Expand your MSME Lending Portfolio with Enhanced Precision in MSME Credit Assessment

CRIF INDIA MSME Rank (CIMR)

The Most Comprehensive Solution for Precise Risk Assessment and Smarter Lending Decisions.

MSME lending in India is a huge opportunity with unparalleled potential for growth, but also comes with unique challenges and complexities. As lending institutions cater to a diverse spectrum of borrower types, particularly in the MSME segment, a robust and objective risk assessment solution becomes crucial to navigate through information asymmetry inherent to the unorganised MSME landscape.

Introducing **CRIF INDIA MSME Rank (CIMR)**, the most comprehensive credit default risk assessment solution tailor-made for India's credit landscape to accelerate your MSME Lending Portfolio. This comprehensive credit risk assessment solution empowers lending institutions to make informed and accurate credit decisions and facilitate more accessible credit to deserving MSMEs.

CRIF INDIA MSME Rank (CIMR) is a robust model for credit default prediction and is applicable for a wide spectrum of MSME entities. It is a 13-Rank assessment model to gauge an MSME entity's credit repayment ability based on its credit profile, credit history and other factors.

A

13 Ranks for Precise Risk Differentiation
Tailor-made for the intricacies of MSME segment in India.

B

Commercial Risk Score Within Each Rank
Integrated to provide extra granularity for superior risk assessment and sharper profiling.

C

Advanced Indicators and Classifiers
A robust decision system based on pillars like repayment behaviour, credit limit utilisation, credit acceleration, credit vintage, and proportion of payment irregularities.

D

Advanced Tracking of Credit History and Performance for Enabling Predictive Intelligence and Risk Minimisation
Comprehensive observation window of 36 months and performance window of 12 months.

Features that make CIMR the Most Comprehensive Solution for India's MSME landscape

Convenience of a Rank with Granularity of a Score

13 Distinct Ranks for Precise Risk Differentiation
CIMR provides 13 distinct ranks for precise risk assessment, catering to the diverse credit profiles within the MSME sector. This granular framework, developed with intricate understanding of the Indian MSME landscape, allows for accurate risk evaluation.

Enhanced Granularity with Commercial Risk Score
Each rank within CIMR is integrated with a commercial risk score, offering additional granularity for superior risk assessment and sharper profiling of borrowers within any rank. This layered approach facilitates even more precise decision-making.

Advanced Analytics Engine for Sharper Profiling

CIMR leverages a Powerful Analytics Engine, Incorporating Advanced Indicators and Classifiers like:

Repayment Behaviour
Tracks historical loan repayment patterns to assess the future likelihood of defaults.

Credit Acceleration
Identifies rapid growth in credit usage, potentially indicating financial strain.

Credit Limit Utilisation
Analyses the utilisation of existing credit lines and sudden surges in Utilisation to gauge financial management practices and signs of stress.

Proportion of Payment Irregularities
Evaluates frequency and proportion of missed or delayed payments, relative to the overall credit exposure.

Credit Vintage
Considers the time elapsed since the first credit bureau record, providing insights into the borrower's credit history length.

Driving your MSME Lending Potential and Customer Experience

1. Enhanced Customer Acquisitions and Operational Efficiency

Distinguishing and Pre-Screening Creditworthy Borrowers
CIMR supplements underwriting process in efficiently identifying creditworthy MSMEs during the initial screening stage. This allows lenders to focus resources on promising applicants, saving time and effort.

Pre-approved Loan Offers
Based on CIMR lenders can offer pre-approved loans with competitive terms to lower-risk MSMEs. This targeted approach reduces acquisition costs while attracting higher-quality borrowers.

2. Data-driven Risk Assessment and Pricing

Objective Risk Analysis
CIMR can supplement the traditional underwriting process by providing an objective and data-driven assessment of an MSME's creditworthiness using the 13 ranks. This aids in making informed risk-based decisions.

Tailored Interest Rates
Lenders can leverage CIMR to implement risk-based pricing, offering lower interest rates to MSMEs with a lower risk profile. This incentivises responsible borrowing behaviour and fosters a healthy loan portfolio.

3. Predictive and Proactive Risk Controls

Precision in Prediction of Repayment Behaviour and Performance
Advanced data and analytics enables a deeper understanding of your MSME borrowers' historical credit behaviour and predict their future loan performance with confidence.

Early Warning System to Minimise Risk and Defaults
Identify borrowers who can potentially turn delinquent and manage risk proactively with early warning signals.

Automating Loan Decisions
CIMR can be integrated into digital lending platforms to facilitate rule-based decision-making for loan applications. This allows for faster loan approvals, particularly for lower-risk borrowers.

