



By Northern Arc

**Nu-Score**

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**A machine learning  
based solution for your  
underwriting needs**



You can also download this brochure  
on our website - [northernarc.com](http://northernarc.com)

*Underwriting of borrowers can be a subjective, long-drawn, and an unreliable process. Organisations often don't tap into all available data and spend extensive time and resources to assess a borrower. The process can therefore be both high on risk and low on reliability.*



Introducing

# Nu Score

A proprietary machine learning based solution by **Northern Arc** for an originator's credit underwriting needs.

Nu Score offers a real-time, data-backed risk assessment for underwriting a borrower.

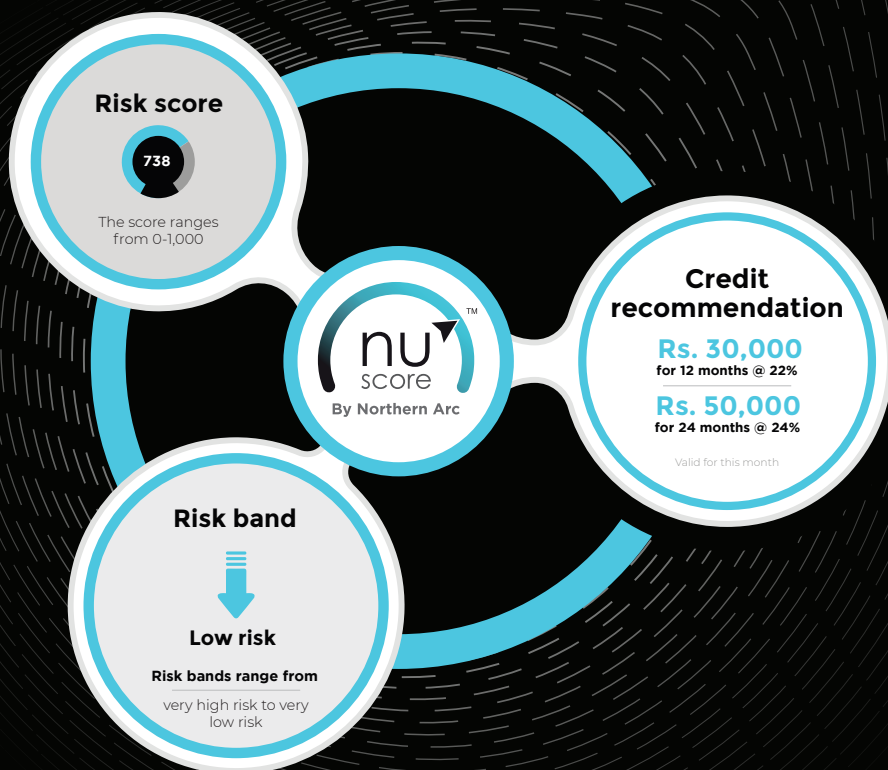
It helps optimise the risk and reduce the time spent on loan disbursement. A single metric (the Nu Score) helps quantify the risk related to the borrower by providing a holistic view of the underlying parameters.

**Nu Score takes into consideration organisation specific data points & metrics, thereby ensuring a deeper understanding of the customer base.**



## ► Nu Science

Nu Score uses artificial intelligence and machine learning algorithms



# Nu Scorecard

A summarised risk report of the customer



## Nu Scorecard

Report Number: NACLJuiQQokeeZ

### Application Information and Score

**Name :** Rani Kumari  
**Loan ID :** 6058209  
**Issued on :** 10/01/2023

**DOB :** 14/06/1987  
**District :** Varanasi  
**State :** Uttar Pradesh

<b>3</b> Active loan accounts	<b>10 yrs</b> Credit vintage	<b>0</b> Recent loan enquiries	<b>-</b> Delinquency recency	<b>0</b> Recent loan accounts	<b>0</b> Delinquent loans
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Nu Score



The Score ranges from 0 - 1,000

The Score translates to

**Low Risk**

Scores in the range of 650-750 are considered Low Risk

Eligible loan amount

**₹30,000**  
for 12 months @22%

**₹50,000**  
for 24 months @24%

Valid for this month

### Summary of Loans

<b>₹60,000</b> Loan amount taken in the last year	<b>₹52,844</b> Total outstanding amount of all active loans	<b>No</b> Any written off loans ever	<b>₹9,984</b> Total EMI of all active loans
<b>0</b> Max. number of monthly payments missed	<b>3</b> Total number of unique active lenders	<b>1%</b> Total change in outstanding loan amount in the last year	<b>8 mths</b> Max. duration between closure and new loan

