**Problem Statement**

MAH 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 face 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 grants 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.

**Abstract**

Loan distribution is one of the core objective of the banking sector. Banks or money lenders receive masses of loan application everyday and it becomes a burden on the bank to validate and verify every application manually and in some of the cases there is a chance that an undeserved application may be approved or a deserving application may be rejected. To overcome this problem we as a team have planned to develop a system which can predict the credibility of the loan applicant using machine learning. So that the loans are approved only to the deserving ones and Bank can make maximum Gains out of it..