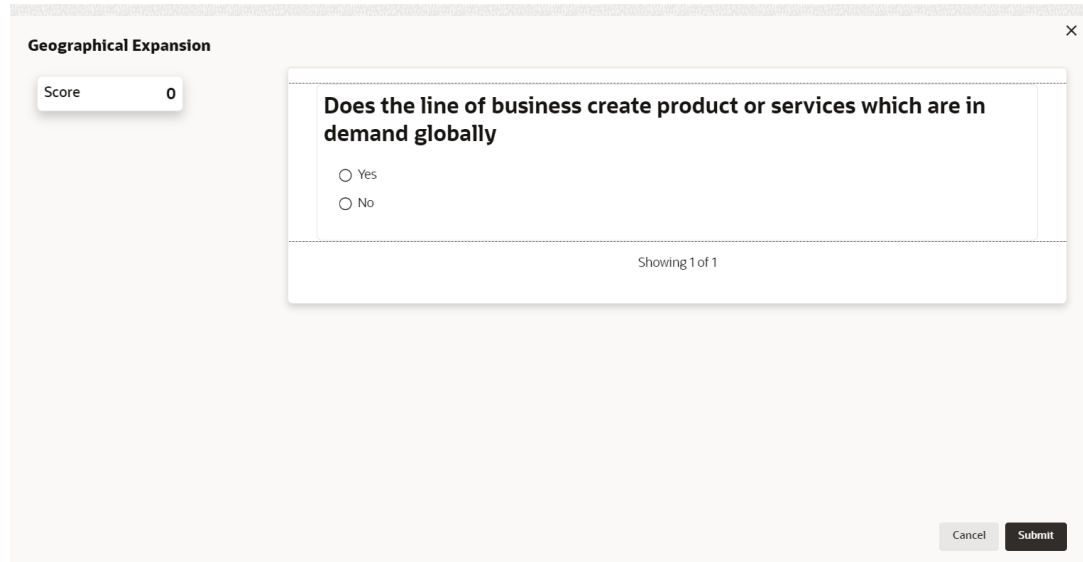
Figure 3-9 Sector Evaluation



- Click **Evaluate** button and evaluate the following elements:

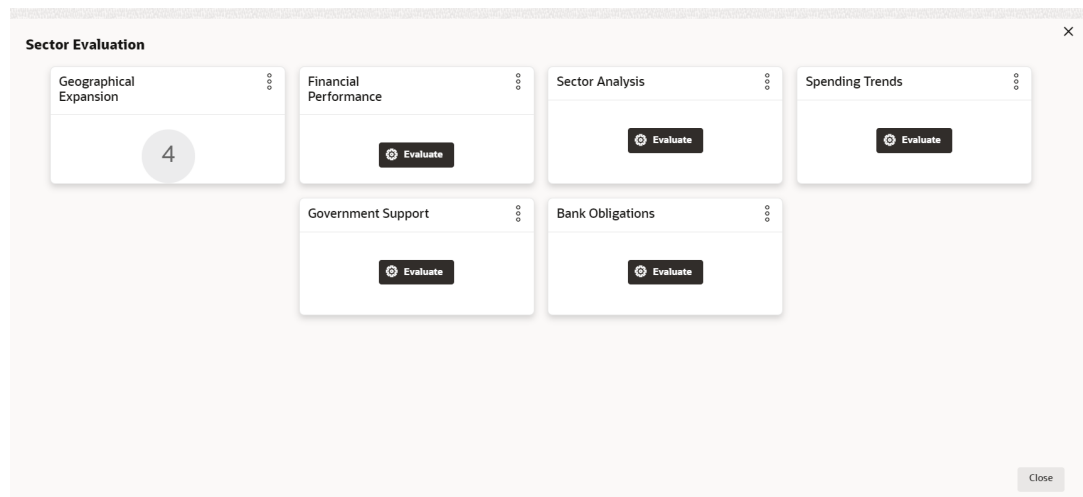
- Financial Performance
- Government Support
- Spending Trends
- Sector Analysis
- Bank Obligations
- Geographical Expansion

Click **Evaluate** button, questions related to the evaluation appears:

**Figure 3-10 Geographical Expansion**

The screenshot shows a window titled "Geographical Expansion" with a close button (X) in the top right corner. On the left, there is a "Score" field containing the number "0". The main area contains a question: "Does the line of business create product or services which are in demand globally". Below the question are two radio button options: "Yes" and "No". At the bottom of the question area, it says "Showing 1 of 1". In the bottom right corner of the window, there are two buttons: "Cancel" and "Submit".

5. Select the answer for the displayed question. Score is displayed for the evaluation based on the selected answer.
6. Click right arrow to view the next question.
7. Answer all the questions and click **Submit**. Overall score is displayed for the evaluated element as shown below:

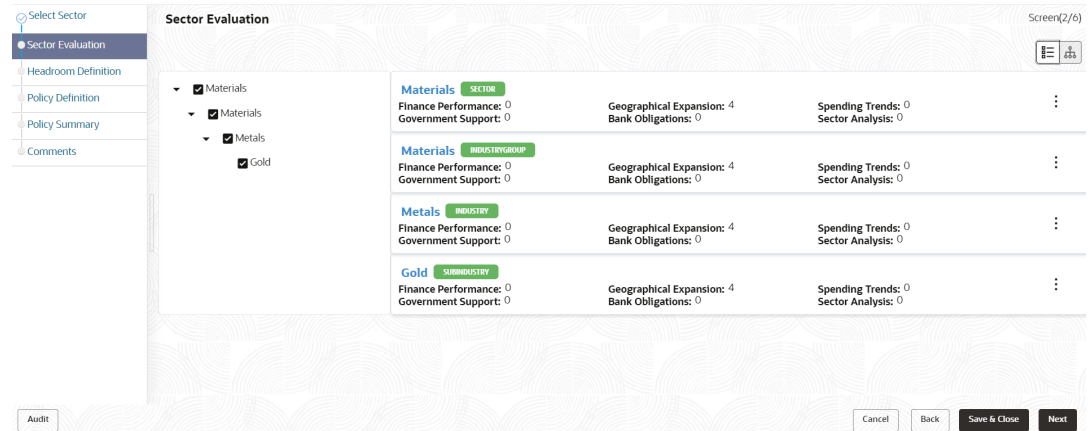
**Figure 3-11 Sector Evaluation**

The screenshot shows a dashboard titled "Sector Evaluation" with a close button (X) in the top right corner. The dashboard displays six evaluation cards arranged in two rows. The first card, "Geographical Expansion", shows a score of "4". The other five cards are "Financial Performance", "Sector Analysis", "Spending Trends", "Government Support", and "Bank Obligations", each with an "Evaluate" button. A "Close" button is located in the bottom right corner of the dashboard.

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



**Figure 3-12 Sector Evaluation**

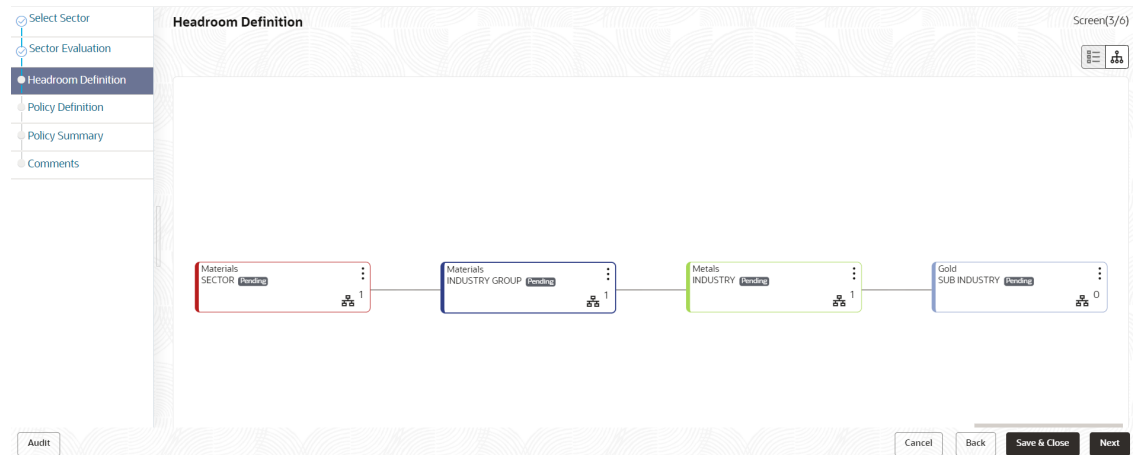


9. Evaluate **Industry Group**, **Industry** and all the **Sub - Industry**.
10. Click **Next**.

### 3.3 Headroom Definition

In this data segment, the Policy Analysts can define headroom for the selected sector, industry group, industry and sub -industry based on the capital available in the Bank.

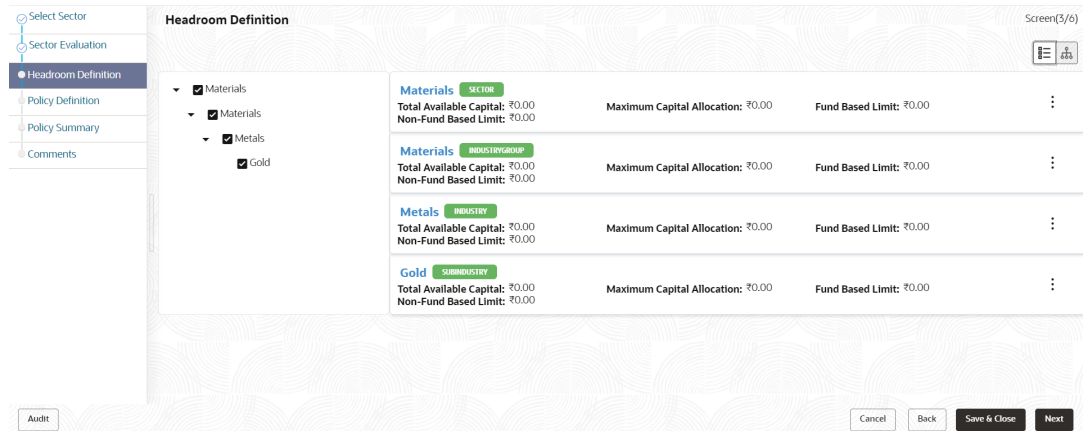
**Figure 3-13 Policy Initiation\_Headroom Definition**



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

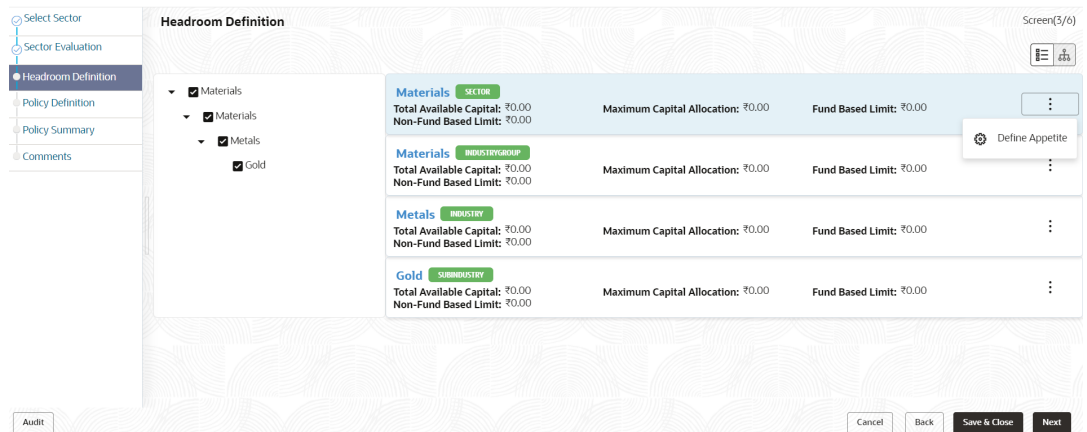
1. To change the tree view to list view, click the list icon at the top left corner. **Headroom Definition** page view is changed as shown below:

Figure 3-14 Headroom Definition



- To define appetite for the sector, click **Define Appetite** button in list view or right click the sector icon in tree view.

Figure 3-15 Define Appetite



The **Appetite Setting** window appears:

Figure 3-16 Appetite Setting

**Appetite Setting**
✕

Sector  
**Telecommunication Services**
Evaluation Score  
1

**Total Available Capital**

<small>Currency</small> USD	<small>Bank Total Available Capital</small> \$1,000,000.00	<small>Suggested Capital Allocation</small> 100%
--------------------------------	---	---

**Capital Allocation**

Effective Capital Available For Allocation  
\$1,000,000.00

**Fund Based Allocation**

Effective Appetite  
\$500,000.00

**Non Fund Based Allocation**

Effective Appetite  
\$500,000.00

Cancel Submit

Figure 3-17 Appetite Setting

**Appetite Setting**
✕

**Capital Allocation**

Effective Capital Available For Allocation  
\$1,000,000.00

**Fund Based Allocation**

Effective Appetite  
\$500,000.00

**Non Fund Based Allocation**

Effective Appetite  
\$500,000.00

**Additional Details**

Remarks

Cancel Submit

**Note**

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

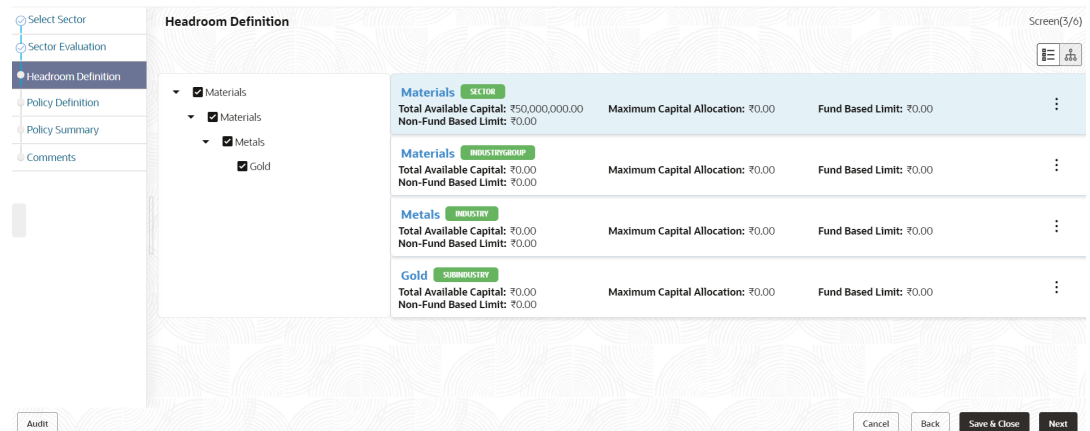
For information on fields in the Appetite Setting screen, refer the below table.

**Table 3-2 Appetite Setting**

Fields/Icons	Description
<b>Total Available Capital</b>	Enter fields given in <b>Total Available Capital</b> . The <b>Currency</b> is displayed by default.
<b>Bank Total Available Capital</b>	Specify <b>Bank Total Available Capital</b> .
<b>Suggested Capital Allocation</b>	Specify percentage to be allocated for the selected sector in <b>Suggested Capital Allocation</b> field. <b>Note:</b> Suggested Capital Allocation can be specified either by directly entering the percentage or selecting the increment/decrement option on the right. Decrement option will be enabled, if the value entered in Suggested Capital Allocation field is greater than zero. Use Decrement option to reduce the percentage.
<b>Capital Allocation</b>	Enter <b>Effective Capital Available For Allocation</b> field for <b>Capital Allocation</b> .
<b>Fund Based Allocation</b>	Enter <b>Effective Appetite</b> field for <b>Fund Based Allocation</b> .
<b>Non Fund Based Allocation</b>	Enter <b>Effective Appetite</b> field for <b>Non Fund Based Allocation</b>
<b>Additional Details</b>	Enter <b>Remarks</b> fields for <b>Additional Details</b> .

