

● JAK GOVERNMENT INITIATIVE

Mission YUVA Credit Flow Analytics

Skilling-to-Liveilhood Pipeline Performance
in Jammu & Kashmir

Public Policy

Skilling

Financial Inclusion

TEAM

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ANALYSIS DATE
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Context & Problem Statement

CONTEXT

Jammu & Kashmir has a significant youth population enrolled in Mission YUVA skilling programs. While enrollment numbers are promising, the subsequent transition into gainful employment and access to formal banking credit remains structurally weak.

CORE PROBLEM

Despite high demand, the **conversion rate from applications to bank disbursement is critically low**. This is driven by fragmented verification processes, significant administrative delays (TAT), and a high perceived credit risk by partner banks.

ANALYTICS OBJECTIVE

Leverage operational and outcome data to identify specific bottlenecks, quantify risk drivers, and map performance gaps. The goal is to design a **low-risk, outcome-linked bank financing model** that aligns skilling with creditworthiness.

SKILLING-TO-LIVELIHOOD PIPELINE



Skilling Enrollment

Candidate registers & undergoes training under Mission YUVA



Job / Enterprise Setup

Candidate gets placed or initiates self-employment venture



Bank Credit Access

Verification & Disbursement (Major Bottleneck)



Sustainable Livelihood

Loan repayment & income generation stability

Data Engineering | Source to Sink



Sources & Scope

- **Mission YUVA Workflow:** Application logs from initial registration to final approval.
- **Financial Logs:** District-wise disbursement & repayment data.
- **Demographics:** Enterprise type & specially-abled applicant data.

Scope: 9,000+ Applications

Transformation

- **Standardization:** Unified District & Sector names across disparate sources.
- **Data Quality:** Removal of duplicates and handling of NULL values in TAT logs.
- **Calculated Fields:** Generated `TAT_Days` and `EMI_Ratio`.

Status: Cleaned & Validated

Key Fields (Schema)

- **Identifiers:** `App_ID`, `District_Code`
- **Process Metrics:** `Stage_Flags`, `TAT_Days`, `Disbursement_Flag`
- **Risk Metrics:** `EMI_to_Income`, `Risk_Score`, `Repayment_Status`

Output: Analytics Ready Table

KPI Performance Snapshot

Executive Dashboard | Fiscal Year 2025-26

● Live Data | Last Updated: 2 Hours Ago

TOTAL APPLICATIONS



9,000

↑ 12% vs. Previous Quarter

BANK SANCTIONED



2,230 Loans

- 0% Processing volume stable

TOTAL DISBURSED



1,764 Beneficiaries

↑ 5% MoM Disbursement Growth

DISBURSEMENT RATE



19.6%

⚠ LOW Below Target (40%)

