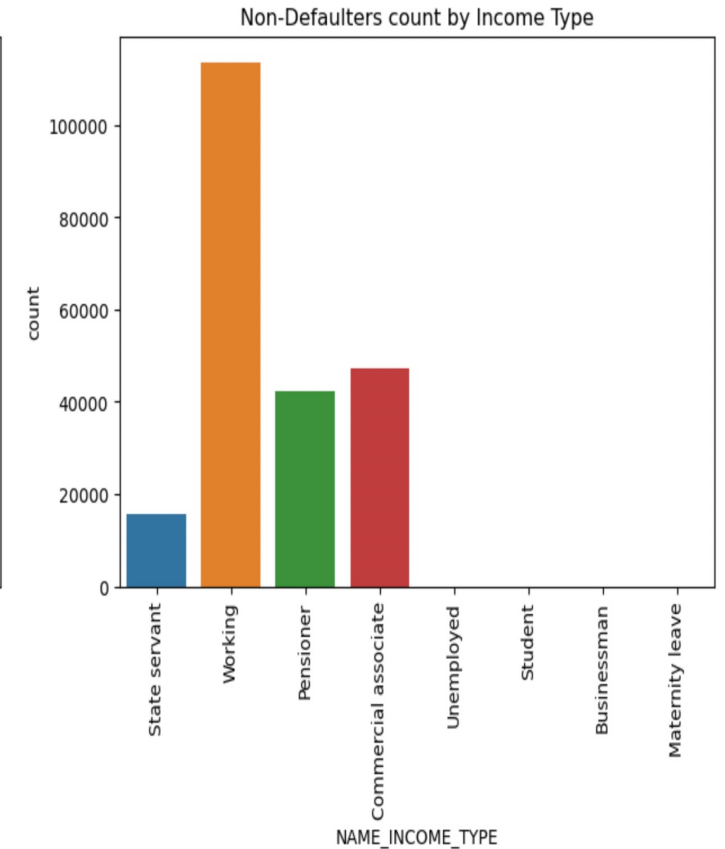
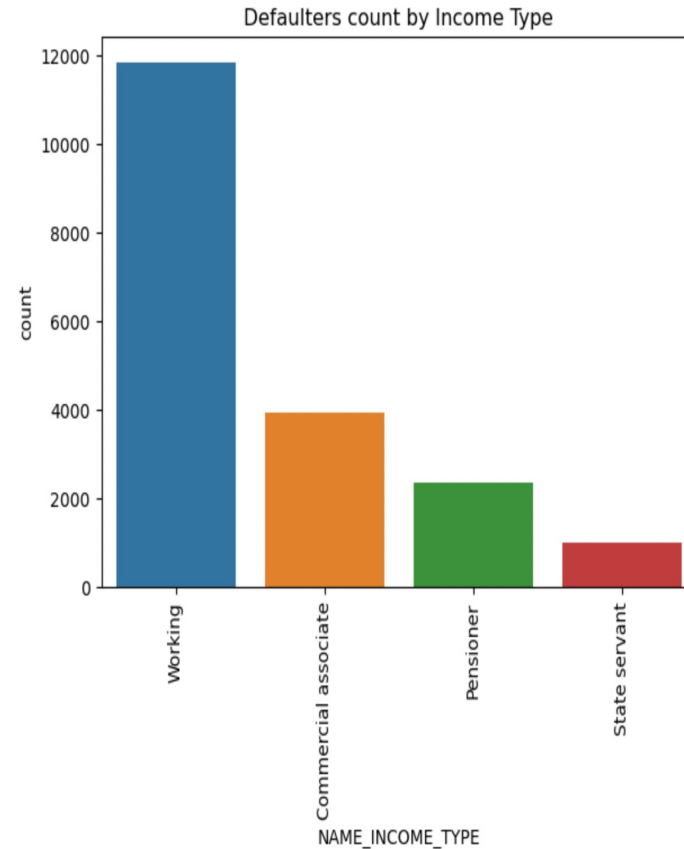


