

Project Design Phase-I
Proposed Solution Template

Date	19 September 2022
Team ID	PNT2022TMID08820
Project Name	Smart Lender - Applicant Credibility Prediction for Loan Approval
Maximum Marks	2 Marks

Proposed Solution:

S.No.	Parameter	Description
	Problem Statement (Problem to be solved)	To Predict Loan Approval with the help of Machine Learning.
	Idea / Solution description	This is a classification problem in which we need to classify whether the loan will be approved or not. On the basis of the results, a modified prediction model will be created to ensure maximum accuracy and performance.
	Novelty / Uniqueness	The customer first applies for a home loan and after that, the company validates the customer eligibility for the loan. The prediction model helps the bank by minimizing the risk and reducing the number of defaulters.
	Social Impact / Customer Satisfaction	This can be useful in reducing the time and manpower required to approve loans for the bank, and legitimate customers will be benefitted.
	Business Model (Revenue Model)	Banks can make use of this model to reduce the risk associated with lending loan to someone, thus generating more profits.
	Scalability of the Solution	The model is scalable as the total number of data associated with the loan lending process increases.