ON-TIME REPAYMENT



1,537 Accounts

↑ 87% of Total Disbursed

TOTAL DEFAULTED



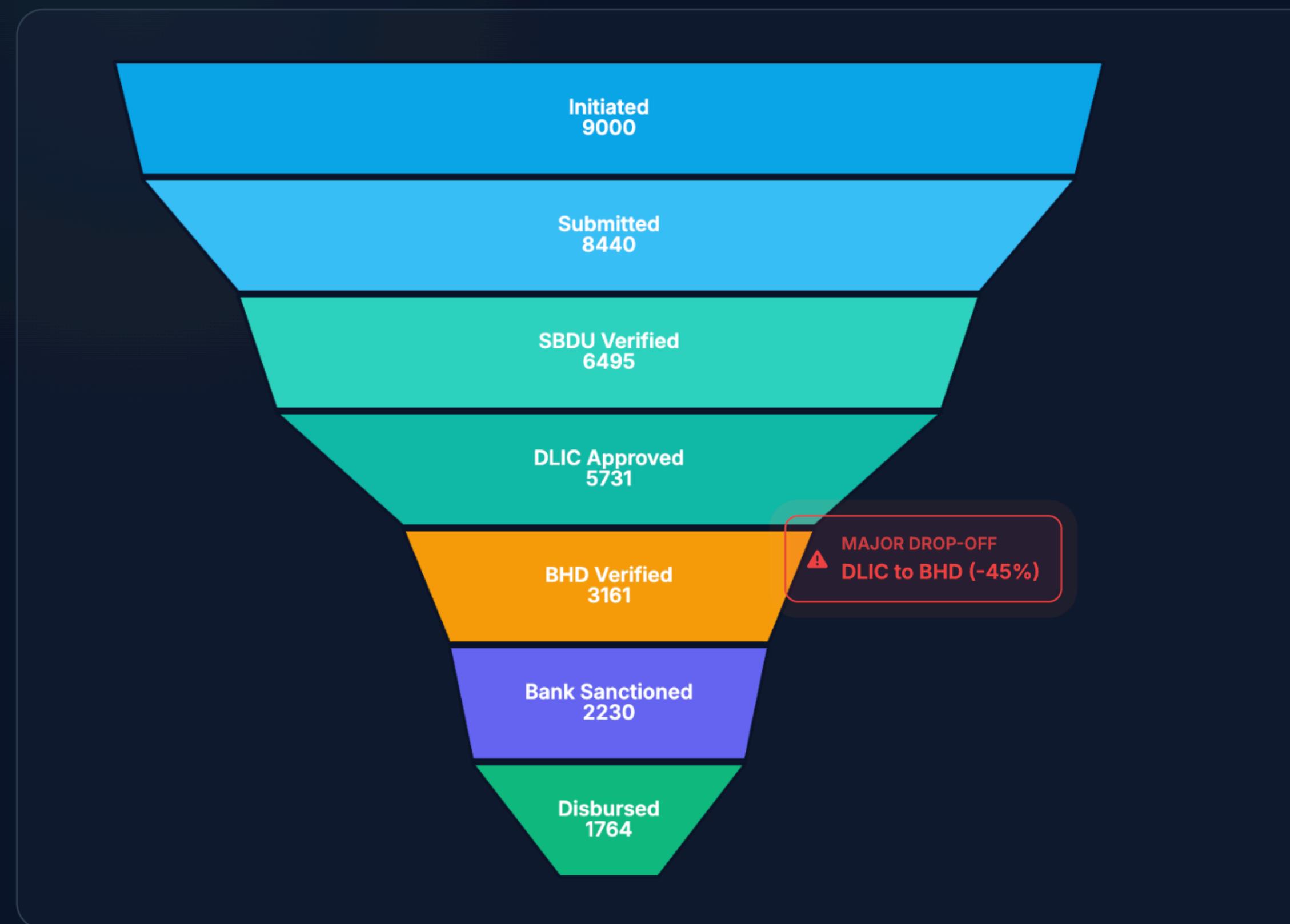
1,457 Cases

↑ HIGH Requires Immediate Review

Application Funnel

Pipeline Conversion & Bottleneck Analysis

DATA SOURCE: MISSION YUVA CRM
N = 9,000 Applications



FINAL DISBURSEMENT RATE

19.6%

✓ 1,764 Disbursed out of 9,000 Initiated

▼ OPERATIONAL BOTTLENECK

The most significant attrition occurs between **DLIC Approval** and **BHD Verification**.

DLIC Approved	→	BHD Verified
5,731		3,161

High administrative latency and documentation rejects drive this ~45% volume loss.

⚡ Recommended Action

Digitize BHD verification workflow and introduce parallel processing for document validation to recover ~1,500 potential loans.