Credit EDA Case Study

By- Abhishek M. Prasad

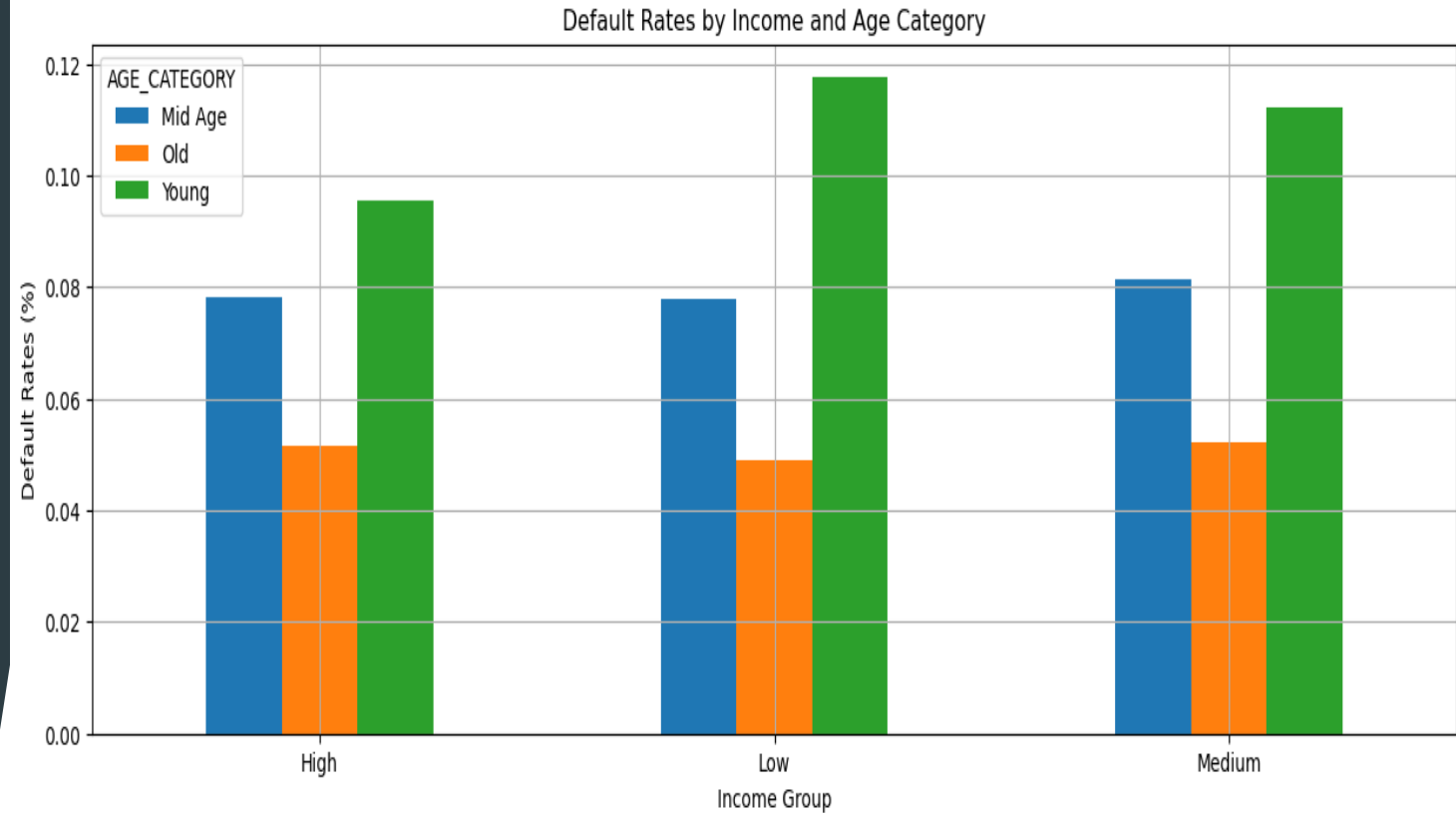
Current Application Analysis

- ▶ Working people are more in numbers who are defaulters.
- ▶ Also found that, client with Secondary/ secondary special education are more defaulters in number.