3. Click **Submit**. Allocated amount is displayed in **Appetite Setting** page as shown below:

**Figure 3-18 Appetite Setting**

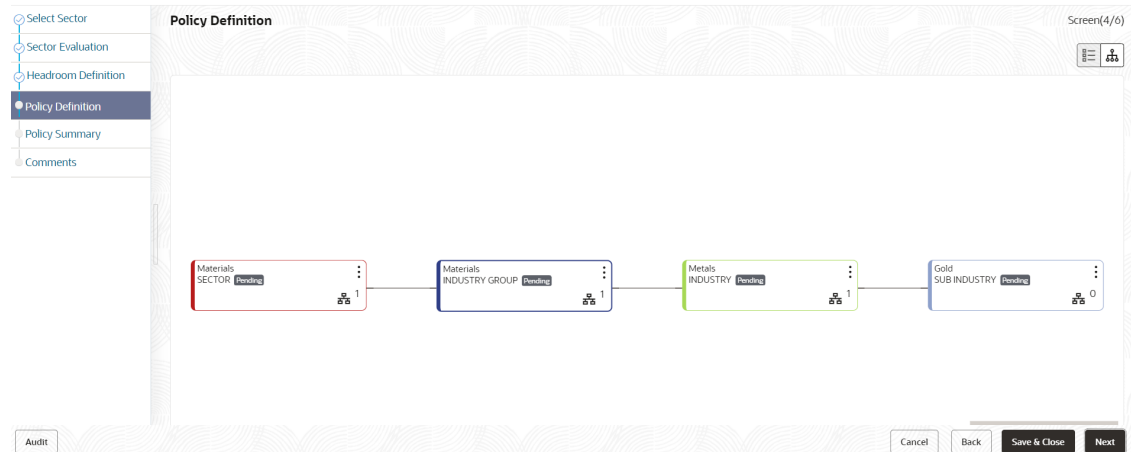


4. **Define Appetite** for the Industry Group, Industry and all the Sub - Industry.
5. Click **Next**.

## 3.4 Policy Definition

In **Policy Definition** data segment, you will set the rules and regulations of lending.

Figure 3-19 Policy Initiation\_Policy Definition

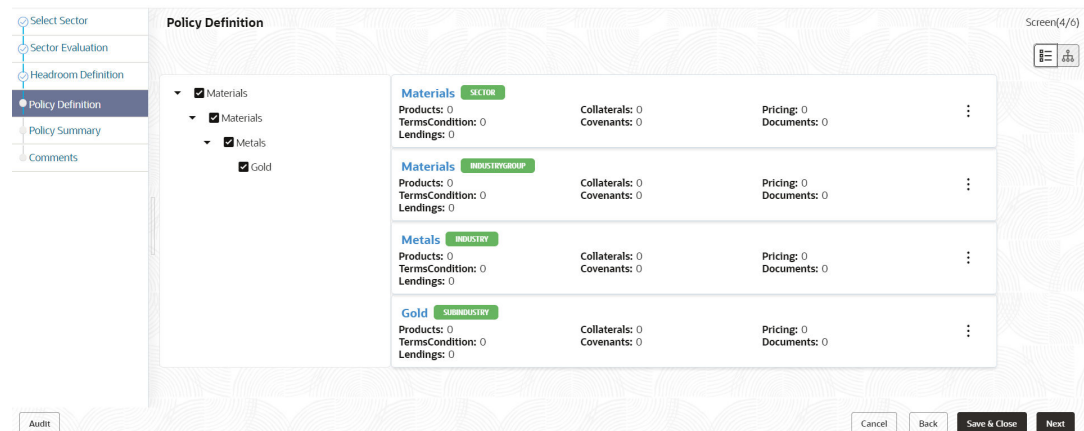


**Note**

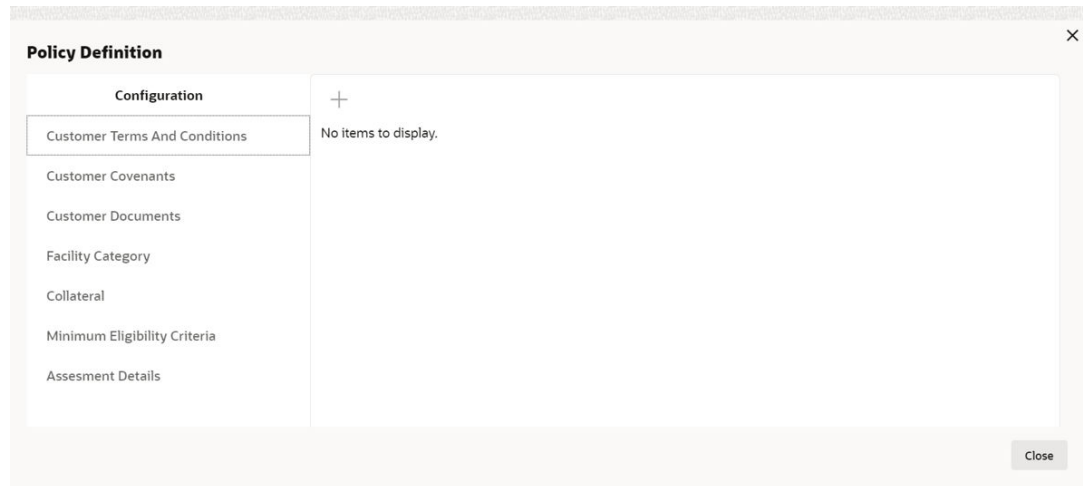
Refer **Sector Evaluation** section for information on changing the layout of the tree view.

1. 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:

Figure 3-20 Policy Definition



2. 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** is displayed.

**Figure 3-21 Configuration Window**

### **Configuring window**

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

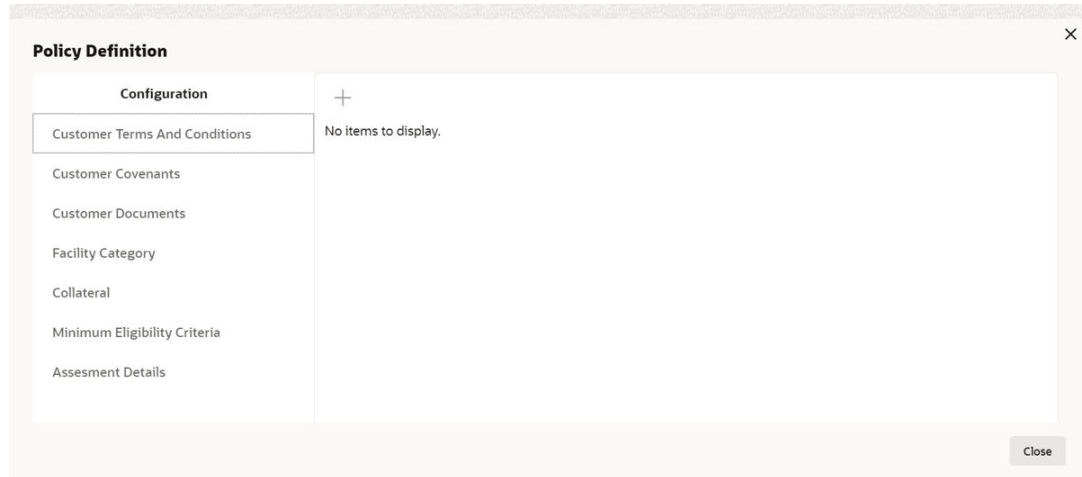
- Customer Terms And Conditions
- Customer Covenants
- Customer Documents
- Facility Category
- Collateral
- Minimum Eligibility Criteria
- Assessment Details
- [Configuring Customer Terms and Conditions](#)
- [Configuring Customer Covenants](#)
- [Configuring Customer Documents](#)
- [Configuring Facility Category](#)
- [Configuring Collateral](#)
- [Configuring Minimum Eligibility Criteria](#)
- [Configuring Assessment Details](#)

## 3.4.1 Configuring Customer Terms and Conditions

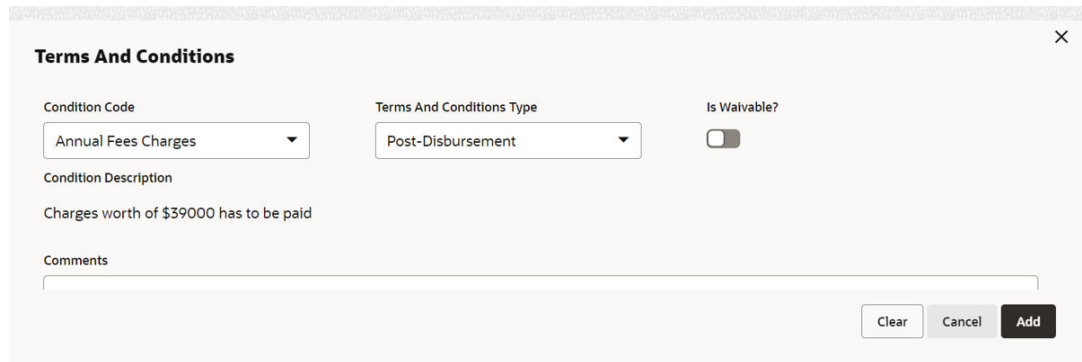
### **Configuring Customer Terms and Conditions**

1. To add terms and conditions, click **Customer Terms And Conditions** from the menu and click + icon. **Terms And Conditions** window is displayed:

**Figure 3-22 Terms And Conditions**



**Figure 3-23 Terms And Conditions**



For information on fields in the **Terms and Conditions** screen, refer the below table.

**Table 3-3 Terms and Conditions**

Fields/Icons	Description
<b>Condition Code</b>	Select <b>Condition Code</b> from the drop-down list.
<b>Customer Terms And Conditions Type</b>	Select <b>Customer Terms And Conditions Type</b> from the drop-down list. The options available are: <ul style="list-style-type: none"> <li>• Pre-Disbursement</li> <li>• Post-Disbursement</li> </ul>
<b>Is Waivable?</b>	Enable <b>Is Waivable?</b> check box, if waive off option is allowed for the terms and conditions.
<b>Condition Description and Comments</b>	Enter <b>Condition Description</b> and <b>Comments</b> to help Approvers in making quick decision.
<b>Add</b>	Click <b>Add</b> . Terms and conditions are added and displayed in the Terms And Conditions window.
<b>Edit</b>	To modify the added terms and conditions, click <b>Edit</b> icon.
<b>Delete</b>	To delete the terms and conditions, click <b>Delete</b> icon.
<b>View</b>	To view the added terms and condition, click <b>View</b> icon.

## 2. **Default and Validation**

The following fields will get defaulted from **Policy Definition** to the **OBCFPM** processes which are linked to policy definition and policy validation.

- Code
- Type
- Is Waivable?

The following fields will get validated against policy definition and the compliance will be reported in **Policy Exception**

- Code
- Type
- Is Waivable?

## 3.4.2 Configuring Customer Covenants

### **Configuring Customer Covenants**

1. To add a customer covenants, click **Customer Covenants** from the left menu and then click + icon. **Covenant Details** window is displayed:

**Figure 3-24 Customer Covenants**

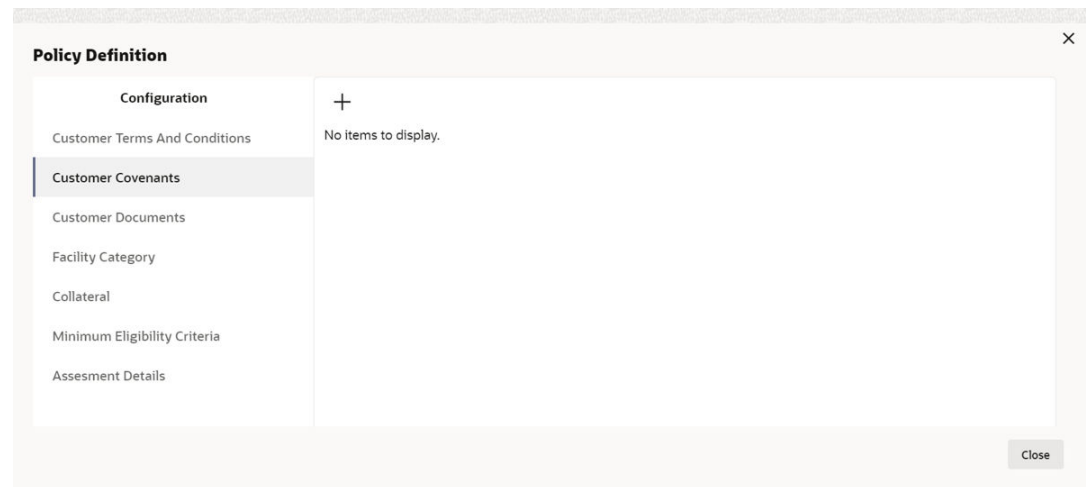




Figure 3-25 Covenant Details

The screenshot shows the 'Covenant Details' form for a covenant named 'TestCovenant'. The form is divided into two main sections: 'Covenant Details' and 'Target condition'.

**Covenant Details:**

- Covenant ID:** TestCovenant (with a search icon)
- Covenant Name:** TestCovenant
- Classification Type:** Internal
- Covenant Type:** Financial
- Frequency:** Yearly
- Notice Days:** 2
- Covenant Description:** TestCovenant

**Target condition:**

- Is Waivable?:**
- Target condition:** Greater than (dropdown menu)
- Target Value:** 10000.00
- Comments:** (empty text area)

Buttons at the bottom right: Cancel, Clear, Add.

Figure 3-26 Covenant Details

The screenshot shows the 'Covenant Details' form for a covenant named 'Audited Quarterly Fin Statement'. The form is divided into two main sections: 'Covenant Details' and 'Target condition'.

**Covenant Details:**

- Covenant ID:** CV5000021 (with a search icon)
- Covenant Name:** Audited Quarterly Fin Statement
- Classification Type:** External
- Covenant Type:** Non Financial
- Frequency:** Monthly
- Notice Days:** 1
- Covenant Description:** Audited Quarterly Fin Statement

**Target condition:**

- Is Waivable?:**
- Comments:** (empty text area)

Buttons at the bottom right: Cancel, Clear, Add.

For information on fields in the **Covenant Details** screen, refer the below table.

Table 3-4 Covenant Details

Fields/Icons	Description
<b>Covenant ID</b>	Search and select <b>Covenant ID</b> from the list of already created and maintained customer covenants. Details associated with the customer covenants are automatically fetched and displayed in the Covenant Details window.
<b>Is Waivable?</b>	Enable <b>Is Waivable?</b> check box, if waive off option is allowed for the customer covenant.

Table 3-4 (Cont.) Covenant Details

Fields/Icons	Description
<b>Target Condition</b>	Select <b>Target Condition</b> from drop-down list. The following options are available: <ul style="list-style-type: none"> <li>• Between</li> <li>• Equal to</li> <li>• Greater than</li> <li>• Greater than or equal to</li> <li>• Less than</li> <li>• Less than or equal to</li> </ul> <b>Note:</b> If you have selected <b>Covenant Type</b> as <b>Financial</b> , then this field is displayed. For <b>Covenant Type</b> selected as <b>Non-financial</b> this field is not available.
<b>Target Value</b>	Enter <b>Target Value</b> . <b>Note:</b> If you have selected <b>Covenant Type</b> as <b>Financial</b> , then this field is displayed. For <b>Covenant Type</b> selected as <b>Non-financial</b> this field is not available.
<b>Comments</b>	Enter <b>Comments</b> to help Approvers in making quick decision.
<b>Add</b>	Click <b>Add</b> . <b>Covenant Details</b> are added and displayed in <b>Customer Covenants</b> window.
<b>Edit</b>	To modify the added customer covenant, click <b>Edit</b> icon.
<b>Delete</b>	To delete the added customer covenant, click <b>Delete</b> icon.
<b>View</b>	To view the added customer covenant, click <b>View</b> icon.

