

Credit Risk Management for Consumer Lending Training

COURSE CONTENT

GET IN TOUCH



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About Multisoft

Train yourself with the best and develop valuable in-demand skills with Multisoft Systems. A leading certification training provider, Multisoft collaborates with top technologies to bring world-class one-on-one and certification trainings. With the goal to empower professionals and business across the globe, we offer more than 1500 training courses, which are delivered by Multisoft's global subject matter experts. We offer tailored corporate training; project Based Training, comprehensive learning solution with lifetime e-learning access, after training support and globally recognized training certificates.

About Course

Credit Risk Management for Consumer Lending is a critical discipline that enables banks, NBFCs, and fintech institutions to make informed, data-backed lending decisions while minimizing financial losses. Multisoft Systems offers a comprehensive training program designed to equip professionals with the analytical, regulatory, and strategic skills needed to navigate today's fast-evolving consumer credit landscape.

Module 1: Introduction to Consumer Credit & Risk Management

- ✓ Overview of consumer lending products
- ✓ Importance of credit risk in personal lending
- ✓ Key concepts: Probability of Default (PD), LGD, EAD
- ✓ Stakeholders in the lending ecosystem

Module 2: Credit Risk Lifecycle in Consumer Lending

- ✓ Customer onboarding and KYC
- ✓ Credit assessment workflow
- ✓ Underwriting processes
- ✓ Post-disbursement monitoring and repayment patterns

Module 3: Borrower Assessment & Credit Evaluation

- ✓ Understanding borrower profiles
- ✓ Evaluating income, liabilities, and repayment capacity
- ✓ Interpreting credit bureau reports (CIBIL, Experian, etc.)
- ✓ Behavior scoring vs. application scoring

Module 4: Credit Scoring Models & Risk Rating Systems

- ✓ Traditional credit scoring frameworks
- ✓ Decision trees, logistic regression, and statistical models
- ✓ Alternative data for digital lending
- ✓ Model validation and back-testing

Module 5: Fraud Detection & Prevention in Consumer Lending

- ✓ Types of fraud in personal loans and credit cards

- ✓ Early warning triggers
- ✓ Fraud scoring systems and red flag indicators
- ✓ Role of analytics and AI in fraud prevention

Module 6: Digital Lending & Automated Underwriting

- ✓ Digital onboarding and e-KYC
- ✓ AI/ML-based risk assessment
- ✓ Automated decision engines
- ✓ Open banking and alternative data sources

Module 7: Portfolio Monitoring & Performance Analysis

- ✓ Delinquency tracking and categorization
- ✓ NPA management and write-off strategies
- ✓ Portfolio segmentation and cohort analysis
- ✓ Loss forecasting and provisioning

Module 8: Collections, Recovery & Risk Mitigation

- ✓ Early-stage vs. late-stage collection techniques
- ✓ Customer communication strategies
- ✓ Restructuring, settlement & recovery optimization
- ✓ Legal frameworks for loan recovery

Module 9: Regulatory & Compliance Requirements

- ✓ RBI guidelines for consumer lending
- ✓ Risk governance frameworks
- ✓ Fair lending practices and consumer protection
- ✓ Basel norms and risk management standards

Module 10: Designing Credit Policies & Risk Frameworks

- ✓ Defining credit limits, pricing models & exposure norms
- ✓ Credit approval matrix and authority levels
- ✓ Risk appetite, tolerance & control measures
- ✓ Policy documentation and process mapping