Functional Requirements Document (FRD)

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

**Introduction:**

The Functional Requirements Document (FRD) outlines the specific functional requirements for the 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.

**System Overview:**

The system being developed will provide a platform for analyzing and monitoring bank loans. It will facilitate the analysis of loan aging, classification, and movement to minimize credit risk. The system will include the following functionalities:

**2.1 Data Input:**

Allow users to input loan data, including the loan date, previous and current loan classifications, previous and current additional classifications, number of loans, and amount outstanding.

Validate and store the loan data securely in a database.

**2.2 Loan Aging Analysis:**

* Categorize loans into aging buckets based on predetermined time periods (e.g., 30 days, 60 days, 90 days).
* Calculate and track the movement of loans between aging buckets as time progresses.
* Generate reports and visualizations showing the distribution of loans across aging buckets.

**2.3 Loan Classification Analysis:**

* Define loan risk categories based on internal policies and risk management guidelines.
* Assign loans to specific risk categories based on predetermined criteria (e.g., credit score, income).
* Monitor and track changes in loan classifications over time.
* Provide reports and visualizations to display the distribution of loans across risk categories.

**2.4 Loan Movement Analysis:**

* Analyze the movement of loans between different classifications and aging buckets.
* Identify patterns and trends in loan movements.
* Calculate and present statistics such as the percentage of loans moving between categories.
* Generate reports and visualizations illustrating loan movement patterns.

**2.5 Reporting and Notifications:**

Generate comprehensive reports summarizing the loan aging, classification, and movement analyses.

Provide the ability to filter reports based on specific criteria (e.g., time period, risk category).

Allow users to schedule automated reports and notifications for regular analysis updates.

**Non-functional Requirements:**

* The system should have a user-friendly interface that is easy to navigate and understand.
* The system should be secure, protecting sensitive loan data from unauthorized access or manipulation.
* The system should have high performance and scalability to handle large volumes of loan data.
* The system should provide efficient data retrieval and generate reports in a timely manner.
* The system should be compatible with various operating systems and web browsers.

**Assumptions and Constraints:**

* The system will integrate with the existing loan management system to access loan data.
* The loan classifications, aging buckets, and risk criteria will be provided by the bank and aligned with their internal policies.
* The system development and implementation will adhere to relevant regulatory and compliance standards.

**Implementation Timeline:**

Define the project timeline and milestones for system development, testing, and deployment.

Note: The Functional Requirements Document provides a high-level overview of the functional requirements. Detailed discussions with stakeholders and the development team will be necessary to finalize the specific details of the system functionalities and features.