### Scoring Factors

#### What's working

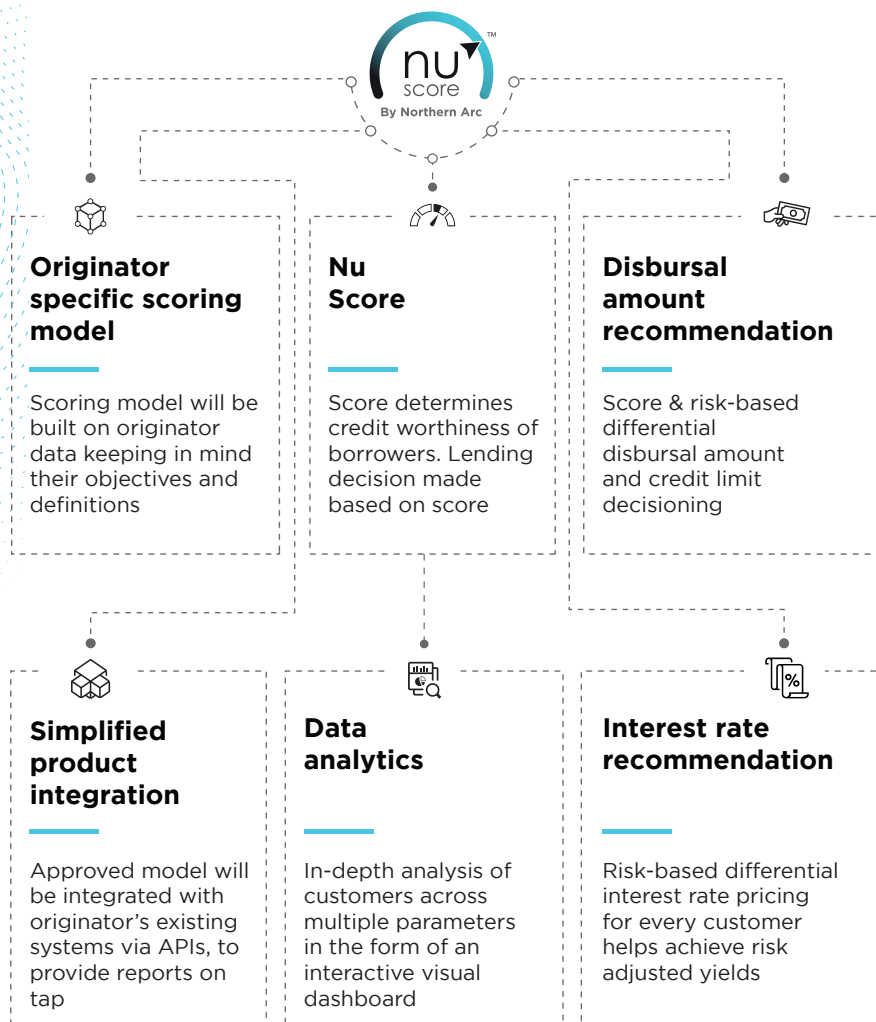
Active loan parameters  
disbursement parameters

#### What's not working

Active lender parameters  
KYC/ID availability



## ► Nu features





## ► Why Nu Score

**01.**

**Customised model** built using originator's data, enabling better customer profiling and scoring

**02.**

**Industry leading** AI/ML resources, technological practices, data architecture, and systems

**03.**

**Regular recalibration** of model based on changes in originator's captured data

**04.**

**Customer analytics** modules such as free BI dashboards on originator's captured data

## Northern Arc

Northern Arc is a diversified financial services platform that provides credit to MSMEs, households, financial institutions and emerging businesses. Through technology and data, it provides a diverse set of solutions to cater to the credit requirements of emerging segments and small businesses. Its business model is diversified across offerings, sectors, products, geographies, and borrower segments.

By leveraging its deep data insights & scorecards, Northern Arc has cumulatively raised over INR One Trillion in funds for its clients since inception of its platform in 2009. It is backed by marquee equity investors like Sumitomo Mitsui Banking Corporation (the world's fourteenth largest bank), LeapFrog, IIFL, Accion, Augusta Investments (known as Affirma Capital), Dvara Trust and Eight Roads (proprietary arm of Fidelity).

Along with its asset management and rural finance subsidiaries, the company manages a total AUM of over INR 10,000 crore including 8 million loans to retail customers across individuals, households, and small businesses. Through the Altifi platform, it offers fixed income investments to affluent and retail investors. Its exposure is spread across 657 districts in 28 states and 7 Union Territories in India.