## 2. **Default and Validation**

The following fields will get defaulted from **Policy Definition** to the **OBCFPM** processes which are linked to policy definition and policy validation.

- Code
- Is Waivable?
- Target Condition
- Target Value

The following fields will get validated against policy definition and the compliance will be reported in **Policy Exception**.

- Code
- Is Waivable?
- Target Condition
- Target Value

## 3.4.3 Configuring Customer Documents

### Configuring Customer Documents

1. To add the document related policy, click **Customer Documents** from the left menu and then click + icon. **Document Details** window is displayed:

Figure 3-27 Customer Documents

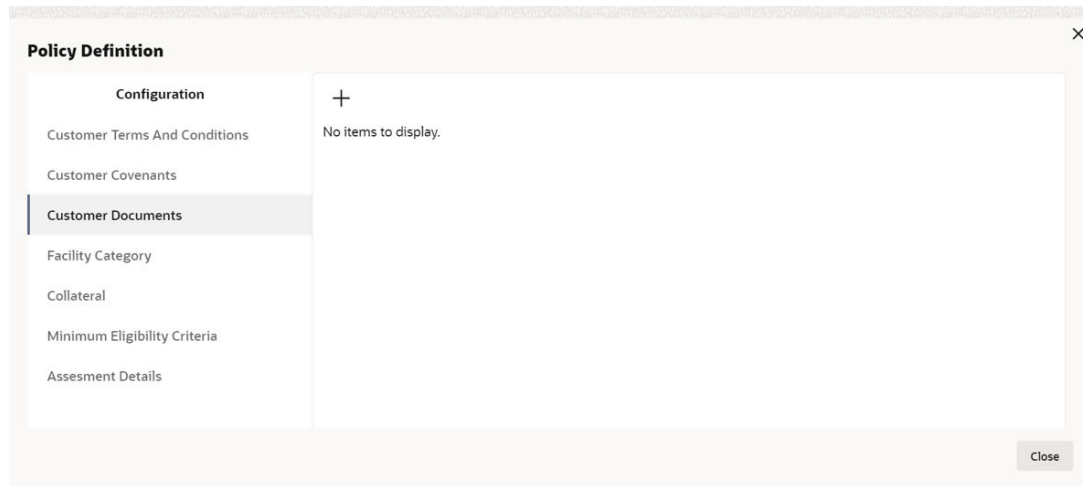
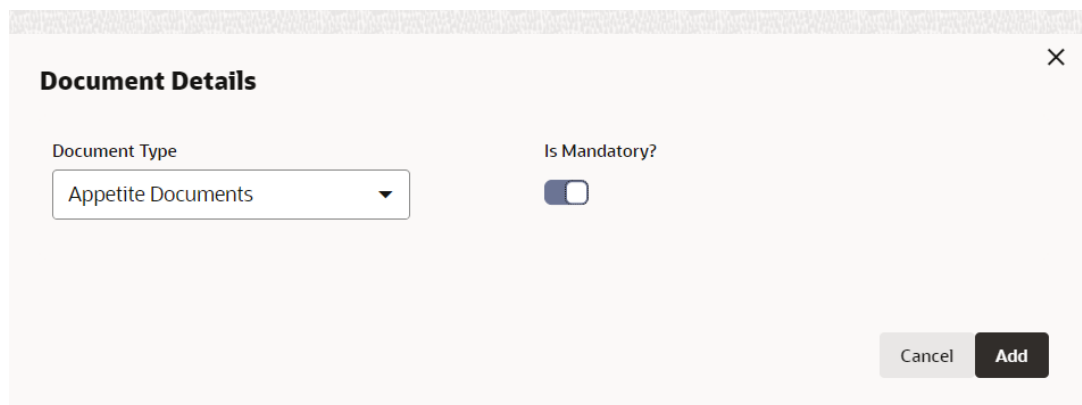


Figure 3-28 Documents Details



For information on fields in the **Document Details** screen, refer the below table.

Table 3-5 Document Details

Fields/Icons	Description
<b>Document Details</b>	Select <b>Document Details</b> from the drop-down list.
<b>Is Mandatory?</b>	Enable <b>Is Mandatory?</b> check box.
<b>Add</b>	Click <b>Add</b> . <b>Document Details</b> are added and displayed in <b>Customer Documents</b> window.
<b>Edit</b>	To modify the document details, click <b>Edit</b> icon.
<b>Delete</b>	To delete the document details, click <b>Delete</b> icon.
<b>View</b>	To view the added document details, click <b>View</b> icon.

## 2. **Default and Validation**

The following fields will get defaulted from **Policy Definition** to the **OBCFPM** processes which are linked to policy definition and policy validation.

- Document Type

The following fields will get validated against policy definition and the compliance will be reported in **Policy Exception**.

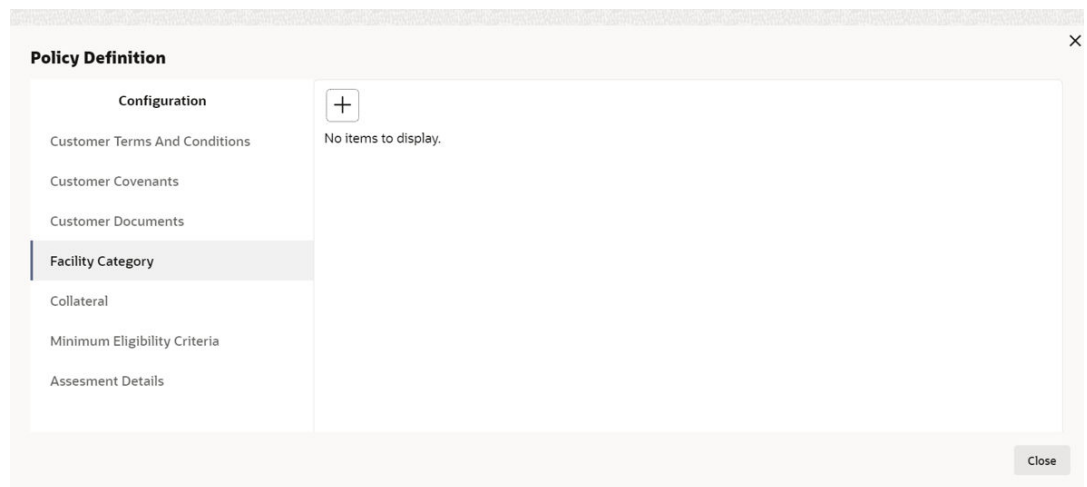
- Document Type

### 3.4.4 Configuring Facility Category

#### **Configuring Facility Category:**

1. To add Facility Category related policy, click **Facility Category** from the left menu and then click + icon. **Facility Category** window is displayed:

**Figure 3-29 Facility Category**



**Figure 3-30 Facility Category**

The screenshot shows a window titled "Facility category" with a close button (X) in the top right corner. The main area contains four input fields: "Facility category" (a dropdown menu with "Select Product" and a downward arrow, labeled "Required"), "Currency" (a text field with "USD", labeled "Required"), "Minimum Amount" (a text field, labeled "Required"), and "Maximum Amount" (a text field, labeled "Required"). Below these fields is a horizontal navigation bar with five tabs: "Currency", "Covenants", "Terms & Conditions", "Documents", and "Pricing" (which is selected and underlined). At the bottom left of the window is a "+" icon, and at the bottom right are "Cancel" and "Add" buttons.

For information on fields in the **Facility Category** screen, refer the below table.

**Table 3-6 Facility Category**

Fields/ Icons	Description
<b>Facility Category</b>	Select <b>Facility Category</b> from the drop-down list.
<b>Currency</b>	Search and select <b>Currency</b> in which the facility can be utilized.
<b>Minimum Amount</b> and <b>Maximum Amount</b>	Specify <b>Minimum Amount</b> and <b>Maximum Amount</b> for the selected Facility Category.

In the **Facility Category** window, the following dimensions can be defined for a Facility Category:

- Currency
  - Covenants
  - Terms & Conditions
  - Documents
  - Pricing
2. To add **Currency** in which the Facility Category can be offered, click + icon. **Add Currency** window is displayed.

**Figure 3-31 Add Currency**

For information on fields in the **Add Currency** screen, refer the below table.

**Table 3-7 Add Currency**

Fields/ Icons	Description
<b>Currency</b>	Search and select <b>Currency</b> .
<b>Save</b>	Click <b>Save</b> . Currency is added and listed in <b>Facility Category</b> window.

3. To capture covenant details for the Facility Category, click the Covenants tab in **Facility Category** window and then click + icon. **Covenant Details** window is displayed to add covenant.

Figure 3-32 Covenant Details

For information on fields in the **Add Covenant** screen, refer the below table.

Table 3-8 Add Covenant

Fields/ Icons	Description
<b>Covenant Details</b>	Search and Select <b>Covenant Details</b> from the list of already created and maintained covenants. The following details associated with the covenants are automatically fetched and displayed in the Covenant Details window. <ul style="list-style-type: none"> <li>• Covenant Name</li> <li>• Classification Type</li> <li>• Covenant Type</li> <li>• Frequency</li> <li>• Notice Days</li> <li>• Covenant Description</li> </ul>
<b>Is Waivable?</b>	Enable <b>Is Waivable?</b> check box, if waive off option is allowed for the covenant.
<b>Target Condition</b>	Select <b>Target Condition</b> from drop-down list. The following options are available: <ul style="list-style-type: none"> <li>• Between</li> <li>• Equal to</li> <li>• Greater than</li> <li>• Greater than or equal to</li> <li>• Less than</li> <li>• Less than or equal to</li> </ul> <b>Note:</b> This field is available only for <b>Covenant Type</b> selected as <b>Financial</b> . For <b>Covenant Type</b> , selected as <b>Non-Financial</b> it is not available. For more information refer <b>Configuring Customer Covenants</b> Section.
<b>Target Value</b>	Enter <b>Target Value</b> . <b>Note:</b> This field is available only for <b>Covenant Type</b> selected as <b>Financial</b> . For <b>Covenant Type</b> , selected as <b>Non-Financial</b> it is not available. For more information refer <b>Configuring Customer Covenants</b> Section.
<b>Comments</b>	Enter <b>Comments</b> to help Approvers in making quick decision.

Table 3-8 (Cont.) Add Covenant

Fields/ Icons	Description
<b>Add</b>	Click <b>Add</b> . <b>Covenant Details</b> are added and displayed in <b>Facility Category</b> window.

- To add the terms and conditions for Facility Category, click **Terms & Conditions** tab in **Facility Category** window and then click + icon. **Terms & Conditions** window is displayed.

Figure 3-33 Terms and Conditions

For information on fields in the **Add Terms & Conditions** screen, refer the below table.

Table 3-9 Add Terms &amp; Conditions

Fields/ Icons	Description
<b>Condition Code</b>	Select <b>Condition Code</b> from the drop-down list. <b>Condition Description</b> is displayed based on the selected condition code. The options available in <b>Condition Code</b> are: <ul style="list-style-type: none"> <li>Interest Repayment</li> <li>Annual Fees Charges</li> <li>Others</li> </ul>
<b>Terms And Conditions Type</b>	Select <b>Terms And Conditions Type</b> from the drop-down list. The options available are: <ul style="list-style-type: none"> <li>Pre-Disbursement</li> <li>Post-Disbursement.</li> </ul>
<b>Is Waivable?</b>	Enable <b>Is Waivable?</b> check box, if waive off option is allowed for the terms and conditions.
<b>Comments</b>	Enter <b>Comments</b> to help Approvers in making quick decision.
<b>Save</b>	Click <b>Save</b> . <b>Terms and conditions</b> are added and displayed in the <b>Facility Category</b> window.

- To add document details, click the **Documents** tab in the **Facility Category** window and then click + icon. **Document Details** screen is displayed.

**Figure 3-34 Document Details**

For information on fields in the **Document Details** screen, refer the below table.

**Table 3-10 Documents**

Fields/ Icons	Description
<b>Document Details</b>	Select <b>Document Details</b> from the drop-down list. The options available are: <ul style="list-style-type: none"> <li>• Appetite Documents</li> <li>• Application Form</li> <li>• Legal Agreement Document</li> <li>• Collateral De-Registration Acknowledgment</li> <li>• Collateral De-Registration Form</li> <li>• Collateral Particulars</li> <li>• Collateral Documents</li> <li>• Collateral Release Document</li> <li>• Collateral External Check Documents</li> <li>• Collateral Evaluation Documents</li> <li>• External Legal Opinion Document</li> <li>• Collateral Field Investigation Documents</li> <li>• Collateral Hypothecation Documents</li> <li>• Collateral Invoice Documents</li> </ul>
<b>Is Mandatory?</b>	Enable <b>Is Mandatory?</b> check box, if required.
<b>Add</b>	Click <b>Add. Document Details</b> are added and displayed in <b>Facility Category</b> window.

- To add pricing details for the Facility Category, click **Pricing** tab in **Facility Category** window and then click + icon. **Pricing Details** is displayed.



Figure 3-35 Pricing Details

The screenshot shows a 'Pricing Details' window with three tabs: 'Charge', 'Interest', and 'Commission'. The 'Charge' tab is selected and contains a list of charges. A single charge is visible: 'Documentation Charge' with a 'Minimum Spread (%)' of 2 and a 'Maximum Spread (%)' of 3. There is a checkbox for 'Is Charge Waivable' which is currently unchecked. A plus sign icon is in the top left, and 'Cancel' and 'Add' buttons are in the bottom right.

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

- To add **Charge** related policy, click **Add** icon. **Charge Details** window is displayed.

Figure 3-36 Charge Details

The screenshot shows a 'Charge Details' window with the following fields:
 

- Currency:** A search field containing 'INR'.
- Charge Code:** A dropdown menu showing 'Documentation Charge'.
- Is Charge Waivable:** A toggle switch that is currently turned off.
- Minimum Spread (%):** A text input field containing '2'.
- Maximum Spread (%):** A text input field containing '3'.
- Minimum Charge Amount:** A text input field containing '₹1,000.00'.
- Maximum Charge Amount:** A text input field containing '₹10,000.00'.
- Charge Type:** A dropdown menu showing 'Non-Utilization'.

 'Cancel' and 'Add' buttons are located at the bottom right.

For information on fields in the **Charge Details** screen, refer the below table.

Table 3-11 Charge Details

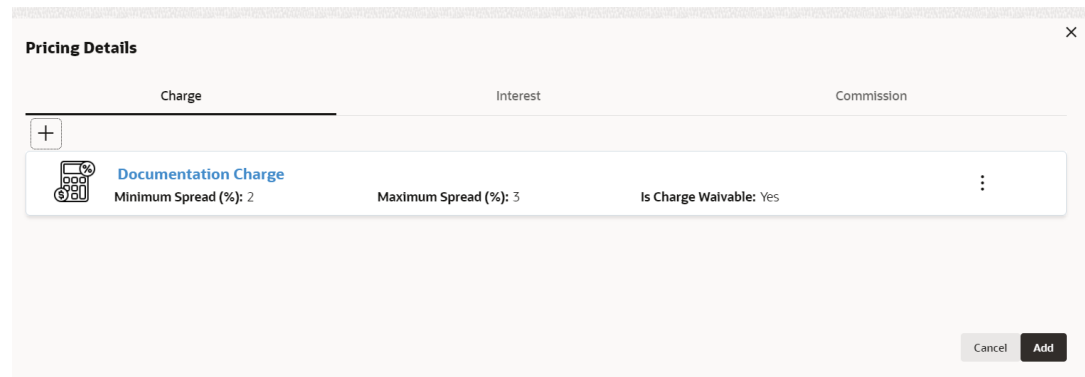
Fields/Icons	Description
<b>Currency</b>	Search and fetch <b>Currency</b> for associating the Charge Details.
<b>Minimum Spread (%) and Maximum Spread (%)</b>	Specify <b>Minimum Spread (%)</b> and <b>Maximum Spread (%)</b> . The spread mentioned while adding charge in any credit process will be validated with respect to this Minimum Spread and Maximum Spread.

