"PS TITLE: Beneficiary Credit Scoring with Income Verification Layer for Direct Digital Lending "

"PS DESCRIPTION:

Background

Channel partners of NBCFDC provide data for existing beneficiaries — including loan amounts, loan tenure, repayments status, and business activity details.

While repayment behaviour is a strong indicator of creditworthiness, concessional lending to backward classes also requires validating income levels to ensure that loans go to those who truly need them and to assess their repayment ability for future direct lending.

Challenge

Develop an AI/ML-based credit scoring model that:

1. Uses historical repayment behaviour, loan utilization patterns, and repeat borrowing data (if any)

2. Integrates income level assessment using reliable consumption-based metrics with an option for beneficiaries to upload consumption details e.g.:

  o Household energy consumption (electricity usage patterns)

  o Mobile recharge frequency and amounts (aggregated, anonymized)

  o Utility bill payment patterns

  o Any open government socio-economic survey datasets

3. Produces a Composite Beneficiary Credit Score that blends repayment behaviour and estimated income category.

4. Enables a prototype Direct Digital Lending Module that can approve loans digitally for low-risk, eligible beneficiaries.

Constraints

• Model must work even with incomplete historical or consumption data (handle missing values).

• Scoring methodology must be transparent and explainable for compliance and audit.

• Must classify beneficiaries into Risk Bands (e.g., Low Risk–High Need, Low Risk–Low Need, High Risk–High Need, etc.).

• Should allow periodic re-scoring as new repayment or consumption data is added.

Deliverables

• Working ML model that outputs composite scores.

• Dashboard or API to view beneficiary scores and risk bands.

Impact Goal

• Ensure loans reach genuine, low-income beneficiaries with good repayment behaviour.

• Reduce processing time for repeat borrowers by 50% or more.

• Enable same-day sanction for high-score beneficiaries through direct digital lending."

"CATEGORY: SOFTWARE"

"THEME: SMART AUTOMATION"

"ORGANIZATION: Ministry of Social Justice & Empowerment(MoSJE)"

"DEPARTMENT: Samajik Nyay Aur Shashaktikaran Vibhag"