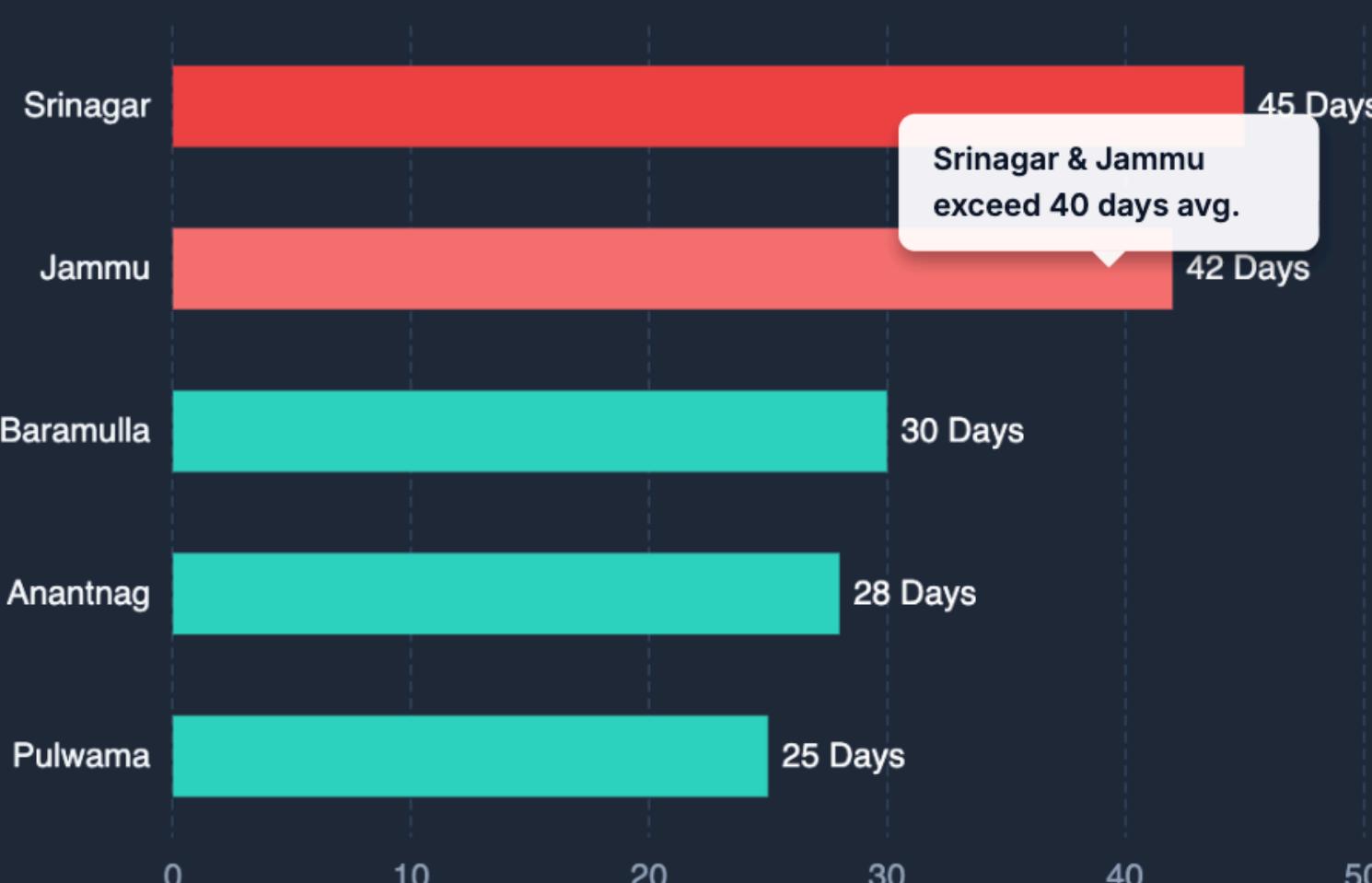
Turnaround Time (TAT) Analysis

Optimal Critical Delay

Processing Latency Breakdown by Geography & Sector

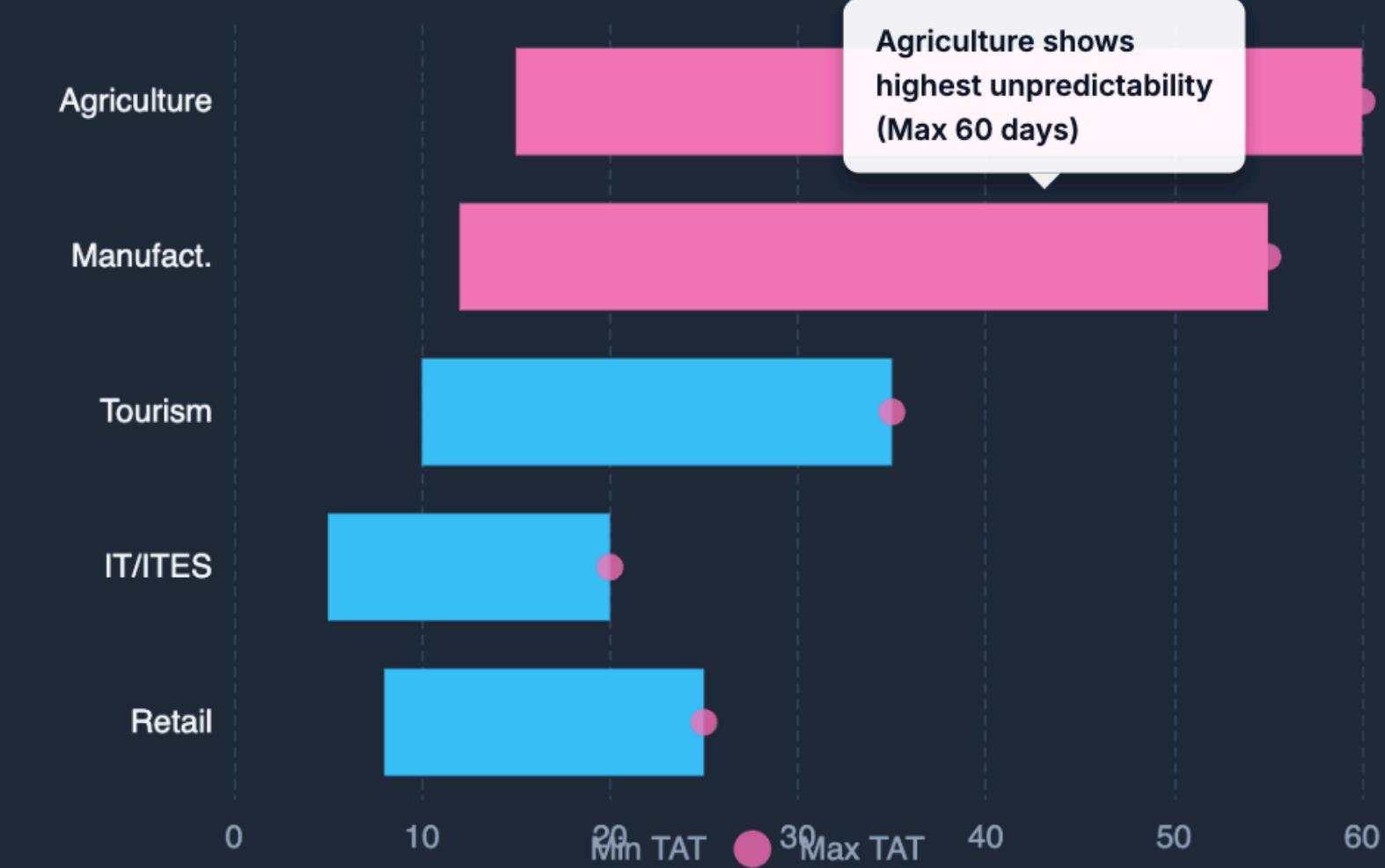
📍 District-wise Avg TAT (Days)

Top 6 Districts by Volume



❗ Sector-wise TAT Variance (Max vs Min)

Range Analysis



❗ Regional Bottlenecks

Srinagar and Jammu show ~45% higher processing delays compared to smaller districts, driven by application volume congestion at the BHD verification stage.