**Table 3-11 (Cont.) Charge Details**

Fields/Icons	Description
<b>Charge Code</b>	Select <b>Charge Code</b> from the drop-down list. The following charge code are available: <ul style="list-style-type: none"> <li>• Documentation Charge</li> <li>• Legal Charge</li> <li>• Non-Utilization Charge</li> <li>• Risk Charge</li> </ul>
<b>Minimum Charge Amount and Maximum Charge Amount</b>	Specify <b>Minimum Charge Amount</b> and <b>Maximum Charge Amount</b> .
<b>Is Charge Waivable</b>	Enable <b>Is Charge Waivable</b> check box, if waver can be availed according to this policy.
<b>Charge Type</b>	Enter <b>Charge Type</b> .

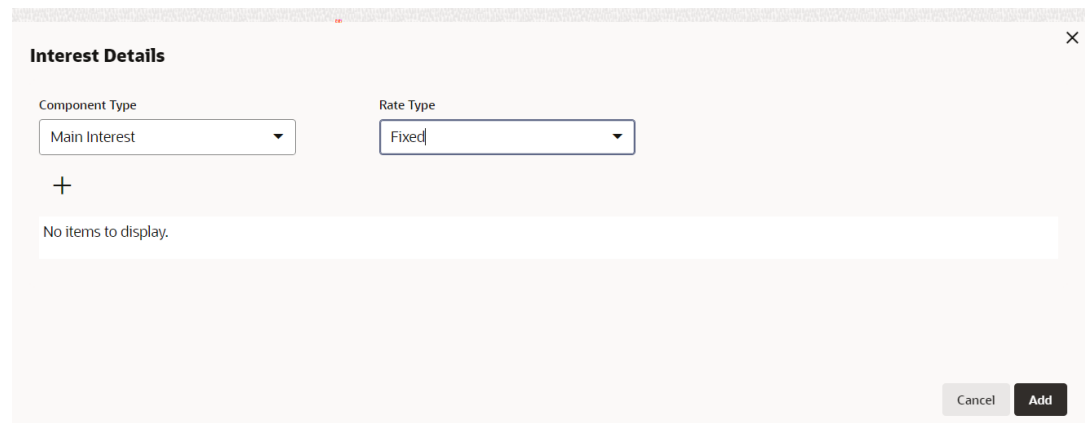
- Click **Add**. Charge is added and listed as shown below:

**Figure 3-37 Pricing Details**



- To add **Interest** related policy, click **Interest** tab and then click **Add** icon. **Interest Details** window is displayed.

**Figure 3-38 Interest Details**



For field level information Interest Details screen, refer the below table.

**Table 3-12 Interest Details**

Fields/Icons	Description
<b>Component Type</b>	Select <b>Component Type</b> and <b>Rate Type</b> from the drop- down list. The following component type are available: <ul style="list-style-type: none"> <li>• Main Interest</li> <li>• Penalty Interest</li> <li>• Prepayment</li> </ul> The following rate type are available: <ul style="list-style-type: none"> <li>• Fixed</li> <li>• Floating</li> <li>• Special Amount</li> </ul>
<b>Rate Type</b>	If <b>Rate Type</b> is selected as Fixed, then <b>Fixed Interest Rate Details</b> must be added.

- Click **Add** icon. **Fixed Interest Rate Details** window is displayed.

**Figure 3-39 Fixed Interest Rate Details**

For field level information Fixed Interest Rate Details screen, refer the below table.

**Table 3-13 Fixed Interest Rate Details**

Fields/Icons	Description
<b>Currency</b>	Search and fetch <b>Currency</b> for the interest.
<b>Fixed Interest Rate</b>	Specify <b>Fixed Interest Rate</b> .

- Click **Add**. Fixed Interest Rate Details are added and displayed as shown below:

**Figure 3-40 Interest Details**

The screenshot shows a window titled "Interest Details" with a close button (X) in the top right corner. It contains two dropdown menus: "Component Type" set to "Prepayment" and "Rate Type" set to "Fixed". Below these is a plus sign icon (+). A summary bar shows a currency icon, "Currency: INR", and "Fixed Interest Rate: 10" with a vertical ellipsis icon. At the bottom right are "Cancel" and "Add" buttons.

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

**Figure 3-41 Interest Details**

The screenshot shows a window titled "Interest Details" with a close button (X) in the top right corner. It contains three dropdown menus: "Component Type" set to "Main Interest", "Rate Type" set to "Floating", and "Rate Code" set to "LIBOR". Below these is an "Interest Reset Cycle" dropdown set to "MONTHLY" and a plus sign icon (+). A text area below the plus sign says "No items to display." At the bottom right are "Cancel" and "Add" buttons.

For field level information Interest Details screen, refer the below table.

**Table 3-14 Interest Details**

Fields/Icons	Description
<b>Rate Code</b>	Select <b>Rate Code</b> . The options available are: <ul style="list-style-type: none"> <li>• LIBOR</li> <li>• SIBOR</li> </ul>
<b>Interest Rest Cycle</b>	Select <b>Interest Rest Cycle</b> . The options available are: <ul style="list-style-type: none"> <li>• Auto</li> <li>• Half-Yearly</li> <li>• Monthly</li> <li>• Quarterly</li> </ul>

12. Click + icon. **Spread Details** window displayed.

**Figure 3-42 Spread Details**

For field level information Spread Details screen, refer the below table.

**Table 3-15 Spread Details**

Fields/Icons	Description
<b>Currency</b>	Search and fetch <b>Currency</b> for the <b>Spread</b> .
<b>Spread</b>	Specify <b>Spread</b> .

13. Click **Add**. Spread details are added and displayed as shown below:

**Figure 3-43 Interest Details**

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

**Figure 3-44 Interest Details**

For field level information Interest Details screen, refer the below table.

**Table 3-16 Interest Details**

Fields/Icons	Description
<b>Currency</b>	Search and fetch <b>Currency</b> for the <b>Special Interest Amount</b> .
<b>Special Interest Amount</b>	Specify <b>Special Interest Amount</b> .

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

**Figure 3-45 Pricing Details**

- To add commission related policy, click **Commission** tab. **Commission Details** window is displayed.

**Figure 3-46 Commission Details**

The screenshot shows a 'Commission Details' window with the following fields and values:

- Rate Type: FIXED RATE
- Rate Basis: MONTHLY
- Commission Type: USANCE
- Commission Period: ADVANCE
- Minimum Commission Amount: ₹1,500.00
- Currency: INR
- Commission Rate: 10

Buttons for '+', 'Cancel', and 'Add' are visible.

For field level information Commission Details screen, refer the below table.

**Table 3-17 Commission Details**

Fields/Icons	Description
<b>Commission Details</b>	Select details for the following fields from the drop-down list: <ul style="list-style-type: none"> <li>• Rate Type</li> <li>• Rate Basis</li> <li>• Commission Type</li> <li>• Commission Period</li> </ul>
<b>Rate Type</b>	If <b>Rate Type</b> is selected as <b>FIXED RATE</b> , specify <b>Minimum Commission Amount</b> and then click <b>Add</b> icon to capture <b>Commission Rate</b> .

- If **Rate Type** is selected as **FLAT AMOUNT**, **Commission Details** window displayed as shown below:

**Figure 3-47 Commission Details**

The screenshot shows a 'Commission Details' window with the following fields and values:

- Rate Type: FLAT AMOUNT
- Rate Basis: MONTHLY
- Commission Type: USANCE
- Commission Period: ADVANCE
- Currency: USD
- Commission Amount: \$1,400.00

Buttons for 'Cancel' and 'Add' are visible.

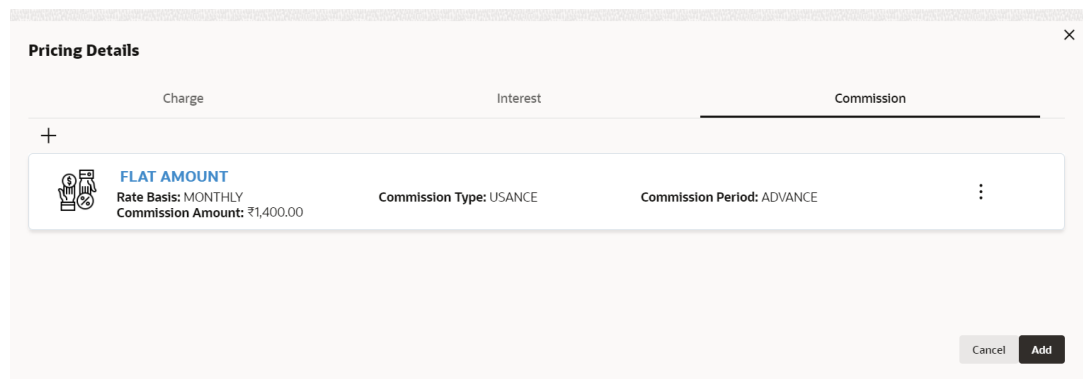
For information on fields in the **Commission Details** screen, refer the below table.

**Table 3-18 Commission Details**

Fields/ Icons	Description
<b>Currency</b>	Search and select <b>Currency</b> for the <b>Commission Amount</b> .
<b>Commission Amount</b>	Specify <b>Commission Amount</b> .
<b>Delete</b>	To delete the pricing detail, select the pricing and click <b>Delete</b> icon.

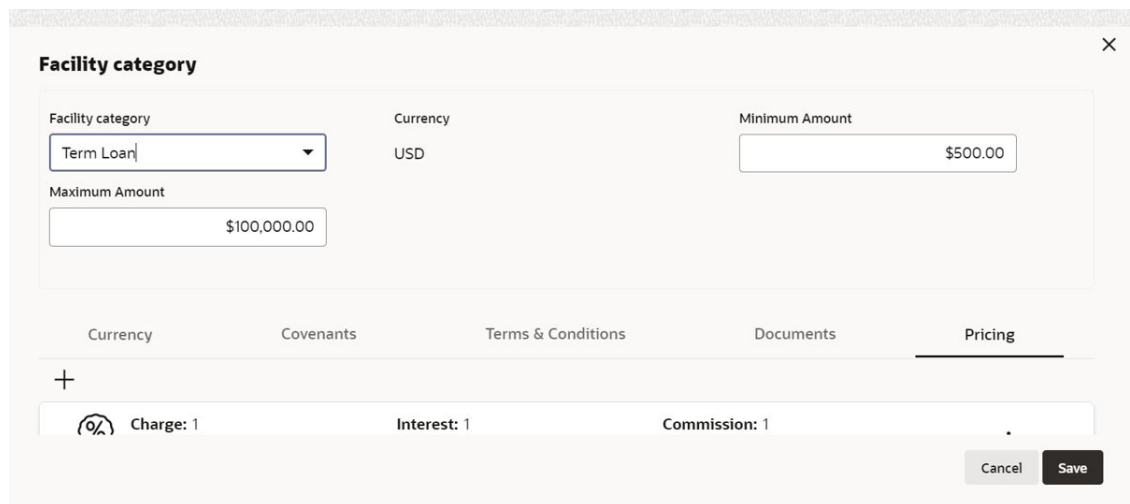
- Click **Add**. Commission Details are added and displayed in **Pricing Details** window as shown below:

**Figure 3-48 Pricing Details**



- Click **Add**. Pricing Details are added and displayed in **Facility Category** window as shown below:

**Figure 3-49 Facility Category**



**18. Default and Validation**

The following fields will get defaulted from **Policy Definition** to the **OBCFPM** processes which are linked to policy definition and policy validation.

- Facility Category (under Facility Category - Covenants will get defaulted)
- Covenants (under Covenants - Code, Target Condition, and Target Value will get defaulted)
- T & C (under T & C - Code, Type, and Is Waivable? (Y/N) will get defaulted)



- Document will get defaulted
- Pricing (under Pricing - Interest, Charges, and Commission will get defaulted)

The following fields will get validated against policy definition and the compliance will be reported in **Policy Exception**.

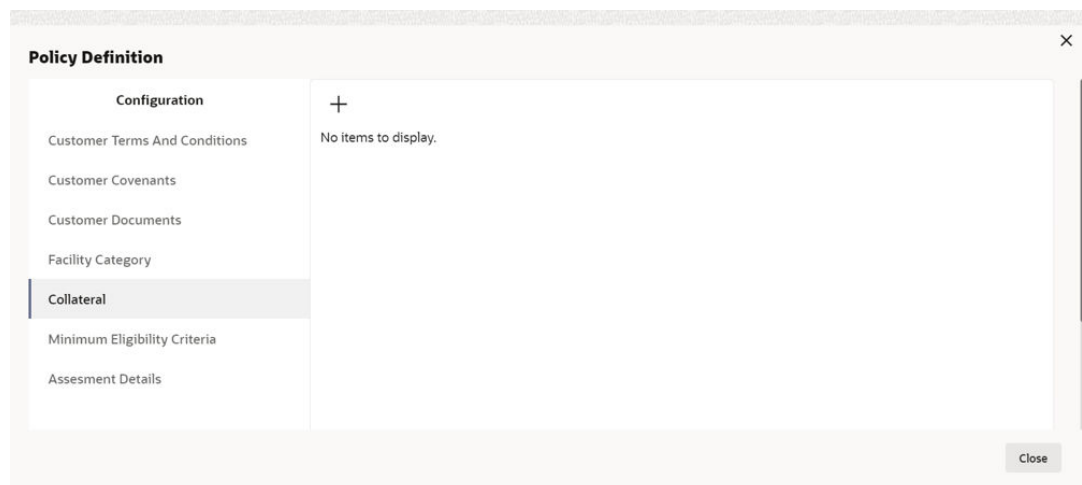
- Facility Category (under Facility Category - Type, Currency, Minimum Amount, and Maximum Amount will get validated)
- Currency will get validated
- Covenants (under Covenants- Is Waivable?, Code, Target Condition, and Target Value will get validated)
- T & C (under T & C - Code, Type, and Is Waivable (Y/N) will get defaulted)
- Document will get validated
- Pricing (under Pricing - Interest, Charges, and Commission will get validated)

## 3.4.5 Configuring Collateral

### Configuring Collateral

1. To add collateral related policy, click **Collateral** from the left menu and then click + icon. **Collateral Details** window is displayed.

**Figure 3-50 Collateral Details**



**Figure 3-51 Collateral Details**

For information on fields in the **Collateral Details** screen, refer the below table.

**Table 3-19 Collateral Details**

Fields/ Icons	Description
<b>Collateral Type</b>	<p>Select <b>Collateral Type</b> from the drop-down list. The options available are:</p> <ul style="list-style-type: none"> <li>• Machine</li> <li>• Deposits</li> <li>• Bond</li> <li>• Stock</li> <li>• Fund</li> <li>• Vehicle</li> <li>• Guarantee</li> <li>• Property</li> <li>• Aircraft</li> <li>• Insurance</li> <li>• Precious Metals</li> <li>• Ship</li> <li>• Account Receivables</li> <li>• Cash Collaterals</li> <li>• Inventory</li> <li>• Accounts Contracts</li> <li>• Crop</li> <li>• Commercial Paper</li> <li>• Perishable</li> <li>• Commodity</li> <li>• PDC</li> <li>• Bill Of Exchange</li> <li>• Promissory Note</li> <li>• Miscellaneous</li> <li>• Corporate Deposits</li> <li>• Livestock</li> <li>• Intangible Assets</li> <li>• Agreements Undertaking</li> </ul>

**Table 3-19 (Cont.) Collateral Details**

Fields/ Icons	Description
<b>Minimum frequency for valuation (yrs)</b>	Specify the frequency for evaluating the collateral in <b>Minimum frequency for valuation (yrs)</b> field.

