PROJECT SUMMARY

Ref No.: MRIC-RIB-2101	**Title:** Leveraging Machine Learning for Identity Fraud Reduction and Credit Risk Management on FinClub Peer to Peer Lending Platform.
Local Company: Finance Club Ltd	
Collaborating Institutions: RNVP Technology Pvt Ltd (i2i Funding), University of Technology, Mauritius (UTM)	
Co-Project Leaders	
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Mr Vaibhav Kumar Pandey	RNVP Technology Pvt Ltd (i2i Funding)

TECHNICAL ABSTRACT

Half of the Mauritian workforce earn less than Rs 32,000, and significant proportions are self-employed in informal or works MSMEs sectors. As a result, many are becoming underbanked and have no access to credits because: i. Banks do not give short-term loans of less than Rs50,000, ii. Interest rates are high, ranging from 12% (unsecured), 15% (hire purchase) to 24% (credit cards), and iii. Traditional KYC verifications require physical presence with mostly original documents. By contrast, saving interest rates on amounts of less than Rs50,000 yields 0.25%, making the saving-borrowing gap enormous, typically more than 50 times. FinClub is developing a Peer-to-Peer Lending Platform, allowing Investors to lend directly to Borrowers. With no intermediaries, Investors will earn higher interest rates based on their risk appetite and provide Borrowers with affordable credit solutions to improve livelihood or business growth. Customers can digitally upload all documents. The Platform will embed latest technologies such as Web Scraping, Data Mining, Machine Learning algorithms to develop proprietary customer KYC (FinID) and Credit Scoring (FinScore). With increased automation, loan approvals and money disbursal will take less than 3 days. Once fully operational, FinClub will scale out into four growing East African markets.

Key Words: Peer-to-Peer Lending, Machine Learning, Digital Identity, Credit Score