ℹ️ Sectoral Complexity

Traditional sectors like Agriculture and Manufacturing have structurally higher TAT due to physical asset verification requirements, unlike IT/Retail services.

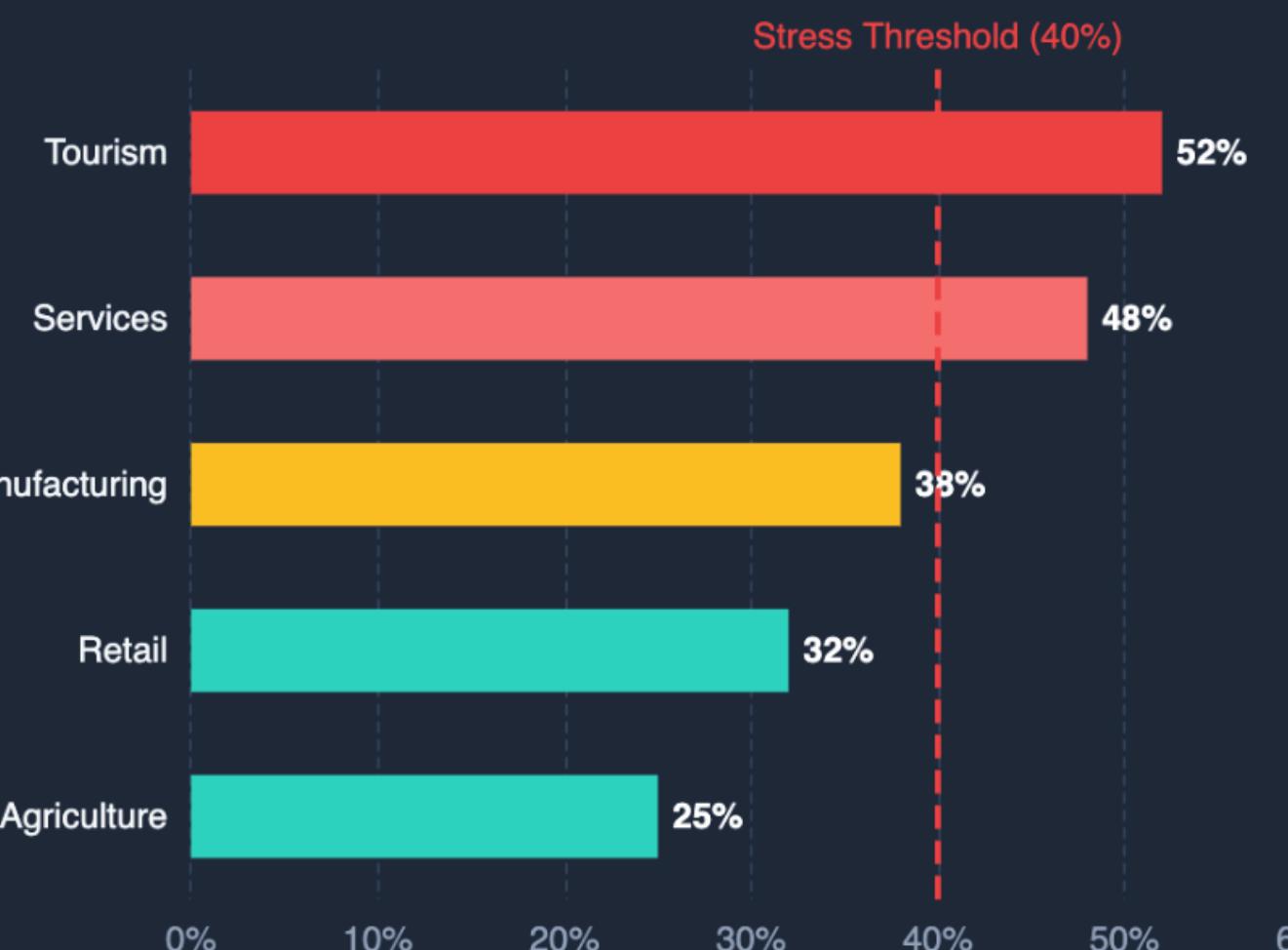
Risk & Financial Stress Analysis

🛡 Portfolio Risk Score: MODERATE

Credit Health Monitoring: Sectoral Stress & Demographic Patterns

