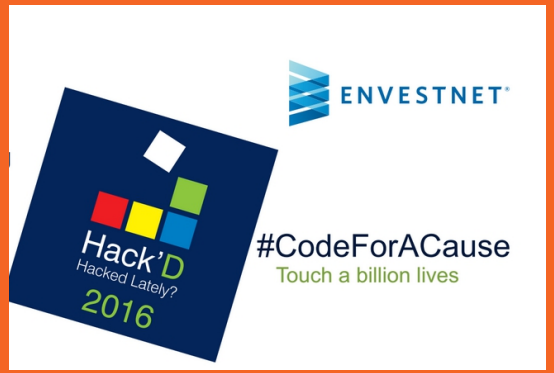
FINANCIAL INCLUSION

- PERSONALIZED CREDIT SCORE

CONFERENCE ON

ARCHITECTING INTELLIGENCE SM



CAUSE SUPPORTED BY-

SATHISH V
SUJEET KUMAR
SHUBHAM VERMA
UTSAB DUTTA

Credit score

- A number ranging from 300-850
- It represents a person's creditworthiness
- Higher the number, more the creditworthiness
- Used to evaluate potential risk in lending money to lenders
- Calculated and maintained by CIBIL in India
- Adopted by banks and credit card companies

CHALLENGES TO FACE

- Inclusion of alternative payment of contractual agreements
- Provide access to credit score for free
- Create awareness to encourage financial discipline
- Provide live credit score
- Provide information about benefits and perks

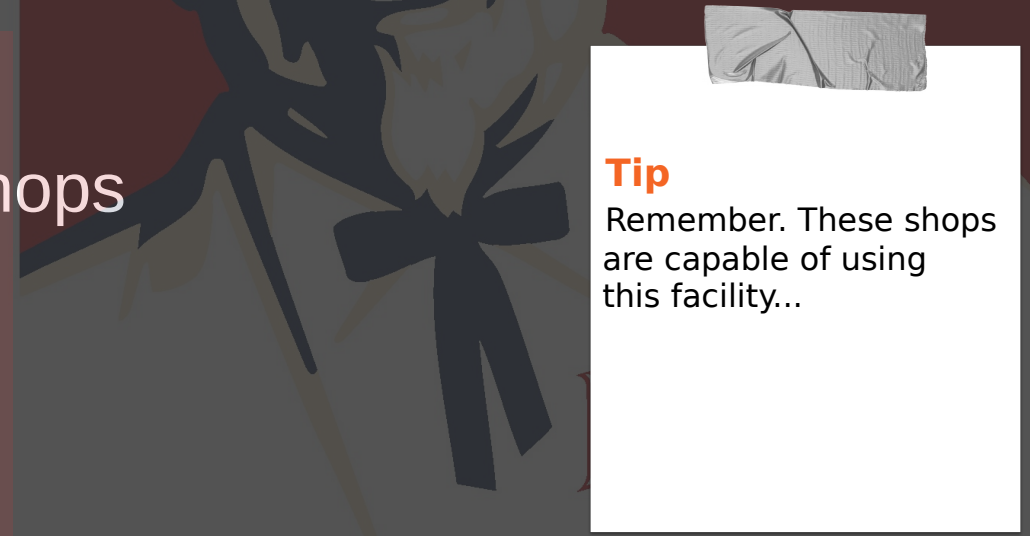
Proposed iDEAS

- General usage...
  - Billing (offline & registered online shops)
  - Tracking consumer usages
- Governmental billing
- Non – Governmental Billing
- Through consumers Social Contacts

General Usages:

Billing:

- Registered Online Shops



Tip

Remember. These shops are capable of using this facility...

Pizza Hut

KFC®

How the online registered billing works!