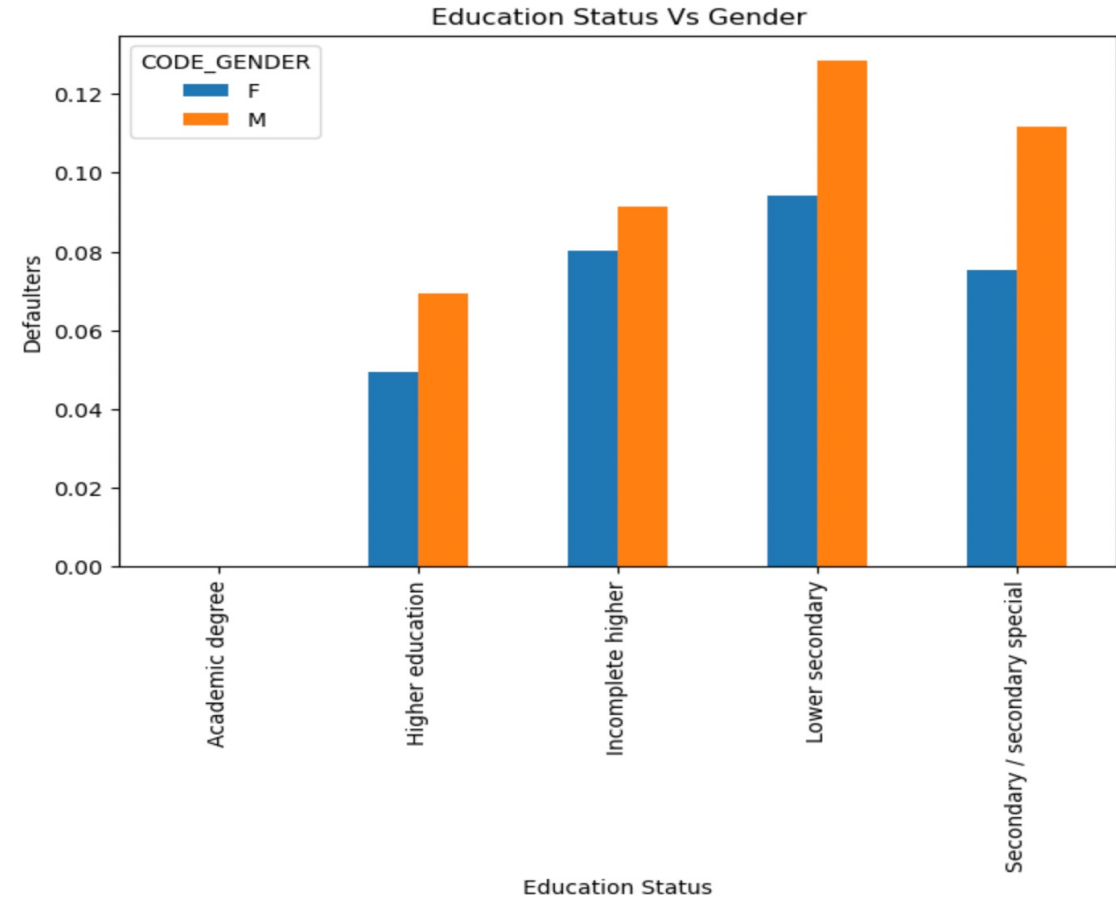
Current Application Analysis

- ▶ Young clients have more defaults than others
- ▶ Low-income clients in general have more defaults.
- ▶ Older clients have very less defaults across all income categories.