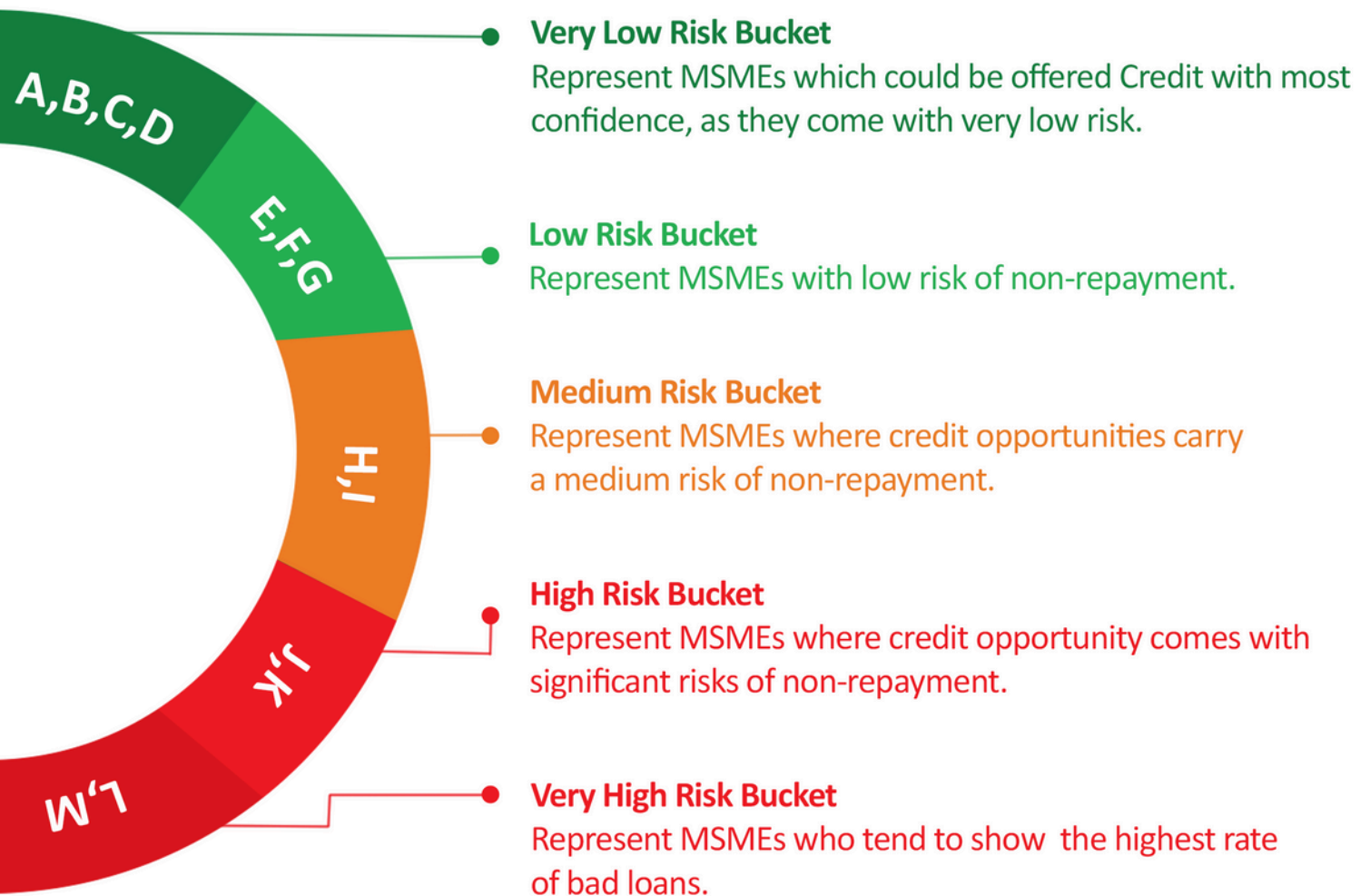### Streamlined Portfolio Monitoring
Lenders can gain insights into potential risk transitions within their MSME Credit Portfolio. This enables proactive management and early intervention to mitigate potential defaults.

Rule-based Loan Management
Facilitate effective rule-based processes for loan renewals, enhancements, and portfolio monitoring.

The **CRIF INDIA MSME Rank** Structure

A,B,C,D

E,F,G

H,I

J,K

L,M

Very Low Risk Bucket
Represent MSMEs which could be offered Credit with most confidence, as they come with very low risk.

Low Risk Bucket
Represent MSMEs with low risk of non-repayment.

Medium Risk Bucket
Represent MSMEs where credit opportunities carry a medium risk of non-repayment.

High Risk Bucket
Represent MSMEs where credit opportunity comes with significant risks of non-repayment.

Very High Risk Bucket
Represent MSMEs who tend to show the highest rate of bad loans.

Partner with CRIF to grow your MSME lending potential.

Write to us at:

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Contact us at:

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