SMART LENDER - APPLICANT CREDIBILITY PREDICTION FOR LOAN APPROVAL

PROBLEM STATEMENT :

One of the most important factors which affect our country's economy and financial condition is the credit system governed by the banks. The process of bank credit risk evaluation is recognized at banks across the globe. "As we know credit risk evaluation is very crucial, there is a variety of techniques are used for risk level calculation. In addition, credit risk is one of the main functions of the banking community.

A Company/Bank wants to automate the loan eligibility process (real time) based on customer detail provided while filling online application form. These details are Gender, Marital Status, Education, Number of Dependents, Income, Loan Amount, Credit History and others. To automate this process, they have given a problem to identify the customers' segments, those are eligible for loan amount so that they can specifically target these customers. With the help of machine learning techniques we can evaluate the data to avoid the staff and time required for the application approval process.

1) What is the cause of the problem statement?

   The applicants who applying the loan in banks or company.

2) What is the issue of the problem statement?

   In the todays world every process needs to be quick. The manual application process is useless .

3) When does the issue occur?

Manual process has the great possibility of the taking wrong decision.

4) Why is it important to fix the problem?

Huge peoples requires the lenders to fulfill financial crisis .So the process required to be speed and accurate.

5) What is the solution to solve the issue?

Application process filled through the online process , it includes the collection of Eligilibility criteria based documents. Which stored in the secured banks database, with the help of machine learning developed software the eligibility criteria has checked out to the requirements of the applicant.