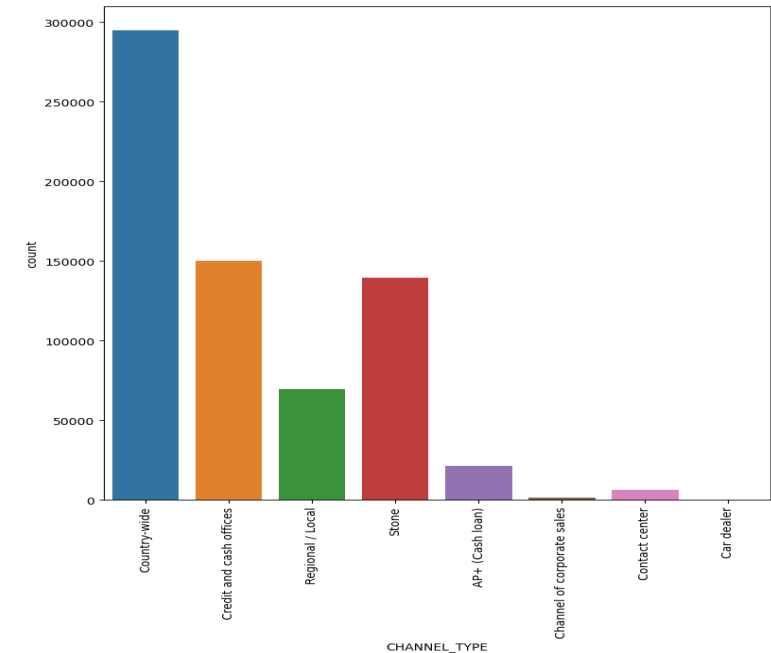
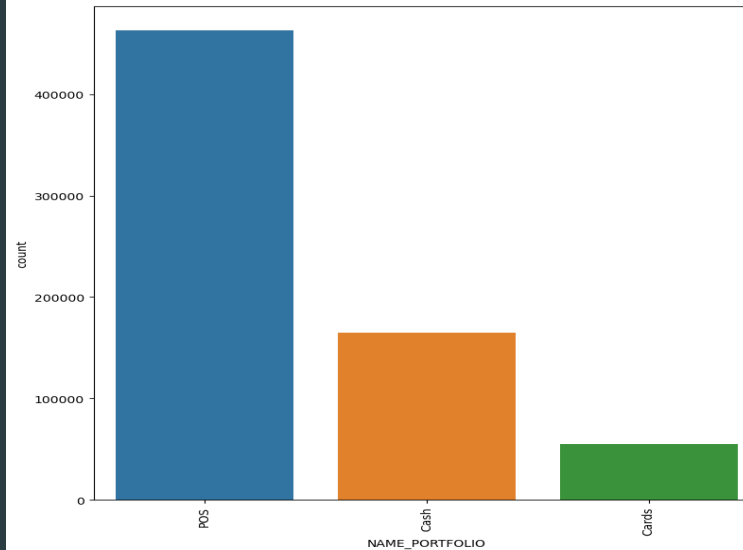
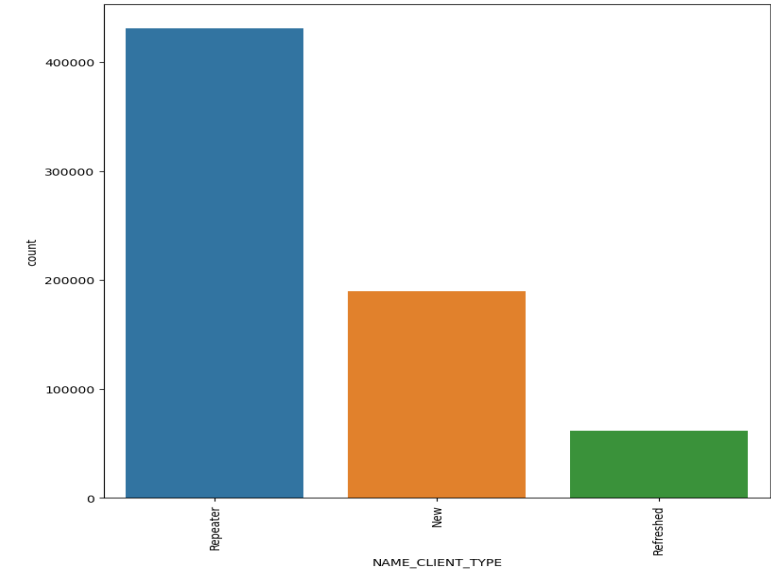
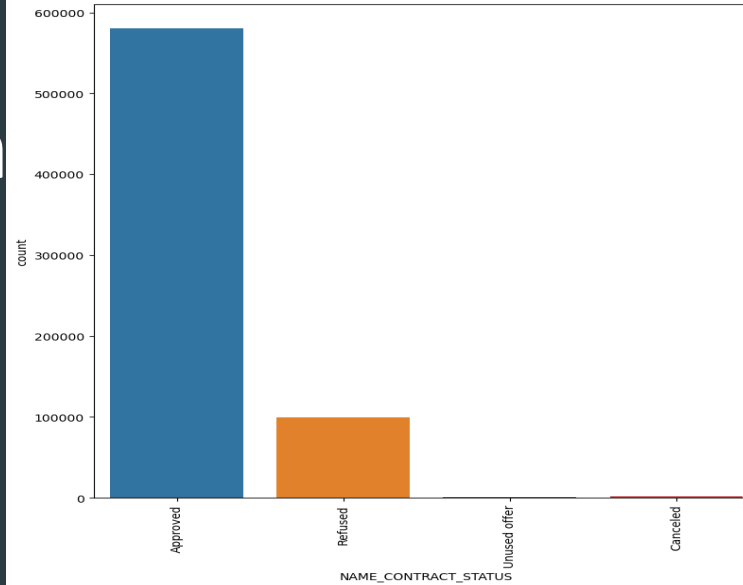
Current Application Analysis

- ▶ Male clients have more defaults when compared to females across education categories.
- ▶ Male clients with Lower secondary education have more defaults.