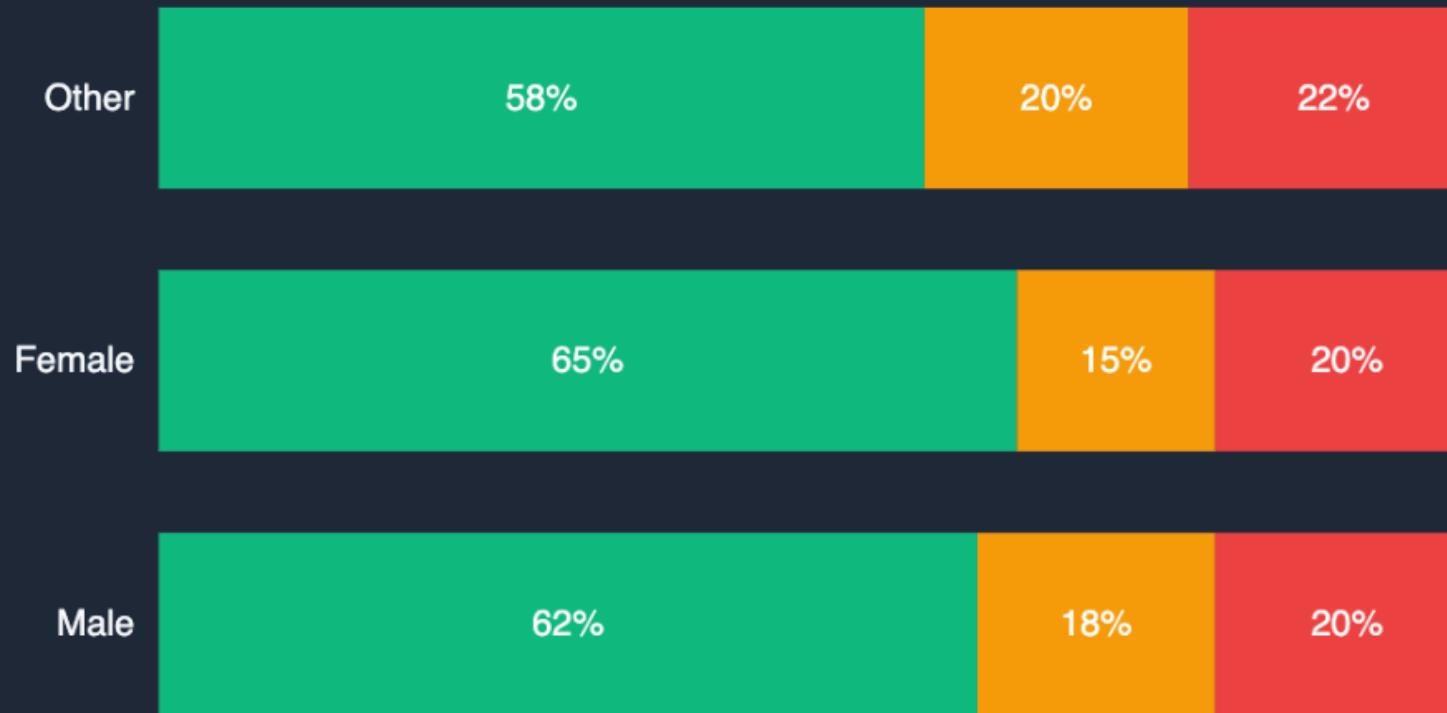
🕒 EMI-to-Income Ratio by Sector

⚠ Stress > 40%



👤 Repayment Behavior by Gender

Systemic vs Specific Risk



🕒 On-Time 🟠 Delayed (<30 Days) 🟥 Default (>90 Days)

🔍 **High Financial Stress:** Tourism (52%) and Services (48%) sectors exceed the safe EMI threshold (40%), indicating potential repayment struggles due to seasonal income volatility.

