

DATE	September 19
TEAM ID	PNT2022TMID17462
PROJECT NAME	Smart Lender - Applicant Credibility Prediction for Loan Approval
MAXIMUM MARKS	02 Marks

Page 1

ABSTRACT.

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.

Advantage.

The prediction of credit defaulters is one of the difficult tasks for any bank. But by forecasting the loan defaulters, the banks definitely may reduce their loss by reducing their non-profit assets, so that recovery of approved loans can take place without any loss and it can play as the contributing parameter of the bank statement

Drawbacks.

Higher interest rate- Because the loan is unsecured, the interest rate will be much higher than traditional bank loan

Abstract.

Smart Lending Platform is an end-to-end digital lending solution that helps retail and SME lenders improve their online lending business, reduce operating costs while maintaining risk management standards with cutting-edge technology such as AI and big data. This includes channel management, loan application, anti-fraud and credit risk modelling, up to predisbursement checks. The automated application processing would effectively reduce the manual work up to 90% compared to the traditional approach.

Advantages.

You're Already Considered a Good Credit Risk. ...

- There Are No Application Fees. ...
- Your Information is Secure While Lending Is Done Over Trusted Platforms. ...
- Disbursements Are Made in Your Pocket. ...
- You Have Control Over What's Disbursed When. ...
- Summing up.

Drawbacks.

Risk of hacking and scams- Be careful about the data you share and the online loan apps you use, as these can be prone to data hacking since the whole loan process is done online. Make sure you use online lending platforms registered with the Securities and Exchange Commission.

Loans are not very flexible - you could be paying interest on funds you're not using. You could have trouble making monthly repayments if your customers don't pay you promptly, causing cashflow problems. In some cases, loans are secured against the assets of the business or your personal possessions, eg your home.