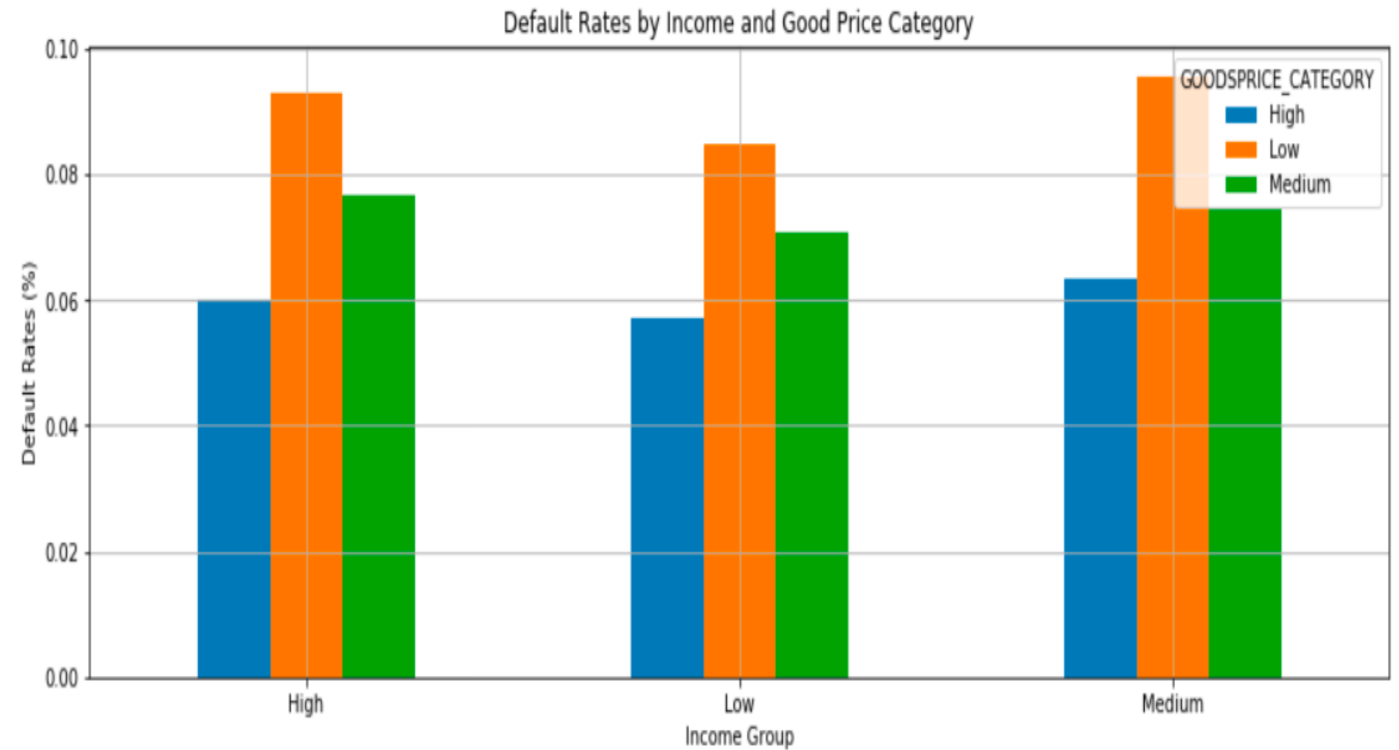
Previous Application Analysis

- ▶ Approved loan status is huge than rejected or cancelled.
- ▶ Repeat clients high than new clients.
- ▶ POS loans are highest rather than cash loans.
- ▶ Country-wide channel type is the most used channel followed by Credit and Cash-flow.