2. Add **Covenant, Terms & Conditions, and Documents** details for the collateral. Refer **Configuring Covenants, Configuring Terms & Conditions, and Configuring Documents**, for information on adding Covenants, Terms & Conditions, and Documents.
3. Click **Add** in Collateral Details window.  
The added details are displayed in the **Policy Definition** window:

**Figure 3-52 Collateral Details**
**Default and Validation**

The following fields will get defaulted from **Policy Definition** to the **OBCFPM** processes which are linked to policy definition and policy validation.

- Minimum frequency of validation will get defaulted
- Covenants (under Covenants - is Waviable?, Target Condition, and Target Value will get defaulted)
- T & C will get defaulted
- Document will get defaulted

The following fields will get validated against policy definition and the compliance will be reported in **Policy Exception**.

- Type will get validated
- Minimum frequency of validation will get validated
- Covenants (under Covenants - is Waviable?, Target Condition, and Target Value will get validated)
- T & C will get validated
- Document will get validated

## 3.4.6 Configuring Minimum Eligibility Criteria

### **Configuring Minimum Eligibility Criteria:**

1. Click **Minimum Eligibility Criteria** from the left menu. **Vintage** window is displayed.

**Figure 3-53 Policy Definition - Vintage**

The screenshot shows the 'Policy Definition' window with the 'Vintage' tab selected. The left sidebar lists configuration options: Customer Terms And Conditions, Customer Covenants, Customer Documents, Facility Category, Collateral, Minimum Eligibility Criteria (highlighted), and Assessment Details. The main content area is titled 'Secured Lending' and contains two input fields: 'Minimum years of operations' and 'Minimum years of financial documents available'. A 'Close' button is located at the bottom right.

2. Specify **Minimum years of operations** and **Minimum years of financial documents available** requirement for the following elements:
  - Secured Lending
3. To capture **Ratings & Grading** requirement, click **Ratings & Grading** next to **Vintage**. **Ratings & Grading** window is displayed.

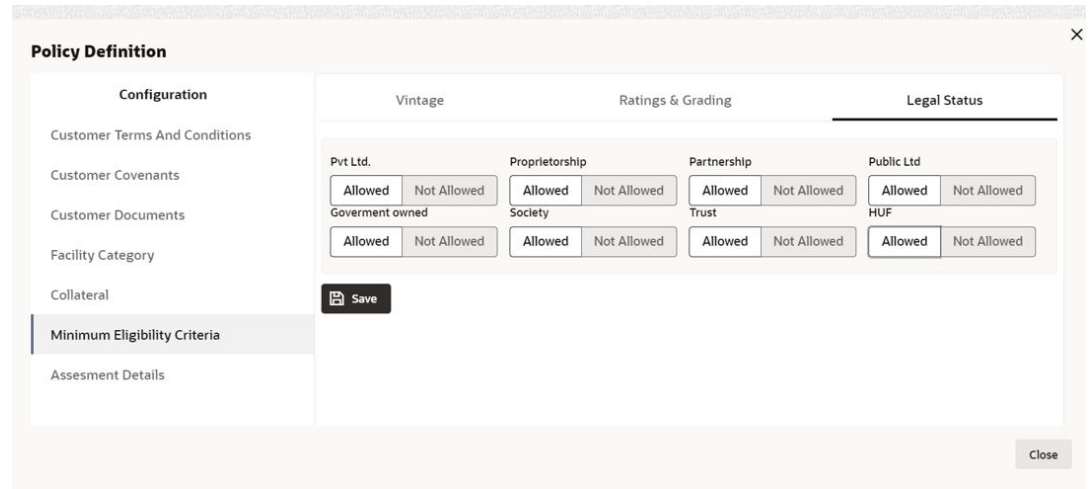
**Figure 3-54 Ratings and Grading**

The screenshot shows the 'Policy Definition' window with the 'Ratings & Grading' tab selected. The left sidebar is the same as in Figure 3-53. The main content area is titled 'Ratings & Grading' and contains input fields for 'Moody's', 'Fitch', 'S&P', 'CRISIL', and 'Default grading'. A 'Close' button is located at the bottom right.

4. Capture **Ratings & Gradings** requirement from the following agencies:
  - Moodys
  - Fitch

- S&P
  - CRISIL
  - Default Grading
5. Specify **Default Grading** requirement and click **Legal Status** next to **Rating & Grading**. **Legal Status** window is displayed.

**Figure 3-55 Legal Status**



For information on adding Legal Status fields screen, refer the below table.

**Table 3-20 Legal Status**

Fields/Icons	Description
<b>Legal Status</b>	Capture <b>Legal Status</b> requirement by selecting <b>Allowed</b> or <b>Not Allowed</b> for the following fields: <ul style="list-style-type: none"> <li>• Pvt Ltd</li> <li>• Proprietorship</li> <li>• Partnership</li> <li>• Public Ltd</li> <li>• Government Owned</li> <li>• Society</li> <li>• Trust</li> <li>• HUF</li> </ul>
<b>Save</b>	Click <b>Save</b> .

**6. Validation**

The following fields will get validated against policy definition and the compliance will be reported in **Policy Exception**

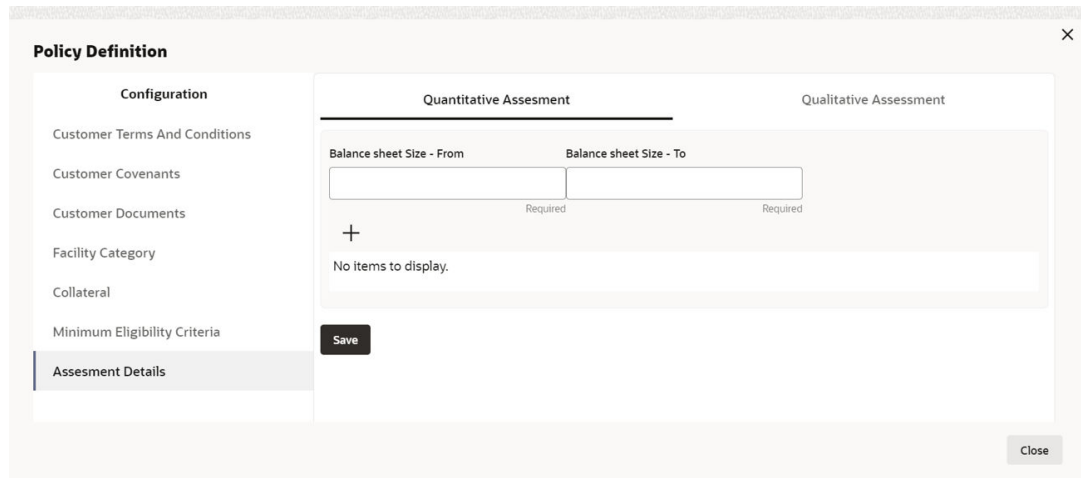
- Vintage (under Vintage- Minimum years of operation will get validated)
- Ratings & Grading will get validated
- Legal Status will get validated

### 3.4.7 Configuring Assessment Details

**Configuring Assessment Details:**

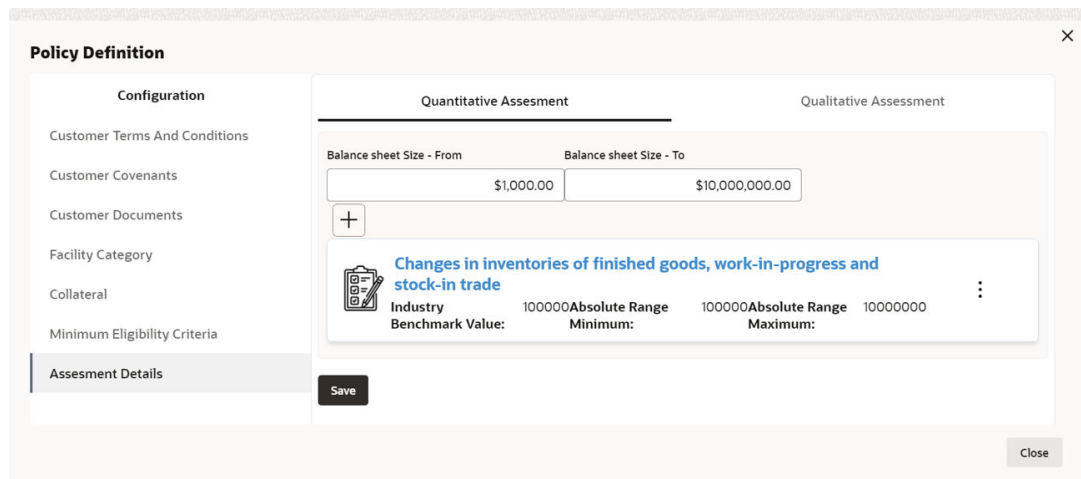
1. Click **Assessment Details** from the left menu. **Assessment** window is displayed.

**Figure 3-56 Assessment Details**



2. Click **Quantitative Assessment** tab.

**Figure 3-57 Quantitative Assessment**



For information on adding Quantitative Assessment fields screen, refer the below table

**Table 3-21 Quantitative Assessment**

Fields/Icons	Description
<b>Balance sheet Size - From</b> and <b>Balance sheet Size - To</b>	Specify the balance sheet size requirement in <b>Balance sheet Size - From</b> and <b>Balance sheet Size - To</b> fields, respectively.

- To capture **Benchmark Details**, click + icon. **Benchmark Details** window is displayed.

**Figure 3-58 Benchmark Details**

For information on fields in the **Benchmark Details** screen, refer the below table.

**Table 3-22 Benchmark Details**

Fields/ Icons	Description
<b>Financial Code</b>	Search and select <b>Financial Code</b> . <b>Financial Description</b> details is displayed based on the selected financial code. The list of financial codes will be displayed on basis of financial code maintenance done in <b>OBCFPM</b> .
<b>Industry Benchmark Value</b>	Specify <b>Industry Benchmark Value</b> .
<b>Absolute Range Minimum and Absolute Range Maximum</b>	Specify the allowed Benchmark range in <b>Absolute Range Minimum</b> and <b>Absolute Range Maximum</b> fields.
<b>Target Condition</b>	Specify <b>Benchmark Target Condition</b> by selecting options available in <b>Target Condition</b> . The available options are: <ul style="list-style-type: none"> <li>&lt;</li> <li>&gt;</li> <li>=</li> <li>Between</li> </ul> <p><b>Note:</b> If <b>Between</b> is selected as <b>Target Condition</b>, <b>From Benchmark Value</b> and <b>To Benchmark Value</b> will be displayed instead of <b>Bank Benchmark Value</b>. Enter the details.</p>

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

Figure 3-59 Quantitative Assessment

The screenshot shows the 'Policy Definition' window with the 'Quantitative Assessment' tab active. On the left, a sidebar lists configuration options, with 'Assessment Details' highlighted. The main area contains two input fields for 'Balance sheet Size - From' (\$1,000.00) and 'Balance sheet Size - To' (\$10,000,000.00). Below these is a '+' icon to add new entries. A table entry is visible with the following details:

Industry	Benchmark Value:	100000 Absolute Range Minimum:	100000 Absolute Range Maximum:	10000000
Changes in inventories of finished goods, work-in-progress and stock-in trade				

A context menu is open over the table entry, showing 'Edit', 'Delete', and 'View' options. A 'Save' button is located at the bottom left of the main area, and a 'Close' button is at the bottom right.

For information on adding Questionnaire Linkage Details fields screen, refer the below table.

Table 3-23 Quantitative Assessment Details

Fields/Icons	Description
<b>Benchmark Details</b>	To add another <b>Benchmark Details</b> , click <b>+</b> icon again and perform the necessary steps.
<b>Edit</b>	Click <b>Edit</b> , to modify the entered details.
<b>Delete</b>	Click <b>Delete</b> , to delete the entered details.
<b>View</b>	Click <b>View</b> , to delete the entered details.

#### **Note**

In Quantitative Analysis of CP applications the ratio will be populated for only those Financial codes which meet the below three requirements:

- a. Financial code Maintained as part of Financial Code Maintenance.
- b. Financial Code added as part of table *CFPM\_TM\_FINANCIAL\_RATIO* with formula defined. Factory shipped 14 financial codes are included in this table. Any new financial code which needs to be considered for scoring should be added into this table.
- c. Financial code added as part of Policy definition quantitative assessment details.

4. Click **Qualitative Assessment** tab. **Questionnaire Linkage Details** window is displayed.



**Figure 3-60 Questionnaire Linkage Details**

**Questionnaire Linkage Details** ✕

---

Category Code

Legal Evaluation

From Balance Sheet Size

₹55,550,000.00

To Balance Sheet Size

₹100,000,000.00

**Question Linkage**

**Sub Categories**

Operational Legal

Financial Legal

Question Code	Question Description	Factor	Actions
QUECD354	Is the entity legally valid	5	<div style="border: 1px solid #ccc; padding: 5px; display: inline-block;"> <ul style="list-style-type: none"> <li>⋮</li> <li>🗑 Remove</li> <li>👁 View</li> </ul> </div>

Cancel Add

For information on adding **Questionnaire Linkage Details** fields screen, refer the below table.

Table 3-24 Questionnaire Linkage Details

Fields/Icons	Description
<b>Category Code</b>	<p>Select the <b>Category Code</b> from the drop-down list. The available options are:</p> <ul style="list-style-type: none"> <li>• Other Analysis</li> <li>• Shareholder Analysis</li> <li>• Guarantor Analysis</li> <li>• Banker Analysis</li> <li>• Currency Analysis</li> <li>• Country Analysis</li> <li>• Advisors Analysis</li> <li>• Insurance Analysis</li> <li>• Management Team Analysis</li> <li>• Directors Analysis</li> <li>• Supplier Analysis</li> <li>• Legal Evaluation</li> <li>• Risk Evaluation</li> <li>• Economic Conduct</li> <li>• Economic domestic Conduct</li> <li>• Geographic Expansion</li> <li>• Financial Performance</li> <li>• Speeding Trends</li> <li>• Government Support</li> <li>• Bank Obligations</li> <li>• Industrial Performance</li> <li>• Qualitative Analysis</li> <li>• Sector Analysis</li> <li>• Creditor Analysis</li> <li>• Qualitative Analysis</li> <li>• Debtor Analysis</li> <li>• Customer Analysis</li> <li>• Contractor Analysis</li> <li>• KYC</li> <li>• Loan Account Analysis</li> <li>• Trading Operations Analysis</li> <li>• Rating Analysis</li> <li>• Market Share Analysis</li> <li>• External Credit Scoring Analysis</li> <li>• Peer Analysis</li> </ul> <p>This list will be populated based on the Questionnaire maintained as part of <b>OBCFPM</b>.</p>
<b>From Balance Sheet Size and To Balance Sheet Size</b>	Specify the balance sheet size requirement in <b>From Balance Sheet Size</b> and <b>To Balance Sheet Size</b> fields.

