

Hypothesis Generation

1. Dependents : If a person is depends on more number of members or their relatives, the chances of loan approval is less. Let's take an example if we take two people who apply for loan, if on one people their is total of 3 dependents(their famil members) and for another if their is no one dependents (means all members earn money) then chances that this member can pay loan is more so cances for loan approval is high.
2. Education : If a person is educated than he can pay EMI on time or chances of loan to be pay is more ie, chances for loan approval is more.
3. Self_Employed : If a person is self employed than their maybe some chances that his/her buisness fails or they were not able to pay their loan as compare to one who is not self employed and work for some other company or organization.
4. ApplicantIncome : If a person earn more we can conclude that he will able to repay loan so chances of loan approval is more.
5. LoanAmount : If amount of loan to be payed is less then their is high chances that loan be payed so chances for loan approval is also high.
6. Loan_Amount_Term : If loan taken for less time and have less amount then chances of loan approval is more.
7. Credit_History : If people repayed all of their previous debts (loans) then chances that he will get loan is more ie, cahnces that loan is approved is more.
8. EMI : If a person takes loan and if his monthly EMI to be payed is less then chances for loan to be payed on time is more, so chances for loan approval is high.
9. CoapplicantIncome : A co-applicant refers to a person who applies along with the borrower for a loan. This is done so that the income of the co-applicant can be used to supplement the borrower's income and increase his/her eligibility. So if CoapplicantIncome is more than chances for loan approval is more.

From above hypothesis :

Education , ApplicantIncome , LoanAmount, Loan_Amount_Term, Credit_History , EMI and Total income which is $\text{ApplicantIncome} + \text{CoapplicantIncome}$ gives proof of hypothesis related to CoapplicantIncome & ApplicantIncome