Portal which is provided by CIBIL Department

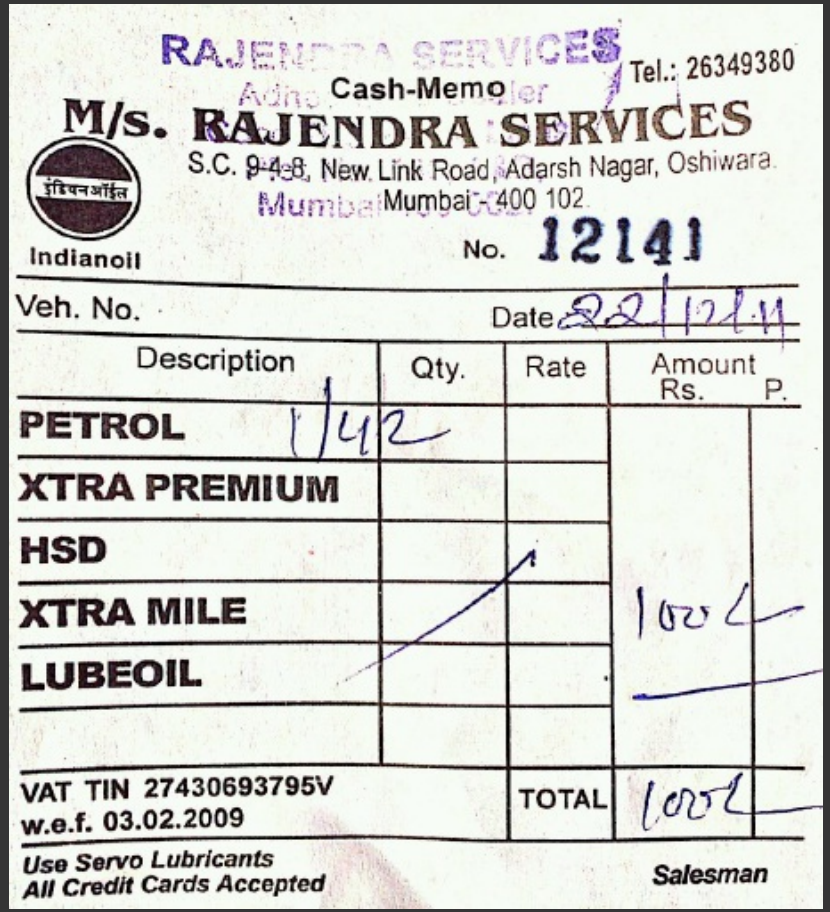
Consumer making an order

Bills are added to the consumer aadhar database

CIBIL Department unique bill provided for the shopkeeper with their unique shop ID.

Offline Billing

Consumer can later update his/her bills through online portal or submitting it to the nearby office.



RAJENDRA SERVICES
Tel.: 26349380
Cash-Memo
M/s. RAJENDRA SERVICES
S.C. 9-4-8, New Link Road, Adarsh Nagar, Oshiwara.
Mumbai - 400 102.
Indianoil
No. 12141
Veh. No.
Date 22/12/11

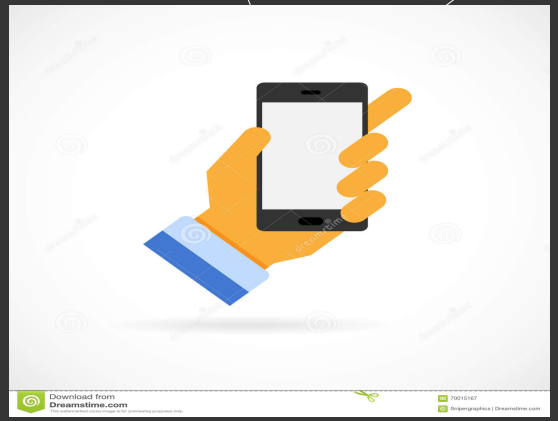
Description	Qty.	Rate	Amount Rs.	P.
PETROL	1/42			
XTRA PREMIUM				
HSD				
XTRA MILE			1002	
LUBEOIL				
VAT TIN 27430693795V w.e.f. 03.02.2009		TOTAL	1002	

