TVS Credit – Empowering India. One Indian at a Time

From the largest cities to the smallest villages, India is filled with ambition and enterprise. As Indians from all walks of life set out to write their growth story, our timely and affordable credit empowers them to bring their dreams alive.

As part of the $8.5 billion TVS Group, we empower Indians from various socioeconomic backgrounds with financial products that serve their needs. In doing so, we further the cause of financial inclusion.

Our two wheeler, used car, three wheeler, and tractor loans are designed for Indians in small towns and the rural heartland, for our nation's growth is powered by their prosperity. Our foray into the used commercial vehicle and consumer durable finance is yet another step in this direction.

With over 5 million customers and a long-term CRISIL rating of AA-, our growth is built on firm foundations. We have won several awards, including the Flame Award for Excellence in Rural Marketing, The Best BFSI Company Award at the ET Now Makers of Developed India Awards 2018, and the Most Effective Employee Engagement Strategy Award at the World HRD Congress.

Key Facts:

Began Operations in
13th April 2010

RBI Licensed (2010)

AA- by CRISIL for Long Term Loans
A+ by CRISIL & ICRA for Short Term Debt

ISO 9001/2015
ISMS 27001/2013 certification

Products:

| Two Wheeler Loans | Used Car Loans | Tractor Loans | Used Commercial Vehicle Loans | Three Wheeler Loans | Business Loans | Consumer Loans |

Collections is one of the most critical pillars in the lending industry. Consumer Durable finance is a new business for TVS Credit. It is vital to track customers who don't pay the debt/EMI in time even until the end of the month (also known as **flow customers** post default on payment).

We use Predictive Modeling techniques to figure out which customers are going to flow into the Next Bucket in the current Month i.e. customers moving from Bucket N to N+1.

Once a customer fails to pay an EMI on particular EMI date (Due date) during presentation, TVS Credit uses different channels to recover money from the customer. After all the efforts if there are still some customers who don't pay in that month, such customers are said to have moved to Next Bucket (N+1) i.e. they have defaulted on (N+1) Payments, N being the Opening Bucket of customer (Bucket at start of the month).

Objective of this exercise is to predict which customer is going to flow to N+1 bucket in coming month based on their past payment history, previous month collection, demographics, profile, external data etc.

The dataset consists of 26 features from various sources.

Please find below the flow chart along with feature description.

(** Bucket represents Number of Payments defaulted (e.g. Bucket 1 is 1 payment default, 2 is 2 payments default and so on)
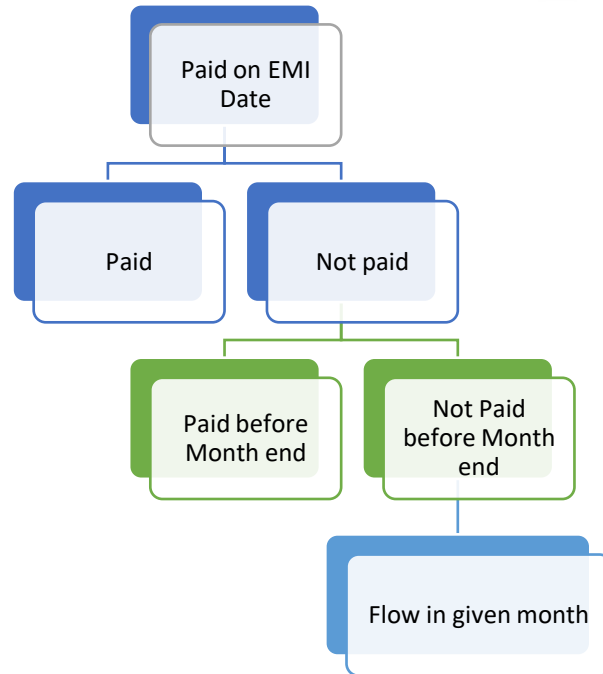
Variable	Definition
V1	ID
V2	Binary variable indicating if the customer flowed in the last month
V3	Total number of times the customer flowed so far
V4	Number of times the customer flowed in the last 3 months
V5	Total enquiries made by the customer in the last 9 months
V6	PIN Code
V7	Dealer Code
V8	Number of times the customer bounced in presentation in the last 3 months
V9	Bounce Reason
V10	Average delay in emi payment (delay is the difference between the payment date and presentation date)
V11	Total number of live unsecured accounts
V12	Total enquiries made by the customer in the last 3 months
V13	Binary variable indicating if customer's AADHAR information is available
V14	Model Code
V15	Scheme Type
V16	EMI
V17	SURROGATE
V18	QUALIFICATION
V19	Product Code

V20	Number of times the customer flowed/MOB
V21	Indicates the maximum continuous MOBs in which the customer flowed
V22	Tenure
V23	Binary variable indicating if customer's AADHAR information is available
V24	Resident Type of the customer
V25	Fraction of times the customer was allocated to a collection agency
V26	Fraction of times the customer was allocated to an FCE
V27	Target