🌐 **Systemic Risk Profile:** Default rates are consistent across genders (~18-20%), suggesting that credit risk is driven by *structural economic factors* rather than demographic behavior.

Key Insights Summary

Strategic Takeaways from Pipeline Analytics



Verification Bottleneck

A critical operational choke point exists between **DLIC Approval** and **BHD Verification** stages. Manual document validation processes are causing high rejection rates and delays, preventing qualified candidates from reaching banks.

IMPACT

45% Drop-off Rate



Bank Risk Aversion

Extended Turnaround Times (TAT) are negatively correlating with sanction rates. Banks view applications older than 45 days as "stale," leading to higher rejection rates despite government sponsorship.

CONSEQUENCE

Low Disbursal (19.6%)



Regional & Sectoral Skew

Significant disparities exist in processing efficiency. High-volume districts like **Srinagar** and **Jammu** face congestion, while complex sectors like Agriculture require physical verification, doubling the processing time compared to Services.

VARIANCE

2x TAT in Major Districts



Financial Stress Indicators

High **EMI-to-Income ratios** (>40%) in volatile sectors like Tourism are the strongest predictor of default. Contrary to perception, gender is not a significant differentiator in repayment behavior, pointing to structural rather than behavioral risk.

RISK DRIVER

High EMI Stress

Recommendations Roadmap

Strategic Action Plan: Immediate to Medium-Term Interventions

Phase 1: Immediate

Phase 2: Short-Term

● Phase 3: Medium-Term

1

IMMEDIATE (0-3 MO)



Digitize Verification

- Implement API-based e-KYC to replace manual checks.
- Automate BHD workflows to clear the 45% application backlog.

2

IMMEDIATE (0-3 MO)



District Dashboards

- Deploy real-time TAT monitoring for District Nodal Officers.
- Set weekly targets for high-volume districts (Srinagar, Jammu).

3

SHORT-TERM (3-6 MO)



Sector Fast-Tracks

- Create "Green Channel" for low-risk sectors (IT, Retail).
- Standardize loan templates to reduce bank appraisal time.

4

SHORT-TERM (3-6 MO)



Financial Readiness

- Mandatory pre-disbursement financial literacy workshops.
- Counseling on EMI management for high-stress sectors.

5

MEDIUM-TERM (6-12 MO)



Outcome-Linked Lending

- Release loan tranches based on skilling completion/placement.
- Integrate employment data with bank credit systems.

⌚ EXPECTED SPEED

Reduce TAT by 40%

✅ CONVERSION

+1,500 Additional Loans

🛡 RISK CONTROL

Lower Default Rate to <12%

人群 INCLUSION

Equitable District Access

Impact, Value & Next Steps

Projected Outcomes & Implementation Roadmap

Projected Impact



+25-30%

Increase in application-to-disbursement conversion through digitized workflows.



-20% TAT

Reduction in processing turnaround time by eliminating verification bottlenecks.



Low Risk

Minimized default rates via outcome-linked tranches and financial readiness.



High Participation

Increased formal bank engagement due to improved transparency and lower risk.

Next Steps: Implementation



Build Predictive Models

Develop ML models to score applicant creditworthiness based on skilling performance and sector volatility.



Integrate Bank Data

Establish API connectors with partner banks to ingest real-time sanction and repayment statuses.



High-Delay District Pilot

Launch targeted interventions in Srinagar & Jammu to test the new "Green Channel" verification process.