Use Servo Lubricants
All Credit Cards Accepted
Salesman

Tracking Consumer Usages:

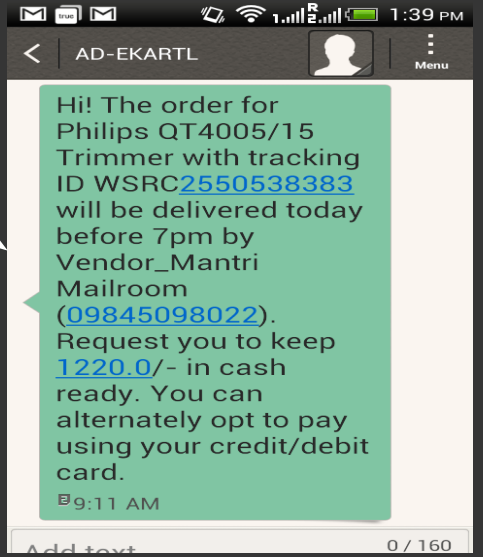
Flipkart

storewalk

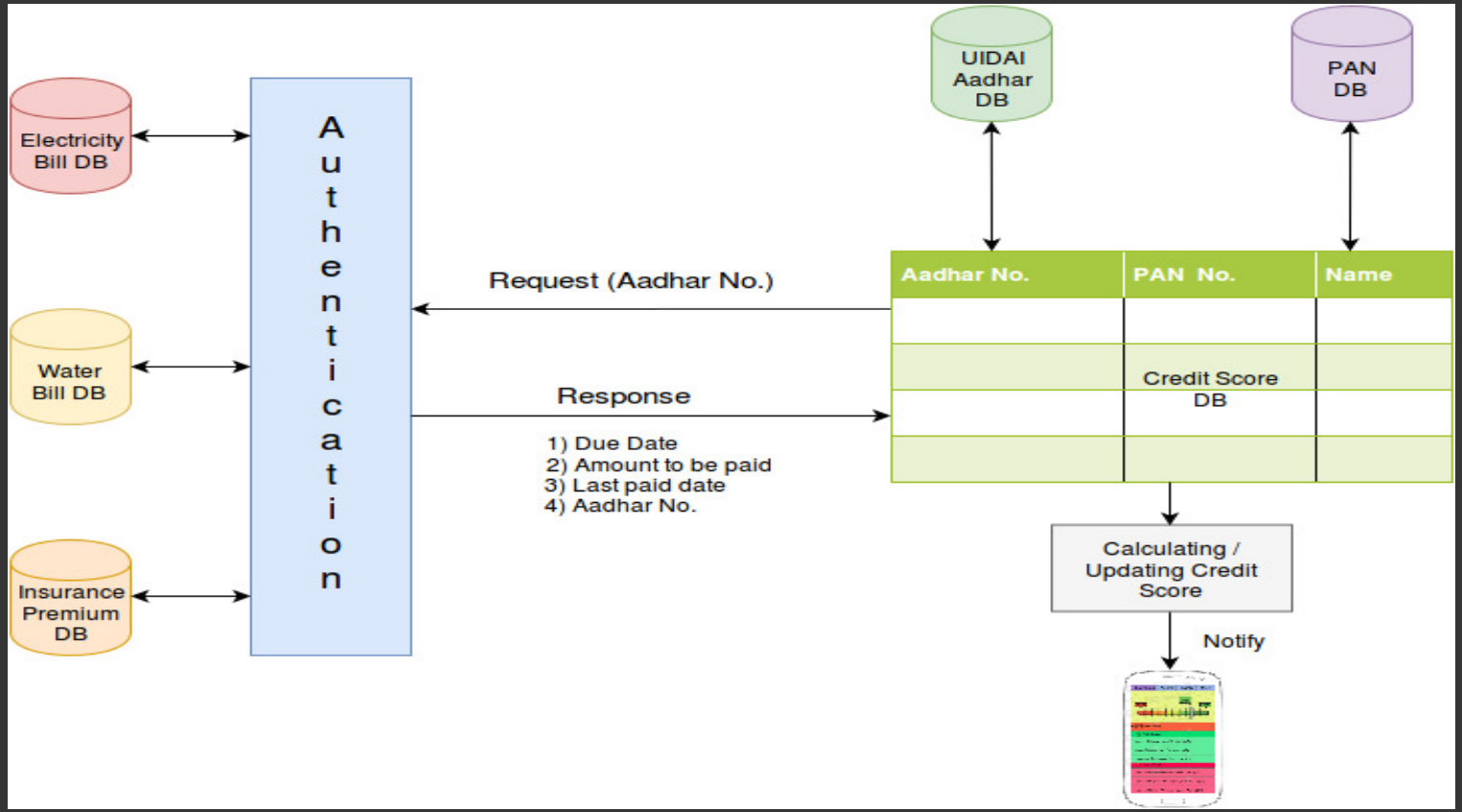