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

**Figure 3-61 Questionnaire Linkage Details**

**Questionnaire Linkage Details**

Category Code: Legal Evaluation  
 From Balance Sheet Size: ₹55,550,000.00  
 To Balance Sheet Size: ₹100,000,000.00

Question Linkage

Sub Categories: Operational Legal, Financial Legal

Question Code	Question Description	Factor	Actions
QUECD354	Is the entity legally valid	5	View

Buttons: Cancel, Add

5. Click **View** icon in **Actions** column. **Question Details** window is displayed.

**Figure 3-62 Question Details**

**Question Details**

Question Code: QUECD354  
 Question Description: Is the entity legally valid  
 Factor: 5

Answer Description	Score
No	1
Yes	5

Button: Done

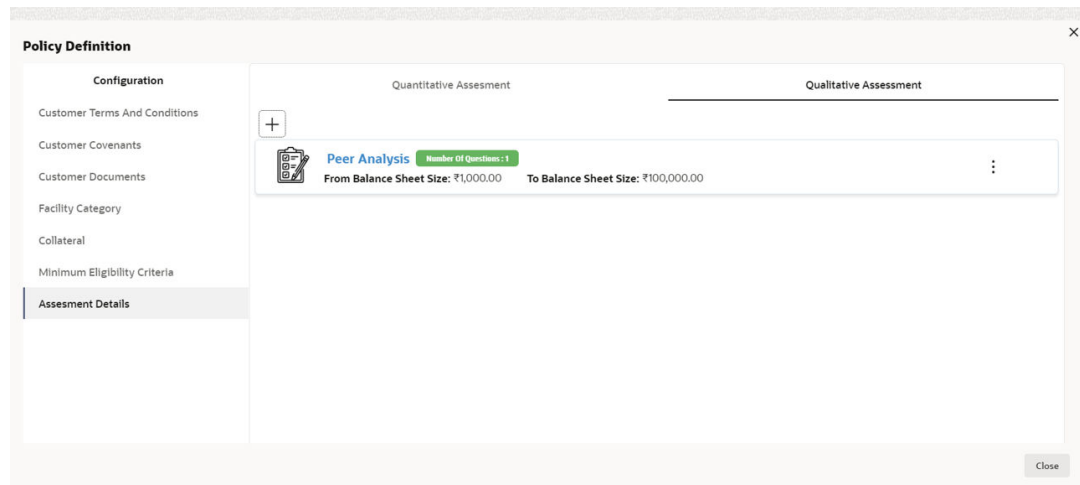
For information on adding Question Details fields screen, refer the below table.

**Table 3-25 Question Details**

Fields/Icons	Description
<b>Done</b>	View the details and click <b>Done</b> .
<b>Remove</b>	To remove the question, click <b>Remove</b> icon in the <b>Action</b> column.

6. Click **Add**. Assessment details are added as shown below:

**Figure 3-63 Assessment Details**



For information on adding Assessment details screen, refer the below table.

**Table 3-26 Assessment details**

Fields/Icons	Description
<b>Save</b>	To save the overall configuration details, click <b>Save</b> . <b>Policy Definition</b> page is displayed.
<b>Next</b>	Define policy for the sub sector and all the sub industries, and then click <b>Next</b> . <b>Policy Summary</b> page is displayed.

#### **Default Fields**

The Questionnaire set as part of **Qualitative Assessment** section will get defaulted in the CP processes and the Financial codes defined for **Quantitative Assessment** will get defaulted in the CP transactions.

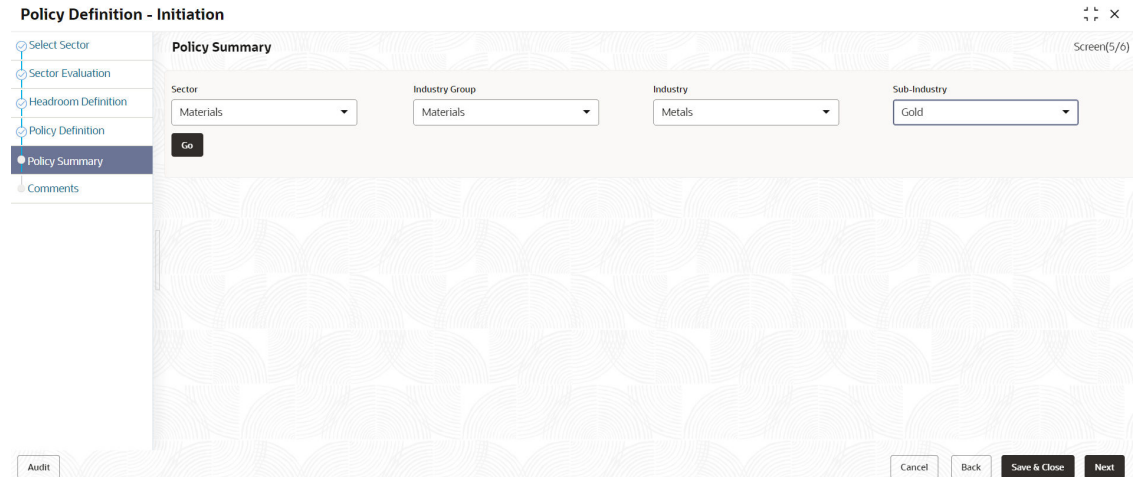
- under Assessment Details under Qualitative Assessment **Questionnaire** will get defaulted in **Credit** application
- under Assessment Details under Quantitative Assessment **Financial Codes** will get defaulted in **Credit** application

## **3.5 Policy Summary**

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

Select **Sector**, **Industry Group**, **Industry**, and **Sub-Industry** in **Policy Summary** window and Click **Go**.

Figure 3-64 Initiation\_Policy Summary



Policy Summary window is displayed with all details.

Figure 3-65 Policy Summary

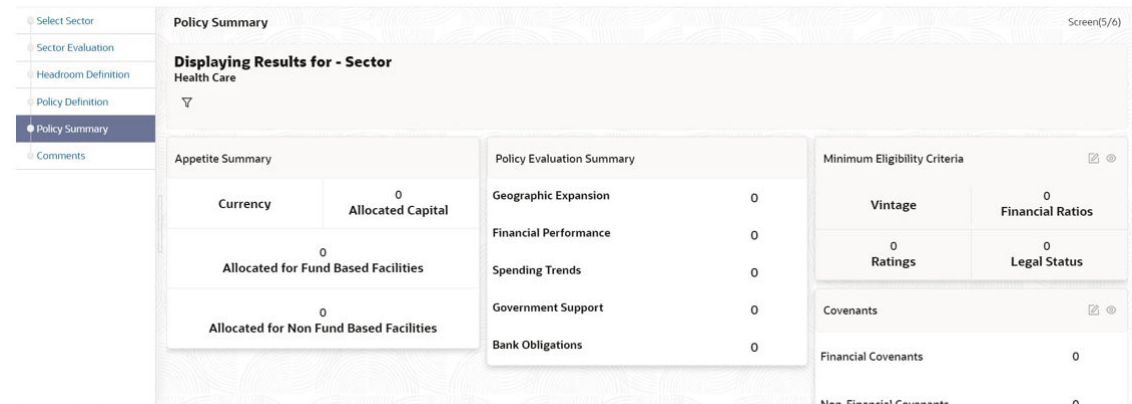
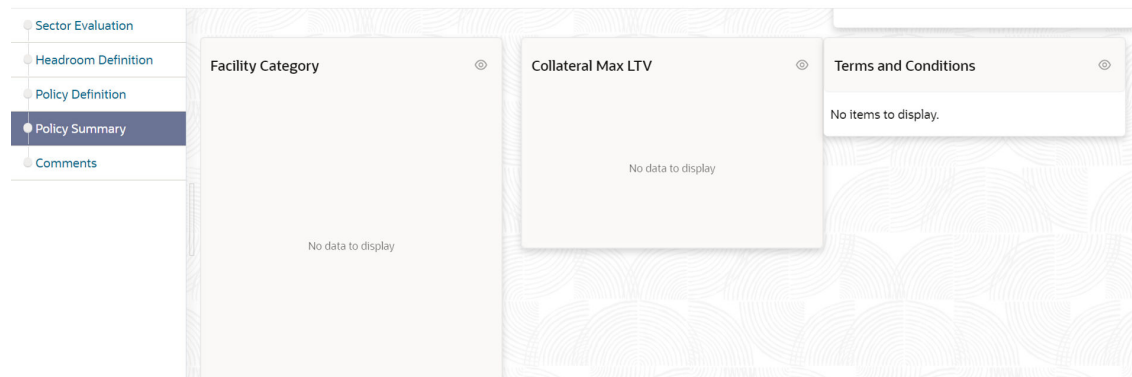


Figure 3-66 Policy Summary



1. To modify the necessary details, click **Back** button.
2. To cancel the policy definition process, click **Cancel** button.
3. To save the entered details and close the process, click **Save & Close**.
4. View the **Policy Summary** and click **Next** after verifying all the details.

## 3.6 Comments

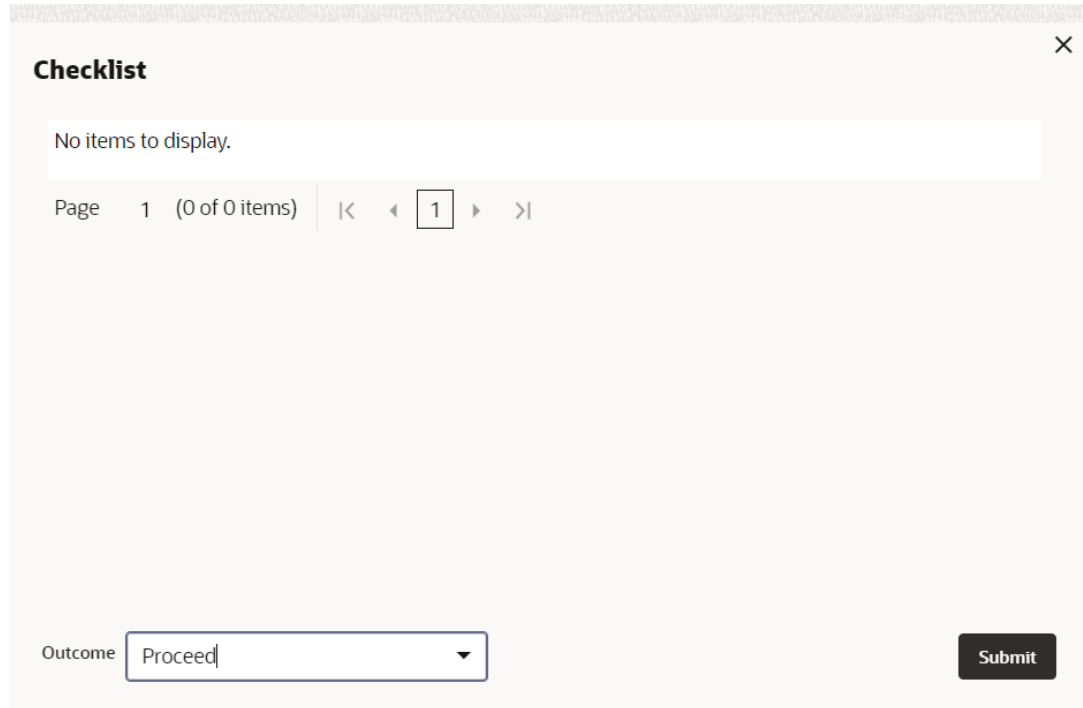
In this page, the overall comments for the policy definition initiation stage are captured. The comments captured in this page are used by the Approvers to make quick decisions.

Click **Next** in **Policy Summary** page, **Comments** page is displayed.

**Figure 3-67** Comments

The screenshot displays the 'Policy Definition - Initiation' interface. On the left, a vertical navigation menu lists several stages: 'Select Sector', 'Sector Evaluation', 'Headroom Definition', 'Policy Definition', 'Policy Summary', and 'Comments', with 'Comments' currently selected. The main content area is titled 'Comments' and features a rich text editor with a toolbar containing icons for undo, redo, bold, italic, underline, text color, font size, bulleted list, numbered list, link, unlink, and text alignment. Below the toolbar is a text input field with the placeholder 'Enter text here...'. To the right of the input field is a 'Post' button. Below the input field, a message states 'No items to display.' At the bottom of the page, there are five buttons: 'Audit', 'Cancel', 'Back', 'Save & Close', and 'Submit'.

1. **Post** the **Comments** for this stage. Posted comments appear at the bottom of the **Comments** box.
2. Click **Submit**. **Checklist** related to the policy definition process is displayed.

**Figure 3-68 Checklist**

**Checklist** X

No items to display.

Page 1 (0 of 0 items) | < < 1 > >

Outcome  ▼

**Submit**

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

# 4

## Business Recommendation

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

### **Note**

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**.

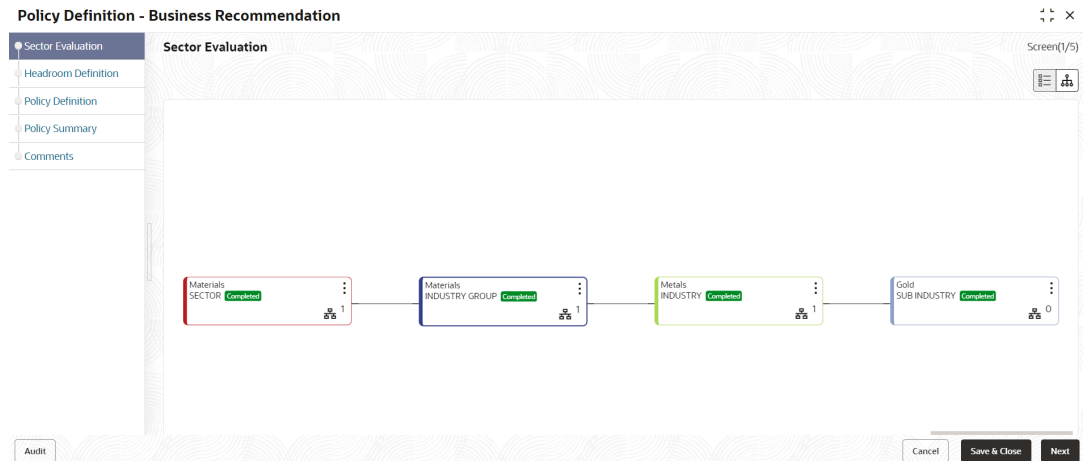
**Figure 4-1 Free Tasks**

Acquire & Edit	Priority	Process Name	Process Reference Number	Application Number	Stage	Application Date	Branch
<input type="checkbox"/>	Low	Policy Definition	PL23159143	PL23159143	Business Recommendation	25-05-19	000
<input type="checkbox"/>	Low	Collateral Perfection	APP231467666	APP231467666	Risk Evaluation	19-09-20	000
<input type="checkbox"/>	Low	Collateral Perfection	APP231467666	APP231467666	Legal Opinion	19-09-20	000
<input type="checkbox"/>	Low	Collateral Perfection	APP231467666	APP231467666	External Valuation	19-09-20	000
<input type="checkbox"/>	Low	Collateral Perfection	APP231457649	APP231457649	Risk Evaluation	19-09-20	000
<input type="checkbox"/>	Low	Collateral Perfection	APP231457649	APP231457649	External Valuation	19-09-20	000
<input type="checkbox"/>	Low	Collateral Perfection	APP231457649	APP231457649	Field Investigation	19-09-20	000
<input type="checkbox"/>	Low	Collateral Perfection	APP231457649	APP231457649	Legal Opinion	19-09-20	000
<input type="checkbox"/>	Low	Collateral Perfection	APP231457648	APP231457648	Legal Opinion	19-09-20	000

2. Click **Acquire and Edit** and acquire the required task. **Sector Evaluation** page is displayed.



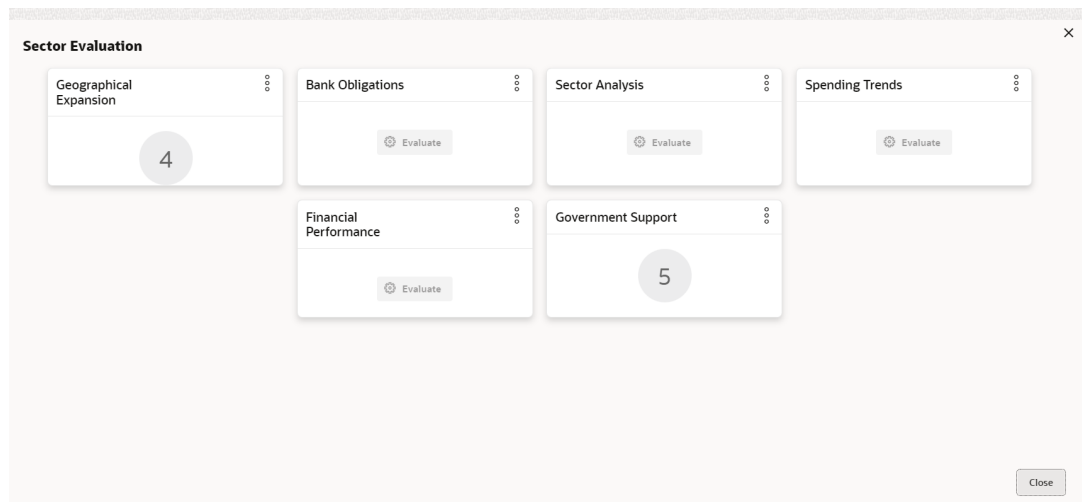
**Figure 4-2 Business Recommendation\_Sector Evaluation**



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

3. Right click the sector, industry group, industry and sub - industry and then click **Evaluate Now**. **Sector Evaluation** window is displayed.