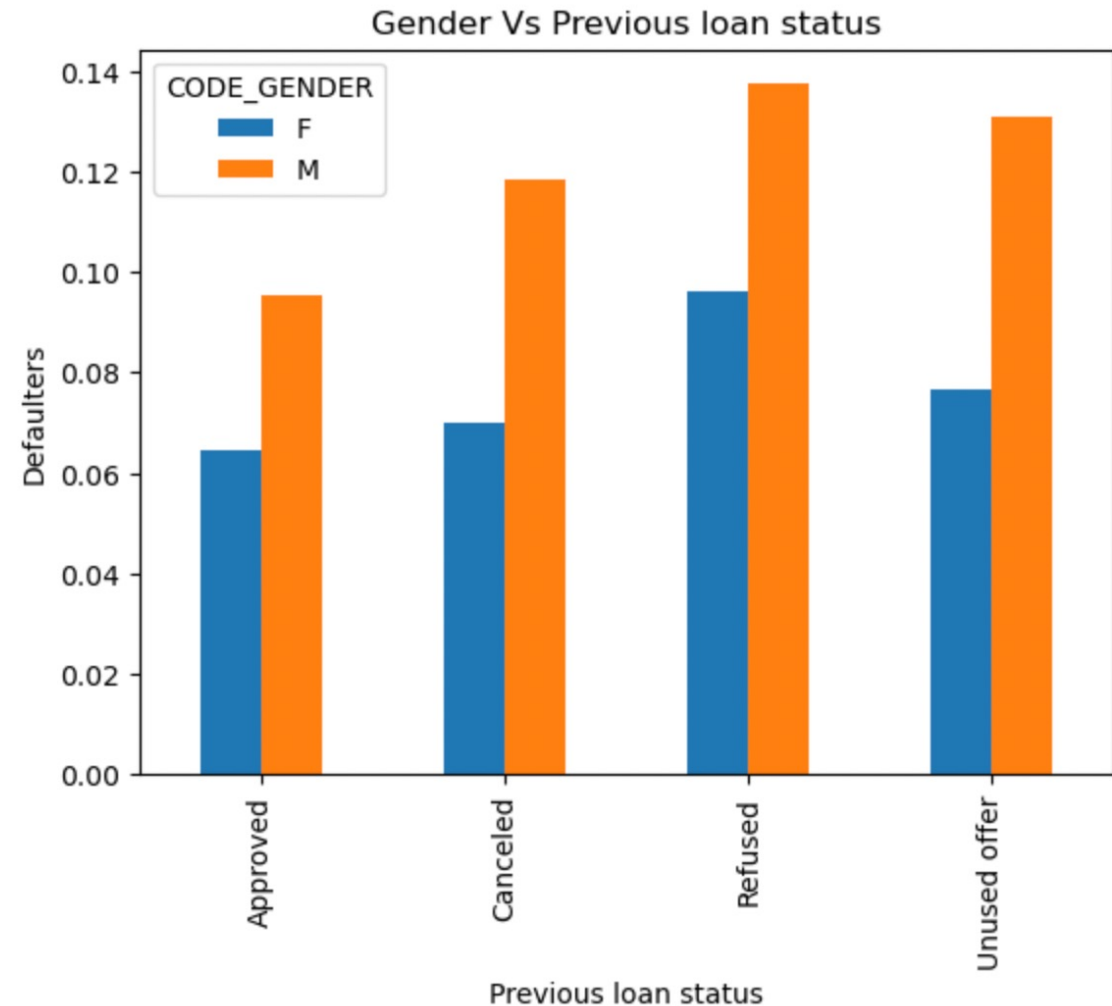
Merged Application Analysis

- Low income category people with low goods price category has high default rate followed by high income category.
- Low goods price category are more likely to be defaulted.
- It is safe to credit loan when goods price is high as it is almost consistent through out the income group.