Consumer booking through COD (cash on delivery)

Will recieve message of confirmation of booking



Governmental Billing:



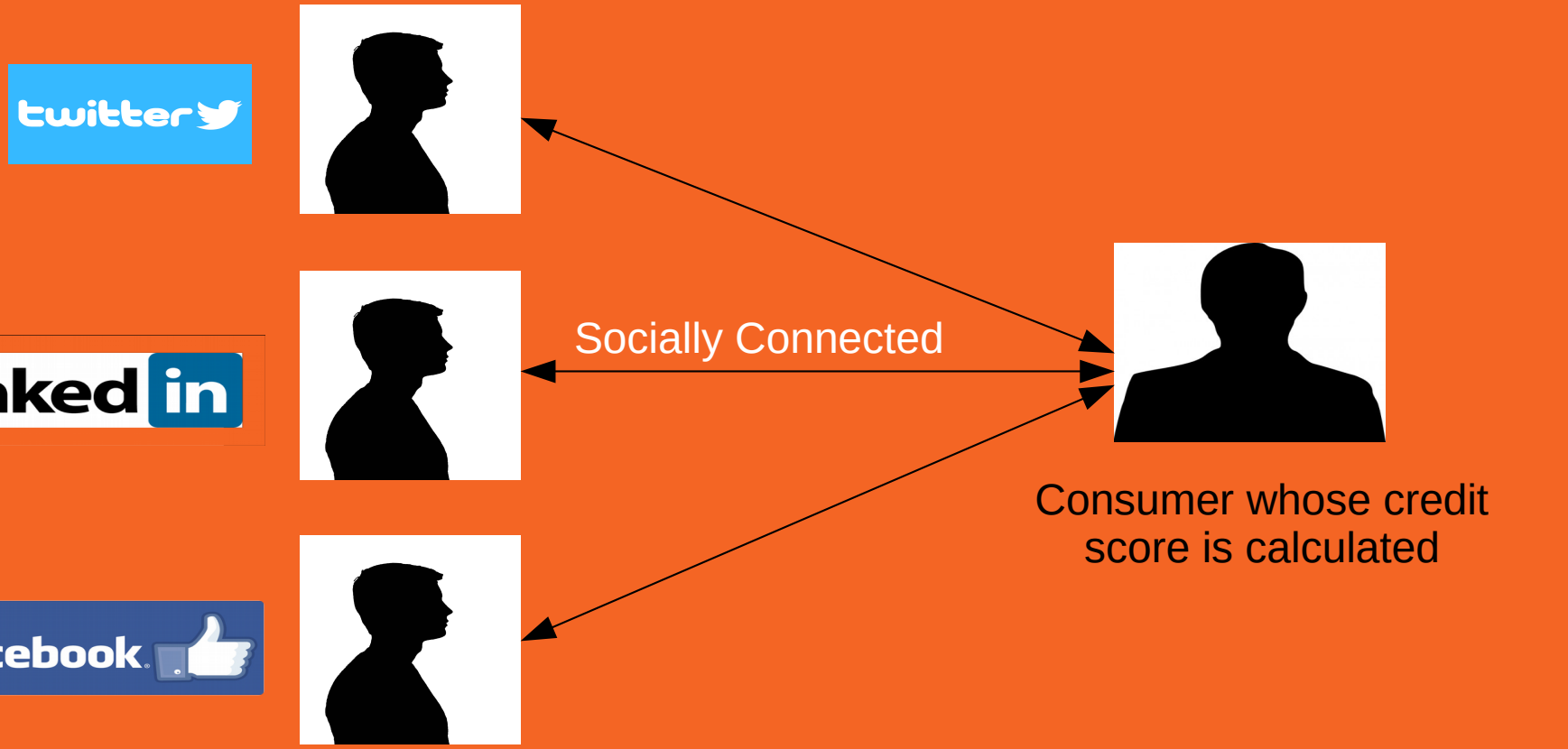
Non Governmental Billing:

- Owner Verfication
- Rental Verification (Consumer)
- Online Payment through service in our app

Benefits:

- Owner can find a good renter
- Renter can find about previous renting paid amount & payment history
- Added credit value points to the credit score

Social Network / Connections:



Credit score calculation

General Usages (10%)

3 % 1:4 expenditure to income ratio (increases) less than this decreases
4 % 1:3 expenditure to income ratio (increases)
3 % 1:2 expenditure to income ratio (increases) above than this decreases

Payment History (30%)

9 % Defaulter loans with higher EMI (increases) and decreases
8 % Defaulter loans with smaller EMI (increases) and decreases
6 % Credit Cards (increases) and decreases
4 % government bill payments (increases) and decreases
3 % private bill payments (increases) and decreases

Credit Utilization (25%)

10 % credit utilization of credit cards (decreases)
5 % >1:2 EMI to Income ratio (decreases)
3 % 1:4-1:3 EMI to Income ratio (Decreases)
2 % <1:4 EMI to Income ratio (Decreases)
5 % credit due to private bills (Decreases)
2 % credit due to government bills like electricity and all (Decreases)

Credit length history (15%)

7 % loan hsitory (increases) if a user does not have hisotry for more t than 9 months then it will affect adversely
5 % credit card history (increases) if a user does not have history for more than 12 months then it will affect adversley
2 % governmental bills continous service (increases) if a user does not have history for more than 1 month then it will affect adversely
1 % private bills continous service (increases) if a user does not have history for more than 1 month then it will affect adversely

New Credit (10%)

4 % Loans services (increases) decreases if the number of new credits taken in a year are more than 2
3 % credit card service (increases) decreases if the number of new credits taken in a year are more than 2
3 % Government and private services (increases)

Credit Mix (10%)

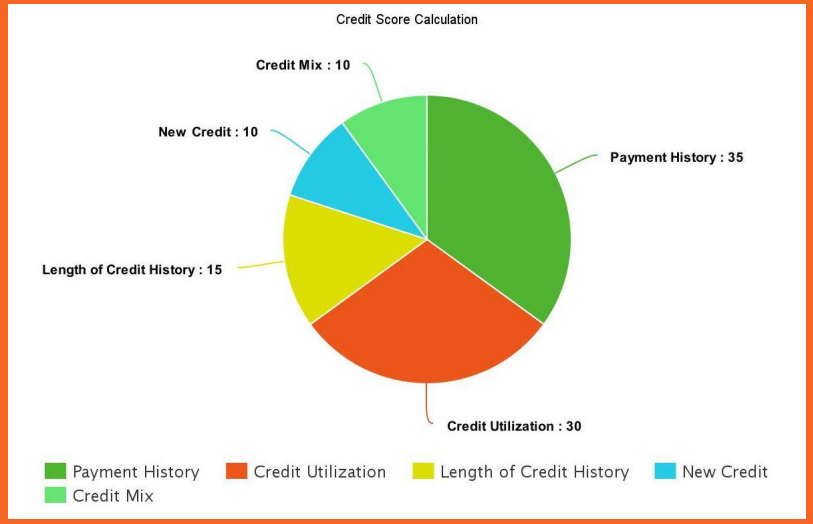
5 % loans and credit cards kind of services (increases) if exists or else decreases
3 % govermental kind of services (increase) if exists or else decreases
2 % private kind of services (increases) if exists or else decreases

