Credit Score Analysis for Loan using Raw Data Through Third Party Application

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Abstract: Credit Score Analysis for Loan using raw data through third party Application has the potential to meet the needs for high speed Credit Information Bureau India Limited (CIBIL) score calculation. The aim is to increase fairness and reduce human intervention in this calculation process by passing all the data through software process and following the unbiased flow. The need to increase fairness among the disbursement of Loans has pushed this process to its limits. In this paper the required process flow to obtain CIBIL score is discussed.

Keywords : CIBIL, No Structured Query Language (NoSQL), Structured Query Language (SQL), Spring Framework, IntelliJ, JavaScript Object Notation (JSON), Application Program Interface (API).

I. INTRODUCTION

CIBIL score analysis is a very long and tedious process with a lot of manual intervention in analysis of data points through obtained data. Credit Score Analysis for Loan using raw data through third party Application will provide a more optimal flow for this process with less constraint, more reliable method and reducing the manpower required. Process flow aims to take raw customer data and pass it to the third party application which will help to verify important information about the customer. The process will act as a support program that will help the organizations to obtain the data of customers and provide validations on the report.

II. DATA FLOW DESIGN

The initial data that is obtained from customer is in huge quantity and not having all the fields filled as well. So, this data should be stored in NoSQL database, as in this database the query execution and processing speed will be faster as compared to SQL database. The major factor for this will be storing the data in JSON form and not in table as there is no relational data formed. After the initial data is obtained the organization can focus to obtain all the required information about the genuinely interested customers. This can happen through different contact and communication channels. Once all the required information is obtained and the customer is verified the data can be moved to the SQL database as now the data has passed through the funnel and filtered customers so the data is also not as huge as initial data and has all the required fields filled. Database which is open-source and relational should be used. MySQL is one such relational database management system (RDBMS). Further Processing will happen with data in MySQL database only. Fig. 1 depicts the design flow followed in the process.

![Design Flow Diagram](Diagram.png)

Fig. 1. Design Flow
III. METHODOLOGY ADOPTED

Initial customer data can be obtained done through different channels such as website, mobile app, social media platforms, etc. After the details are obtained by the organization the various rule check can be applied like if the Permanent Account Number (PAN) details are there. These rule checks are done at the backend in Java.

Java is used as it is portable, meaning it is platform independent and the programs run similarly on all platforms. This is made possible through JVM which compiles Java byte code to machine code for each platform. Java logo is shown in Fig. 2.

The framework used is spring framework, the logo for which is shown in Fig. 3, as the spring framework provides infrastructural support at the application level and provides configuration for the program to be deployed on any kind of environment.

The suitable integrated development environment (IDE) that is used is IntelliJ. IntelliJ itself is written in Java and is used for developing software applications. Code completion, code refactoring, code debugging are some unique features of IntelliJ.

Fig. 2. Java Logo

Fig. 3. Spring Framework Logo

The rule checks can vary from the income of the customer to income tax return filing depends on what basis the organizations starts to trust its customers.

Once the rule checks are complete the application of the customer can be forwarded to the third party application for CIBIL score calculation but only with the required details as the customer data needs to be kept confidential.

The third party application will provide the CIBIL score of the customer. Once that is obtained the organization can do further checks to decide whether to give Loan to the customer or not. If the checks are not successful and the customer application fails at any point than loan allotment will be rejected if the checks are successful and application succeeds through all the checkpoints than the loan can be allotted to the customer.

IV. RESULTS AND DISCUSSIONS

For the process flow mentioned the performance improvement was observed as queries execution and completion took less time. The data segregation between structured and unstructured databases has increased processing speed saving essential time limits, API’s developed through REST are working flawlessly, also it was observed that moving ahead of the orthodox methods has increased productivity and CIBIL score calculation now involves less human intervention.

V. CONCLUSION

From the obtained results and what is discussed above it is clear that the process has provided success in achieving the required goal of reducing human intervention and reducing time required in calculating CIBIL score to grant loans. This method provides a hope for future to implement it in more fruitful manner.

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