CareEdge Award for Structured Finance Instruments

Call for Project Submissions

Inviting management students, researchers, data scientists, finance professionals to contribute to cutting-edge project work at the intersection of structured finance and artificial intelligence and stand a chance to win attractive awards sponsored by CareEdge, a leading name in ratings, advisory, research and risk solutions; along with recognition before a very relevant crowd of structured finance professionals.

Participants are required to develop a working AI/ML model addressing real-world credit risk assessment in structured finance.

Project Brief

Credit Risk Modelling for a Retail Loan Pool using AI
This assignment requires the Project Participant to simulate a real-world credit risk analytics model for a retail loan pool. Participants will be provided with a dataset containing a pool of loans with borrower, collateral, and loan characteristics. This will be a pool of stressed/defaulted loans. Using tools of Credit Risk Modeling and Machine Learning, participants are to develop models to estimate the probability of default of individual loans, analyse portfolio risk, and simulate potential losses for the entire loan pool. Participants may create different stress situations, including building pool level correlation with defined external variables. A key objective of this project is to encourage innovative applications of artificial intelligence in credit risk analysis. Participants are therefore encouraged to go beyond traditional modelling approaches and explore the use of AI techniques for tasks such as feature discovery, explainable risk modelling, portfolio segmentation, scenario generation, and stress testing. Participants may use any of the generative AI models and Python codes/ libraries for this purpose.

Expectation from the Project Participants:

- Perform a thorough data cleaning and preparation process;
- Create a probability of default model out of historical data provided for this purpose;
- Estimate Loss Given Default (LGD) based on collateral characteristics as well as calculate LGD for each loan;
- Compute the expected loss of the pool and perform loss distribution simulation;
- Evaluate if there are any pool-level correlation;
- Simulate cash flows from the pool and prepare a Probability of Default Curve.

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Project Deliverables:

- Python notebook (code should contain detailed comments explaining what the code does)
- Clean datasets
- Model outputs in excel or CSV format
- Participants must present key risk drivers in the pool, model methodology, visualisations and AI innovation used in building the models and simulating cashflows

Awards

CareEdge Ratings has sponsored awards for the three selected entries, and the prize money will be as follows:

- 1st prize: ₹50,000/-
- 2nd prize: ₹25,000/-
- 3rd prize: ₹15,000/-

The winners will be invited to attend the Securitisation Summit (www.vinodkothari.com/secsummit/) with a free invite, that is, without participation fee (along with limited reimbursement of travelling expenses on actuals). Additionally, for selected submissions, participants may be provided a chance to present their model at the 14th Securisation Summit.

Important Dates

- Application Date: If you willing to write a paper, please do fill the following form by the April 10, 2026: Form link
- Submission: The last date of submission of the project is May 10, 2026. Send your project deliverables to archisman@vinodkothari.com and subhojit@vinodkothari.com
- Once registered, the Project Participants would be supplied with the loan pool data for the purpose of analysis along with a detailed brief of the project.

While submitting your project, you will provide a written confirmation that the model created is original and unpublished and the Project Participant has the right to use and share the AI model code. For any queries, write to: summit@vinodkothari.com