**Figure 4-3 Sector Evaluation**



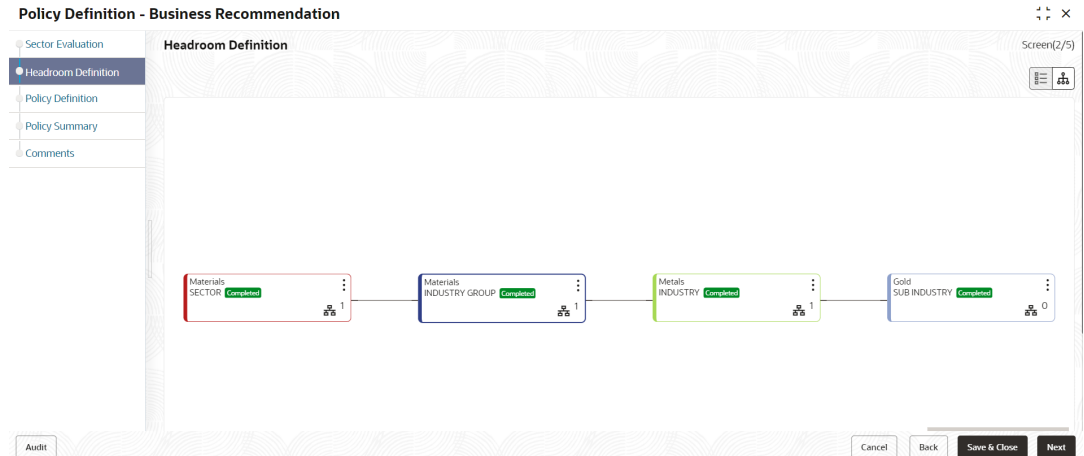
For information on fields in the Sector Evaluation screen, refer the below table.

**Table 4-1 Sector Evaluation**

Fields/Icons	Description
<b>Edit</b>	To perform re-evaluation, click <b>Edit</b> .
<b>Comments</b>	To capture comments for the evaluation, click <b>Comments</b> .
<b>Close</b>	Click <b>Close</b> to close the window.

4. In **Section Evaluation** page, click **Next**. **Headroom Definition** page is displayed.

Figure 4-4 Business Recommendation\_Headroom Definition

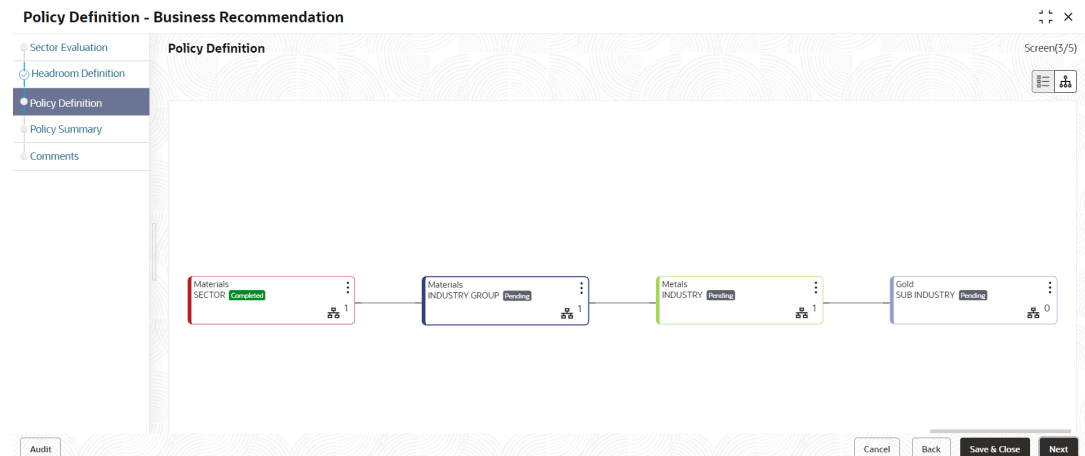


5. Right click the sector, industry group, industry and sub - industry and then click **Define Appetite**. **Appetite Setting** window is displayed.

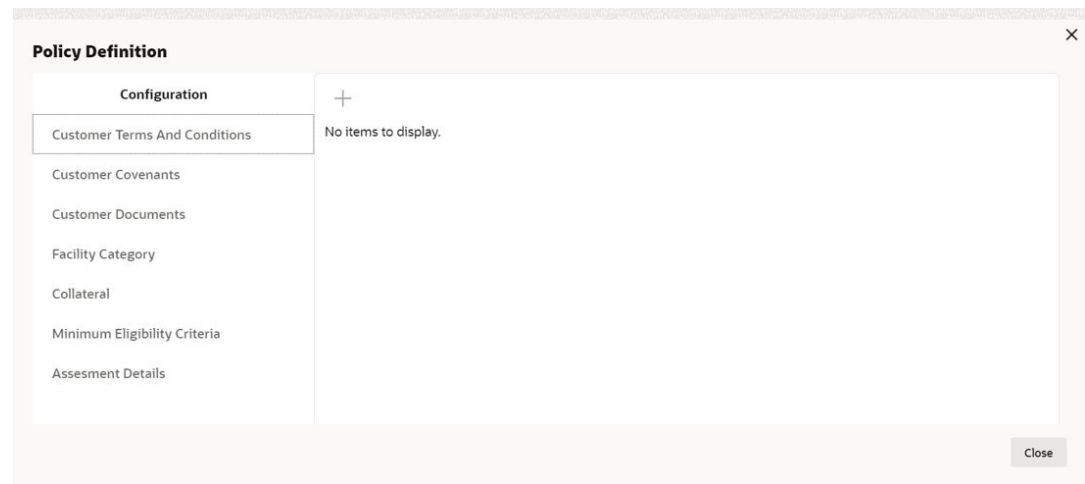
Figure 4-5 Business Recommendation\_Appetite Setting

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

6. View the necessary details and click **Submit**.
7. In the **Headroom Definition** page, click **Next**. **Policy Definition** page is displayed.

**Figure 4-6 Business Recommendation\_Policy Definition**

8. Right click the sector, industry group, industry and sub - industry and then click **Configure**. **Policy Definition Configuration** window is displayed.

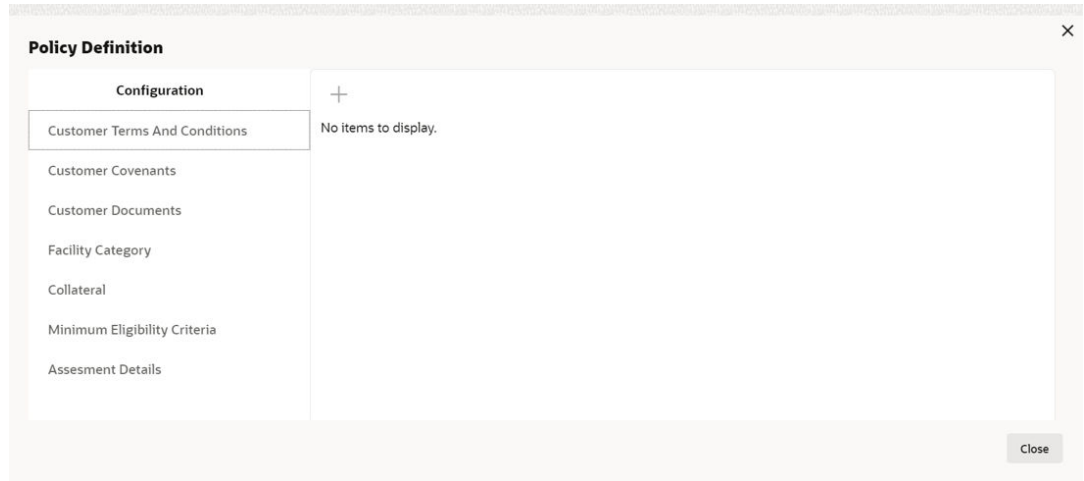
**Figure 4-7 Policy Definition Configuration**

- [Policy Definition Configuration](#)

## 4.1 [Policy Definition Configuration](#)

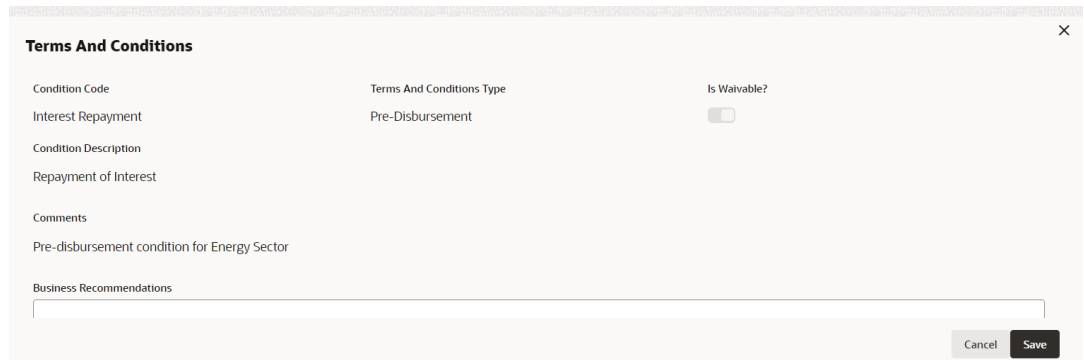
1. **Terms And Conditions**
2. To capture business recommendations for the terms and conditions, click **Terms And Conditions** from the left menu.

**Figure 4-8 Customer Terms And Conditions**

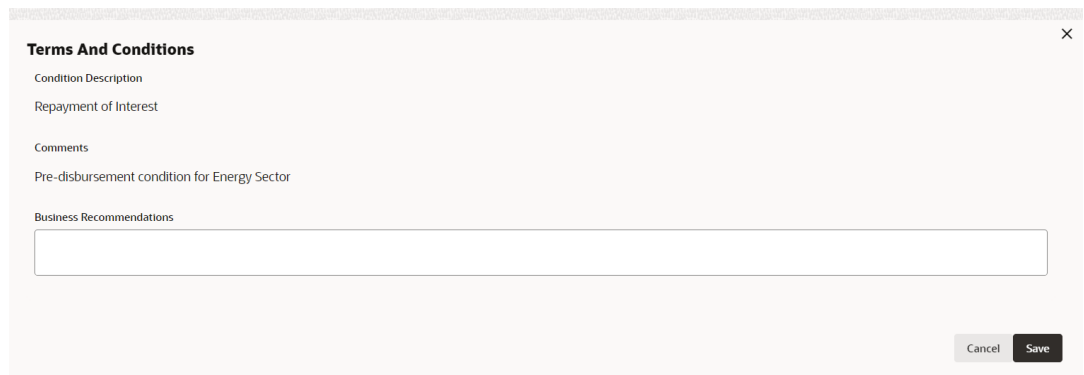


3. Select the required terms and conditions and then click **Edit** icon. **Terms And Conditions** window is displayed.

**Figure 4-9 Terms And Conditions**



**Figure 4-10 Terms And Conditions**



For information on fields in the Terms And Conditions screen, refer the below table.

**Table 4-2 Terms And Conditions**

Fields/Icons	Description
<b>Business Recommendations</b>	View the details and enter <b>Business Recommendations</b> .
<b>Save</b>	Click <b>Save</b> , to save the details.
<b>Customer Covenants</b>	To capture business recommendations for <b>Customer Covenants</b> , click <b>Customer Covenants</b> from the left menu.

4. Select the required customer covenant and then click **Edit** icon. **Covenant Details** window is displayed.

**Figure 4-11 Covenant Details**

The screenshot shows a 'Covenant Details' window with the following data:

Covenant Details			
Covenant ID	Covenant Name	Classification Type	Covenant Type
CV5000041_	DSCR by EBITDA	Internal	Financial
	Notice Days	Covenant Description	
	1	DSCR by EBITDA	
Target condition			
Is Waivable?	Covenant Target Condition	Target Value	
<input type="checkbox"/>	GT	12500000.00	
Comments			
Business Recommendations			

Buttons: Cancel, Save

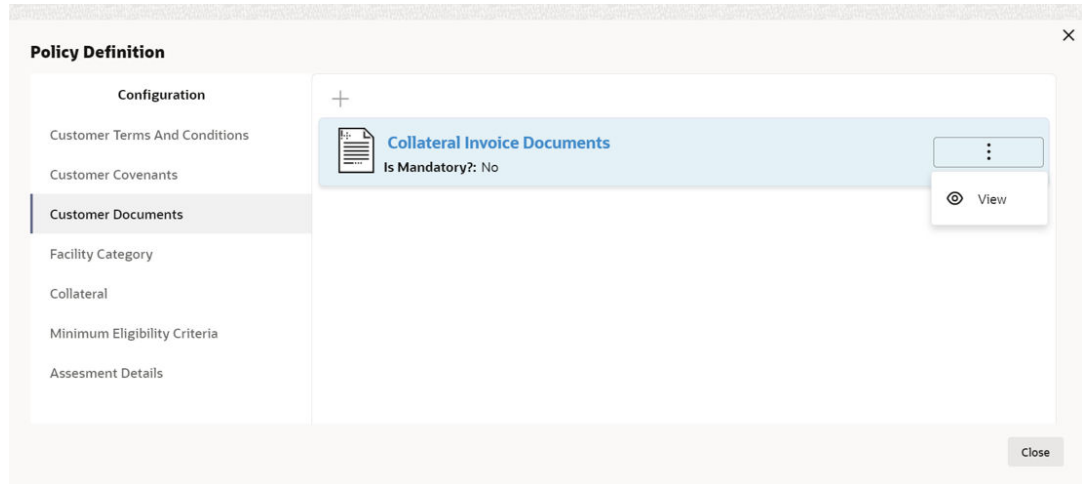
For information on fields in the Covenant Details screen, refer the below table.

**Table 4-3 Covenant Details**

Fields/Icons	Description
<b>Business Recommendations</b>	View the details and enter <b>Business Recommendations</b> .
<b>Save</b>	Click <b>Save</b> , to save the details.

