

Business Requirement Document

Domain: Banking & Financial Services – Retail Lending

Project Name:

Loan Origination System (LOS)

Author ,change Control:-

| Date | Author | Version | Description |
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Approvers:-

| Approvers | Department | Signature & Date |
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Introduction

Purpose

This document provides detailed functional requirements for the Loan Origination System (LOS). It translates business requirements into system-level functionalities and defines user interactions, workflows, and validation rules.

Scope

This FRD covers application capture, document management, credit evaluation, workflow routing, and status tracking.

System Overview

The LOS will be a role-based web application that enables:

- Loan application creation
- Document upload and verification
- CIBIL score retrieval
- Eligibility calculation
- Credit decision workflow
- Application status tracking

User Roles and Permissions

| Role | Access |
|----------------|--|
| Sales | Create and submit applications |
| Operations | Verify documents and data |
| Credit Manager | Review and approve/reject applications |
| Risk Manager | Handle policy exceptions |
| Admin | Manage users and configurations |

Functional Requirements

Loan Application Module

FR-1: Create Application

System shall allow Sales users to create a new loan application.

FR-2: Capture Customer Details

Mandatory fields:

- Name
- DOB
- PAN
- Contact details
- Employment type
- Monthly income

FR-3: Capture Loan Details

- Loan type (Home / Business / LAP)
- Loan amount requested
- Tenure
- Property details (if applicable)

FR-4: Save and Submit

Users shall be able to save draft applications and submit when complete.

Document Management Module

FR-5: Upload Documents

System shall allow upload of:

- KYC documents
- Income proof
- Bank statements
- Property documents

FR-6: Document Checklist

System shall display mandatory documents based on loan type.

FR-7: Document Status

Documents shall be marked as:

- Pending
 - Verified
 - Rejected
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Credit Evaluation Module

FR-8: CIBIL Integration

System shall fetch CIBIL score via API.

FR-9: Eligibility Calculation

System shall calculate eligibility using:

- FOIR
- Income
- Existing obligations

FR-10: Risk Flags

Applications shall be flagged if:

- CIBIL < 650
 - FOIR > 50%
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Workflow Management

FR-11: Application Routing

System shall route applications in sequence:

Sales → Operations → Credit

FR-12: Send Back for Correction

Credit/Operations users can send application back to Sales.

FR-13: Approval/Rejection

Credit Manager can:

- Approve
- Reject
- Request additional documents

FR-14: Audit Trail

System shall log all user actions with timestamp.

Status Tracking Module

FR-15: Internal Status View

Users shall see application stage and pending actions.

FR-16: Customer Status View

Customers shall view simplified status:

- Under Review
- Approved
- Rejected

Business Rules

- Minimum CIBIL score: 650
- Maximum FOIR: 50%
- Mandatory documents required before credit review
- Only Credit Manager can approve loans

Non-Functional Requirements

Performance

System shall support concurrent users without performance degradation.

Security

- Role-based access control
- Data encryption for sensitive fields

Availability

System shall be available during business hours with minimal downtime.

Usability

User interface shall be simple and form-driven.

Reporting Requirements

System shall generate reports for:

- Application status by stage
- Approval vs rejection ratio
- TAT by department
- CIBIL score distribution

Error Handling

- Mandatory field validation messages
- Document upload failure alerts
- API failure fallback messages

Assumptions

- CIBIL API available
- Users trained before system usage
- Standard loan products configured

Approval and Sign-Off

| Name | Role | Sign-Off |
|---------------|-------------|----------|
| Business Head | Stakeholder | Pending |
| Credit Head | Stakeholder | Pending |
| IT Manager | Stakeholder | Pending |