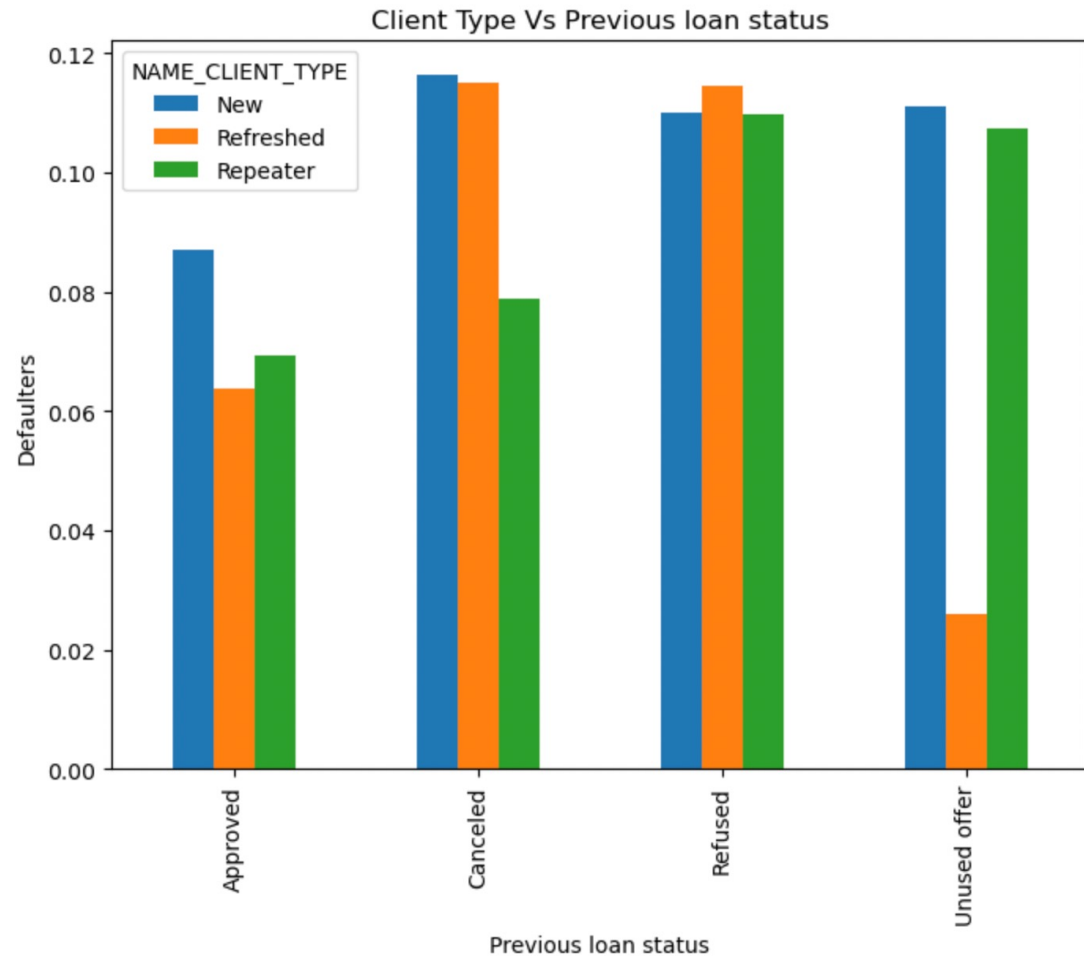
Merged Application Analysis

- Male clients have more defaults than female clients across all the loan statuses.
- Male clients specific when previous status is refused have more defaults than others.
- Previously approved loans have lowest of defaults.