FORMULA

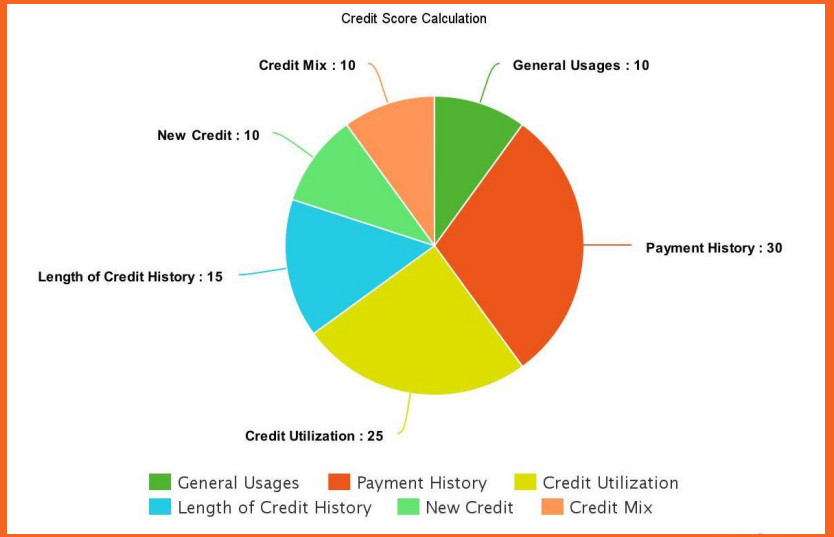
(+ or -) ((sub percentage) * (category percentage) * 850) mod (sub percentage)

