Business Requirement Document (BRD)

**Project: Analysing Bank Loans Aging/Classification/Movement**

**Introduction:**

The purpose of this document is to outline the business requirements for a project that focuses on analyzing bank loans to minimize credit risk. The project involves analyzing loans in terms of aging, classification, and movement to gain insights into loan portfolio performance. The analysis will be based on data using aging buckets and tracking how loans transition between different classifications over time.

**Project Overview:**

The project aims to provide a comprehensive understanding of the bank's loan portfolio by analyzing the aging, classification, and movement of loans. The primary goal is to minimize credit risk by identifying potential risks and trends associated with the loans. The analysis will be performed based on the following columns of data:

* Date: The date of analysis or reporting.
* Previous Classification: The classification of loans in the previous analysis period.
* Current Classification: The updated classification of loans in the current analysis period.
* Previous Classification 2: An additional classification category used in the previous analysis period.
* Current Classification 2: The updated additional classification category in the current analysis period.
* Number of Loans: The count of loans falling under the respective classification.
* Amount Outstanding: The total outstanding amount of loans in each category.

**Business Requirements:**

The following are the key business requirements for the project:

3.1 **Loan Aging Analysis**:

* Categorize loans based on aging buckets, representing different time periods or stages.
* Identify how loans transition from one aging bucket to another as time passes.
* Gain insights into the number of loans and the amount outstanding for each aging bucket.

3.2 **Loan Classification Analysis:**

* Classify loans into different risk categories based on predetermined criteria.
* Monitor the movement of loans between risk categories over time.
* Track the number of loans and the amount outstanding for each risk category.

3.3 **Loan Movement Analysis:**

* Analyze how loans move between different classifications and aging buckets.
* Identify patterns or trends in loan movements.
* Determine the impact of loan movements on credit risk.

**Assumptions and Constraints:**

* The data used for analysis will be accurate, complete, and up to date.
* The analysis will be performed periodically, covering specific time intervals (e.g., monthly, quarterly).
* The loan classifications and aging buckets will be defined based on the bank's internal policies and risk management guidelines.

**Deliverables:**

The project will deliver the following outcomes:

* Detailed analysis reports on loan aging, classification, and movement.
* Visual representations (charts, graphs) to illustrate loan trends and movements.
* Recommendations for managing credit risk based on the analysis findings.

**Timeline and Milestones:**

Define project timeline and milestones in collaboration with stakeholders and project team.

Note: This document provides a high-level overview of the project requirements. Further discussions, analysis, and collaboration with stakeholders and the project team will be necessary to refine and finalize the specific details of the project.