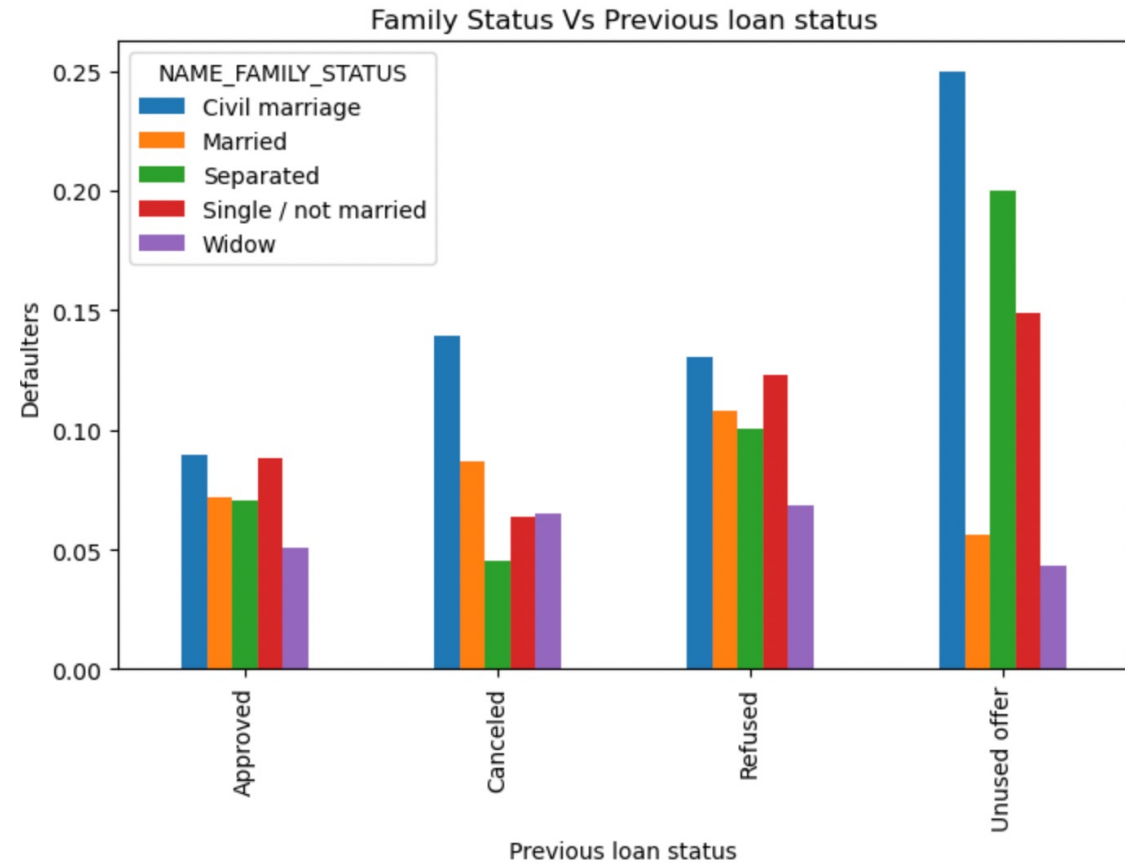
Merged Application Analysis

- New clients have more defaults no matter the previous status.
- Refreshed clients who had unused offers before have lowest default rate among others.



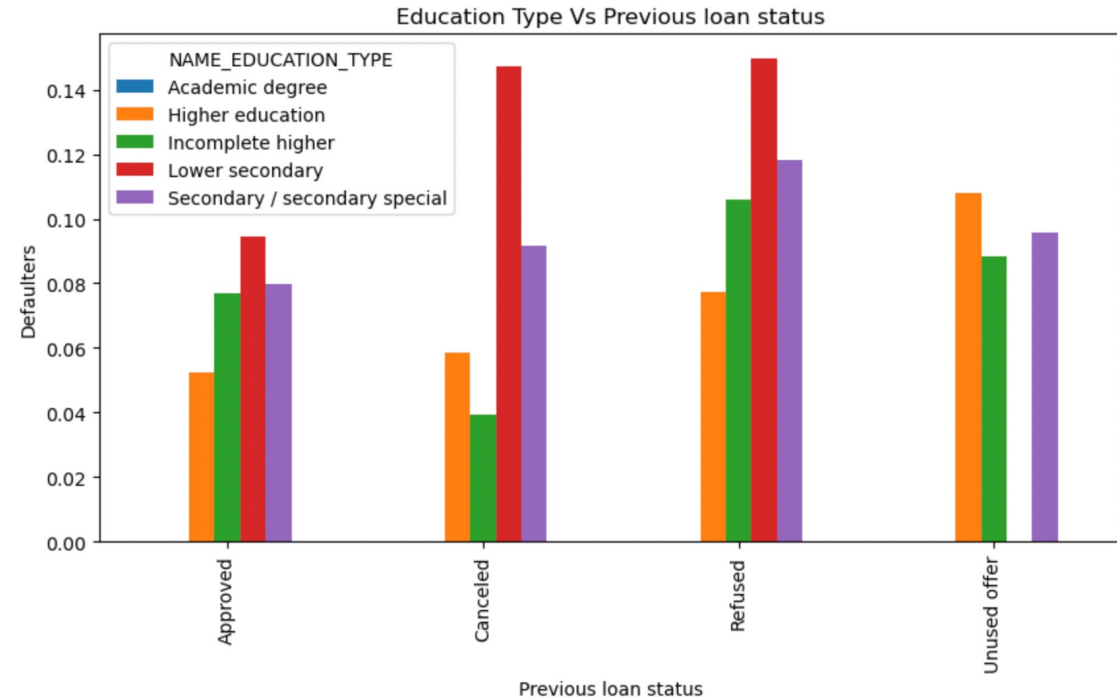
Merged Application Analysis

- Clients with civil marriage have highest default rate no matter the status of previous application.
- Separated and singles who had unused offers have higher rate of defaulters.
- Married and widowers are in general less defaulters so they are safe to grant credit.



Merged Application Analysis

- Clients with lower secondary education are in general default more.
- Clients who had refused previous offer and had secondary education have highest rate of defaults.
- Clients with higher education who has had their previous loan approved have less defaults across all others.



Recommended groups to credit loans who have less chances of defaults

- ▶ Clients who work as state servants.
- ▶ Clients who are older across any income groups.
- ▶ Clients whose income is in higher range.
- ▶ Female clients whose age is in higher spectrum.
- ▶ Clients with higher education especially females with higher education.
- ▶ Clients whose previous loans were approved.
- ▶ Refreshed clients who had unused loan previously.
- ▶ Widows who have unused previous loans.

Groups which are needed to be avoided from approving loans as the default rate is higher

- ▶ Lower secondary educated clients where their previous loan status is cancelled or refused
- ▶ Clients with civil marriages especially male clients with civil marriage.
- ▶ Lower income category clients whose goods price is also low.
- ▶ Clients whose previous loan were rejected.