CHANGES MADE IN CREDIT SCORE CALCULATION

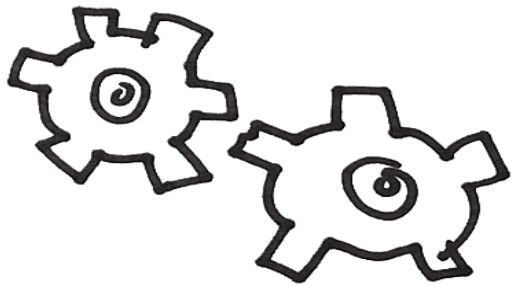
Then



Now



From IDEA to IMPLEMENTATION

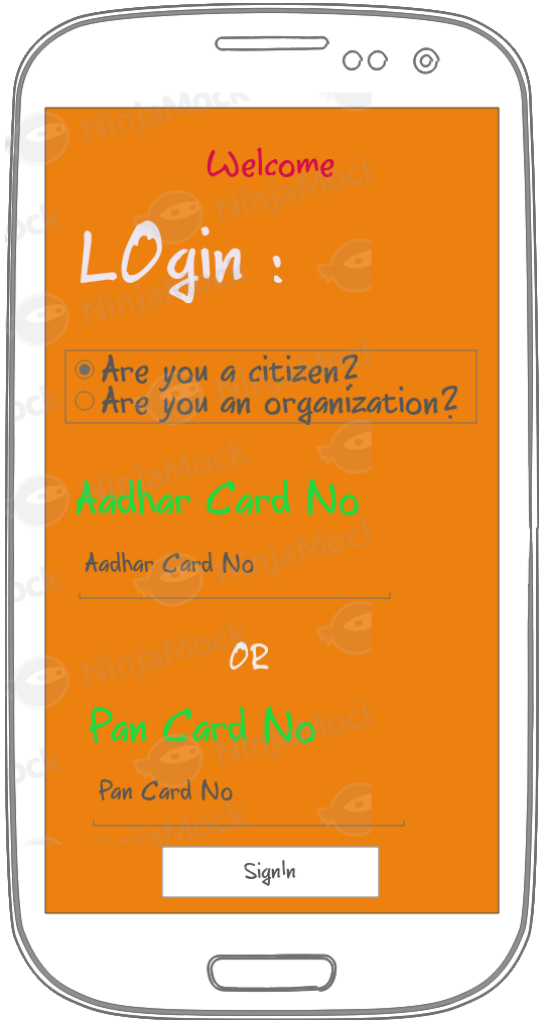


– Registration/Login

- Registration: We have 2 options:

  ✔ Are you a citizen? (asked for AADHAR NO & PAN NO)

  ✔ Are you an organization? (asked for PAN NO)
- Verification
- User will be logged out automatically, everytime when comes out of the app/ idle for a specific amount of time
- Registered User can login with the username and password .

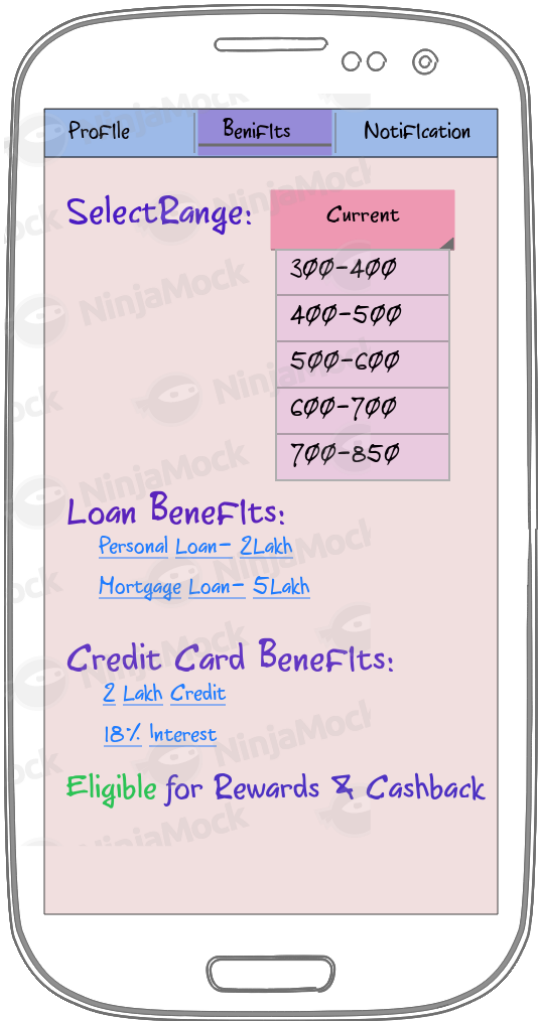


Track Credit Score

- User can view their current credit score.
- Live News Feed

Benefits

- It will display the benefits that the user is liable to other resources.
- **Loan Benefits**:
  - ✔ Personal Loan
  - ✔ Vehicle Loan
  - ✔ Mortgage Loan, etc...
- **Credit Card Benefits**
  - ✔ How much amount of credit that the user can get it through credit card
  - ✔ How much interest you have to pay for the credit card
- **Rewards & cashback**



Prediction

- In order to judge their future credit score
- User also will be given some advice based on the prediction made

Other Features

- **Profile**: Here user can view or change their username & password.
- **Notification**: User will receive a push up notification for payment before due date if applicable or any general awareness that needs to be intimated to the user

Future Enhancements

- Using the user’s PAN NO, all account details of different banks pertaining to that user can be tracked using this app
- Offline payments for Non – Governmental transaction, for those people who feel insecure to make online transactions

THANK YOU!

Any Questions?

presented by:

Sathish V

Sujeet Kumar