

**Project Design Phase-I**  
**Proposed Solution Template**

Date	24 September 2022
Team ID	PNT2022TMID354256293
Project Name	SMART LENDER - APPLICANT CREDIBILITY PREDICTION FOR LOAN APPROVAL
Maximum Marks	2 Marks

**Proposed Solution Template:**

Project team shall fill the following information in proposed solution template.

S.No.	Parameter	Description
1.	Problem Statement (Problem to be solved)	SBBI bank needs an effective and quick way to shortlist and approve the loan application based on the credibility of the loan applicant. Today's banking sector faces this major problem of loan non-repayment which they have approved to their customers. Generally, the major profit of the bank comes directly from the loan's interest. The loan companies grant its customer loan after an intensive process of verification and validation. However, they still don't have assurance if the applicant will be able to repay the loan with no difficulties.
2.	Idea / Solution description	By predicting the loan defaulters, the bank can reduce its Non-Performing Assets. Eligible applicant for loan can be filtered by CIBIL score. We the loan based on the movable like car, bike etc. See the applicant credit card transaction. If client is married then the loan amount requested is slightly higher than non-married. If the customer request for the housing loan the area of the house is mentioned properly. Approved loans usually have a good credit history, decent applicant income, and reliability in other factors. The results of the experimental analysis in predicting the loan repayment capacity are presented in this

		section and also The applicants with very high incomes and co-applicant income with a good credit history.
3.	Novelty / Uniqueness	In most cases banks see through the applicant's property. Whereas our model stress on the applicant's income and the family background and also any applicant involved other loan
4.	Social Impact / Customer Satisfaction	This application is working properly and meeting to all Banker requirements. This component can be easily plugged in many other systems. There have been numbers cases of computer glitches, errors in content and most important weight of features is fixed in automated prediction system. This application accuracy level is high. Bank can easily identify the correct applicant and give the loan to the correct applicant.
5.	Business Model (Revenue Model)	Due to the high accuracy, also we spend only limited amount for the application. Many Banks can prefer the our application as we are selling at the low cost with high profit. Using this idea, we can make a profitable revenue
6.	Scalability of the Solution	Our application has better scalability since our analyses all the information provides the best solution. With less chances to get the error. We could achieve the high accuracy