5. Click **Customer Documents** from the left menu.

**Figure 4-12 Customer Documents**



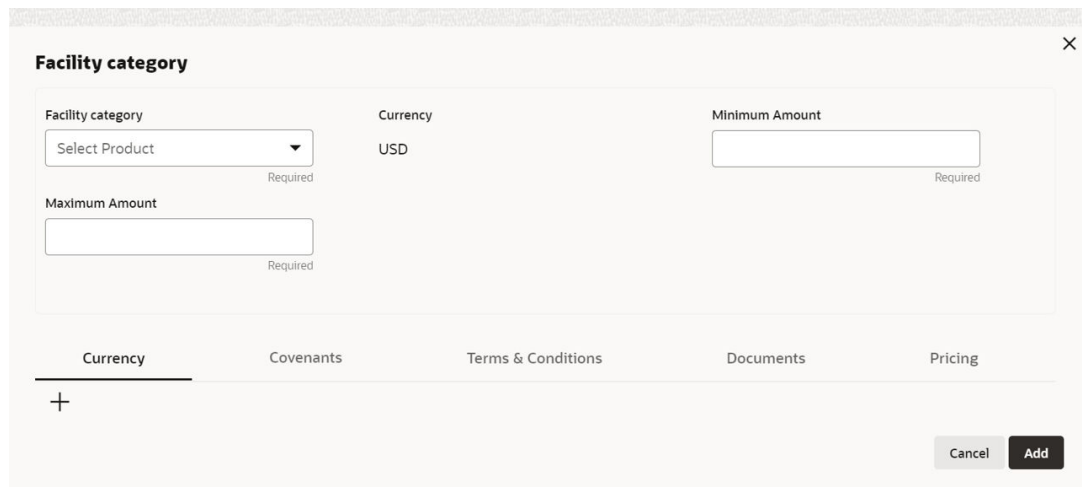
In **Customer Documents** window, either new customer document details can be added or the already added customer document details can be viewed. For information on fields in the Customer Documents screen, refer the below table.

**Table 4-4 Customer Documents**

Fields/Icons	Description
<b>Add</b>	To add new document details, click <b>+</b> icon.
<b>View</b>	To View the document details, select the detail and then click <b>View</b> icon.
<b>Facility Category</b>	To capture business recommendation for the <b>Facility Category</b> , click <b>Facility Category</b> from the left menu.

6. Select the **Facility Category** and then click **Edit** icon. **Facility Category** window is displayed.

**Figure 4-13 Facility Category**



For information on fields in the Facility Category screen, refer the below table.

**Table 4-5 Facility Category**

Fields/Icons	Description
<b>Business Recommendations</b>	View the details and enter <b>Business Recommendations</b> .
<b>Save</b>	Click <b>Save</b> , to save the details.
<b>Collateral</b>	To capture business recommendations for the collateral, click <b>Collateral</b> from the left menu.

7. Select the required collateral details and then click the **Edit** icon. **Collateral Details** window is displayed.

**Figure 4-14 Collateral Details**

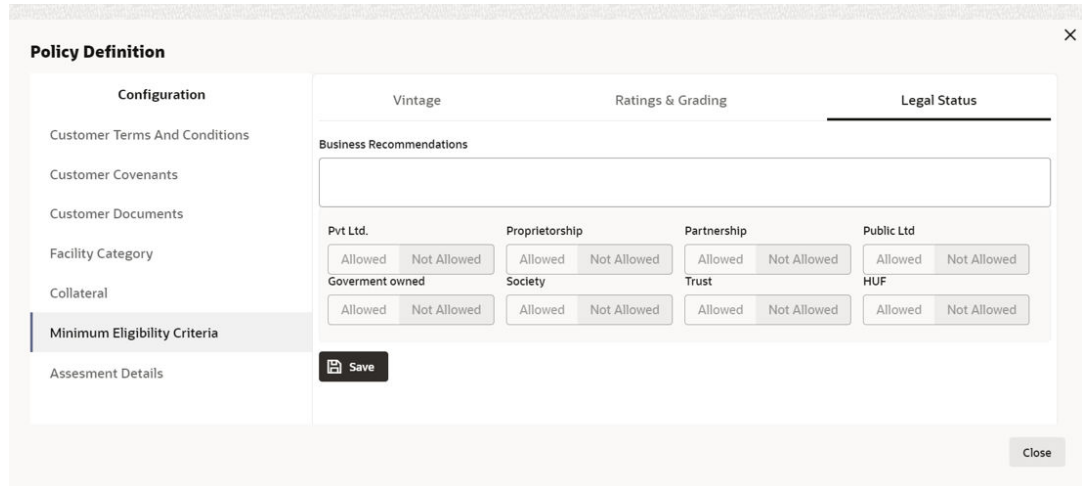
For information on fields in the Collateral Details screen, refer the below table.

**Table 4-6 Collateral Details**

Fields/Icons	Description
<b>Business Recommendations</b>	View the details and enter <b>Business Recommendations</b> .
<b>Save</b>	Click <b>Save</b> .

8. To capture business recommendations for the minimum eligibility criteria, click **Minimum Eligibility Criteria** from the left menu. **Vintage** window is displayed.

Figure 4-15 Vintage

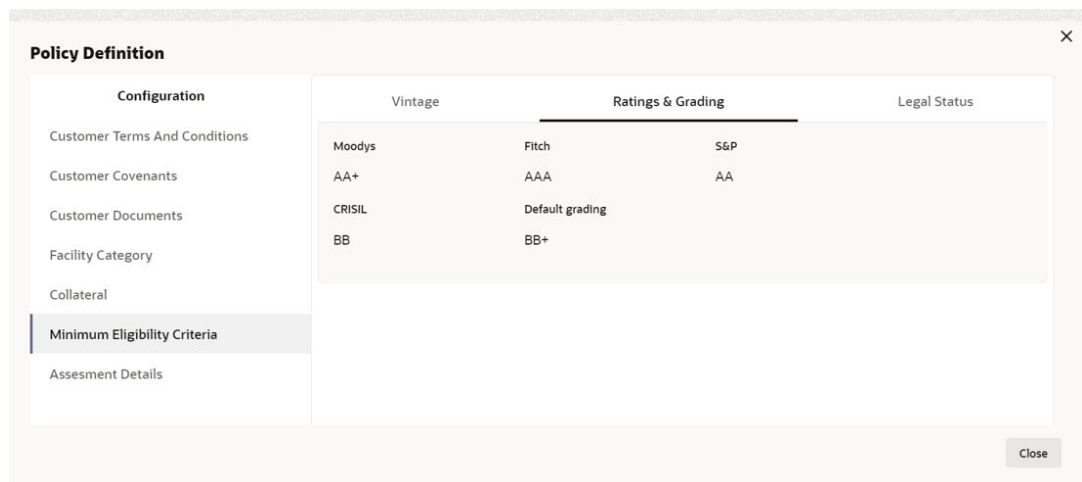


For information on fields in the Minimum Eligibility Criteria screen, refer the below table.

Table 4-7 Minimum Eligibility Criteria

Fields/Icons	Description
<b>Business Recommendations</b>	View the details and enter <b>Business Recommendations</b> .
<b>Save</b>	Click <b>Save</b> and then click <b>Submit</b> .
<b>Ratings &amp; Gradings</b>	To capture business recommendations for <b>Ratings &amp; Gradings</b> , click right arrow at the top right corner. <b>Ratings &amp; Grading</b> window is displayed.

Figure 4-16 Ratings and Grading



9. View the details in **Ratings & Grading**.
10. To view **Legal Status**, click right arrow at the top right corner. **Legal Status** window is displayed.



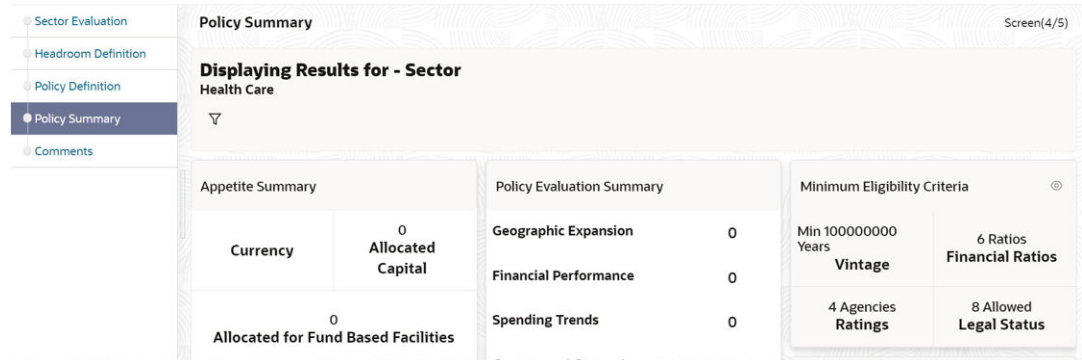
Figure 4-17 Legal Status

**Note: Business Recommendation** remark is captured only in **Legal Status** screen and in Vintage and Rating & Grading screens remarks cannot be captured you can only view the screens.

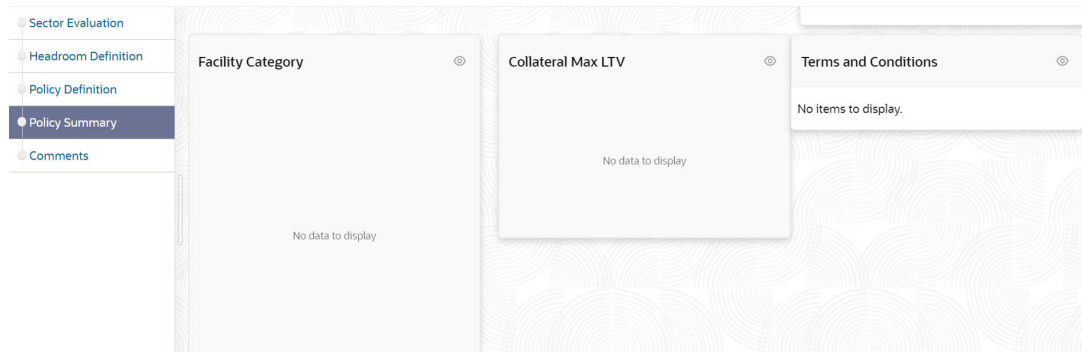
- To view **Policy Summary**, click **Next** in **Policy Definition** page.

Figure 4-18 Business Recommendation\_Policy Summary

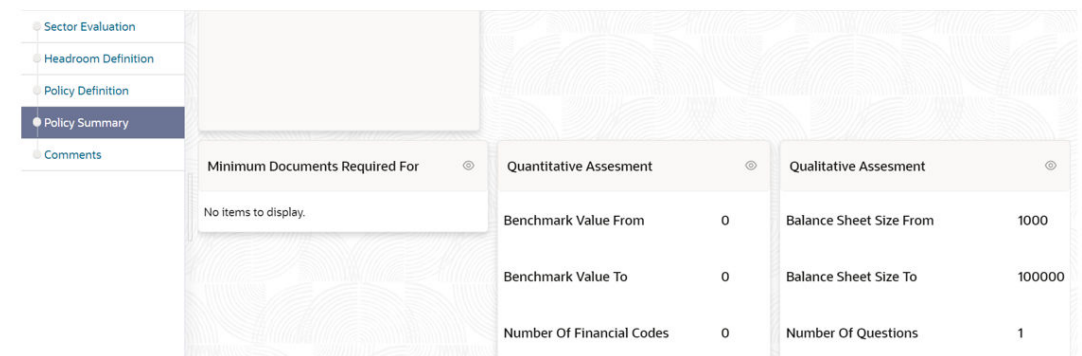
**Figure 4-19 Business Recommendation\_Policy Summary**



**Figure 4-20 Policy Summary**



**Figure 4-21 Policy Summary**



For information on fields in the Policy Definition screen, refer the below table.

**Table 4-8 Policy Definition**

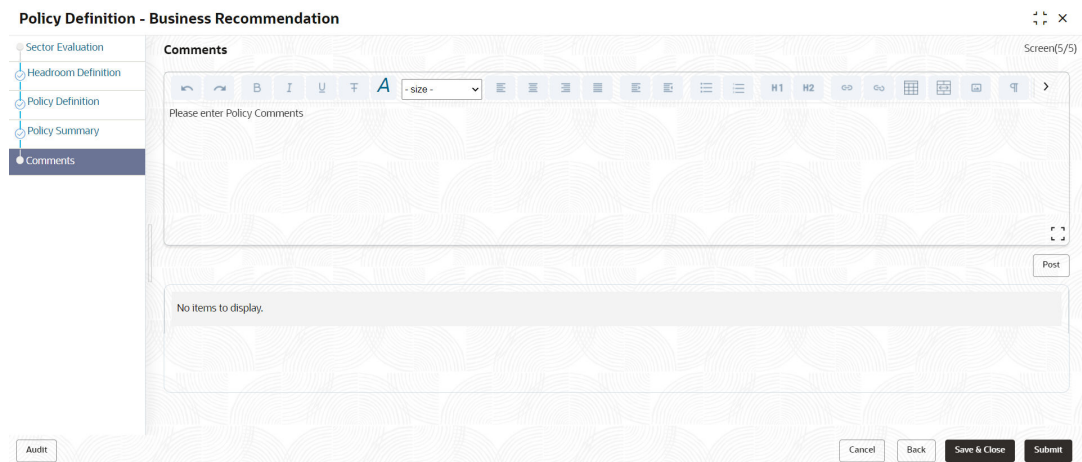
Fields/Icons	Description
Go	Select the sector, industry group, industry and sub - industry and then click <b>Go</b> . <b>Policy Summary</b> is displayed.

**Table 4-8 (Cont.) Policy Definition**

Fields/Icons	Description
<b>Policy Summary</b>	View the <b>Policy Summary</b> and click <b>Next</b> after verifying all the details.
<b>Back</b>	To modify the necessary details, click <b>Back</b> .
<b>Cancel</b>	To cancel the policy definition process, click <b>Cancel</b> .
<b>Save &amp; Close</b>	To save the entered details and close the process, click <b>Save &amp; Close</b> .

Click **Next** button in **Policy Summary** page, **Comments** page is displayed.

**Figure 4-22 Business Recommendation\_Comments**



For information on fields in the Comments screen, refer the below table.

**Table 4-9 Comments**

Fields/Icons	Description
<b>Post</b>	<b>Post</b> the <b>Comments</b> for this stage. Posted comments appear at the bottom of the <b>Comments</b> box.
<b>Submit</b>	Click <b>Submit</b> . <b>Checklist</b> related to the policy definition process is displayed.

**Figure 4-23 Checklist**

For information on fields in the Checklist screen, refer the below table.

**Table 4-10 Checklist**

Fields/Icons	Description
<b>Outcome</b>	<p>Select the <b>Outcome</b>. The options available are:</p> <ul style="list-style-type: none"> <li>• Proceed</li> <li>• Additional Info</li> </ul> <p>If <b>Proceed</b> is selected as <b>Outcome</b>, the policy is moved to the <b>Credit Approval</b> stage.</p> <p>If <b>Additional Info</b> is selected as <b>Outcome</b>, the policy is moved back to the <b>Policy Initiation</b> stage. The Policy Manager has to modify the policy details and submit it again for <b>Business Recommendation</b> stage.</p>

# 5

## 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.

 **Note**

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

# 6

## 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.

 **Note**

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

# 7

## 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.

### **Note**

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

# 8

## 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.

 **Note**

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



# 9

## 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.

 **Note**

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

# 10

## Policy Approval

After the multiple stages of approval and recommendation, the policy head finalizes the policy in this stage.

**Figure 10-1 Covenant Details**

The screenshot shows a 'Covenant Details' form with the following fields and values:

Covenant Details			
Covenant ID	Covenant Name	Classification Type	Covenant Type
TestCovenant	TestCovenant	Internal	Financial
Frequency	Notice Days	Covenant Description	
Yearly			
Target condition			
Is Waivable?	Covenant Target Condition	Target Value	
<input type="checkbox"/>	GT	10000.00	
Comments			
Policy Approver Comments			
Policy Approved			

Cancel

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

If the Outcome is selected as **Approve** in this stage, the policy is approved.

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

# 11

## 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

### **Documentation Accessibility**

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc>.

### **Feedback and Support**

Oracle welcomes customer's comments and suggestions on the quality and usefulness of the document. Your feedback is important to us. If you have a query that is not covered in this user guide or if you still need assistance, please contact documentation team.