Literature Survey

(1)Loan Credibility Prediction System Based on Decision Tree Algorithm.

Author: Sivasree M S, Rekha Sunny T

Year : 2015

Because of the increased availability of such a large amount of data and the requirement to turn that data into knowledge, data mining techniques are becoming increasingly popular nowadays. Numerous industries, including the retail sector, the study of biological data, the telecommunications sector, intrusion detection, and other scientific applications, use data mining techniques. In order to compete effectively in the market, data mining techniques are frequently applied in the banking sector. They established a prediction model for bankers in this research that will aid them in determining which consumers who have asked for loans are credible. The Decision Tree Algorithm is being used to forecast the credibility-relevant qualities. This paper describes a prototype of the model that can be utilized by the organizations for making the right decisions to approve or reject the loan request from the customers.

(2)Loan Approval Prediction based on Machine Learning Approach.

Author: Kumar Arun, GargIshan, KaurSanmeet

Year : 2016

Countless individuals nowadays apply for bank loans as a result of the banking industry's expansion, but because banks have limited resources that they can only lend to certain individuals, banks typically go through a process to determine who is eligible for a loan. In order to save a lot of bank resources and work, they sought to lessen this risk in this paper by choosing the safe person. The process involved collecting the prior loan recipients' records, and the machine was trained using the machine learning model that produced the best accurate result based on these information. This paper's primary objective is to forecast whether loan assignment to a specific person will be safe or not. This paper has into four sections (i) Collection of data (ii) Comparing the machine learning models on collected data (iii) Training the system on most promising model (iv) Testing the system.

(3) Improving Information Quality in Loan Approval Processes for Fair Lending and Fair Pricing.

Author: M. Cary Collins

Year: 2013

With reference to fair lending and fair pricing procedures, bank data management on loan approval processes has significant space for improvement in terms of information quality and data problem prevention. Prior to that, they quickly went over the standard data collection procedures used by many financial institutions for loan approval and loan pricing. A subset of these data methods must comply with federal requirements. They demonstrated some of the basic critical processes currently required for increasing information quality for all stakeholders involved while discussing the data collecting and analysis for fair lending.

(4)Prediction of Modernized Loan Approval System Based on Machine Learning Approach.

Author: Vishal Singh, AyushmanYadav, RajatAwasthi

Year : 2021

The quality of life for humans has improved thanks to technology. We intend to provide something fresh and unique every day. There  is a  We have equipment to support a solution for every other issue. our daily life and provide us a kind of closure in the financial Before the approval of the sector candidate, the sum borrowed. The application was accepted or rejected depending on the candidate's previous data provided by the system. Numerous people request for loans every day in the however, Bank would only have a small amount of money. That is In this instance, making the correct prediction with some classes-function methodology the logistic regression, as an example. classifiers using support vector machines, random forests, etc. Profit and  loss depend on the amount of the loans that is whether the Client or customer is paying back the loan. Recovery of loans is the most important for the banking sector. The improvement process plays an important role in the banking sector. The historical data of candidates was used to build a machine learning model using different classification algorithms. The main objective of this paper is to predict whether a new applicant granted the loan or not using machine.

(5)Bank Loan Prediction System using Machine Learning

Author: AnshikaGupta ,Vinay Pant , SudhanshuKumar , Pravesh Kumar Bansal

Year: 2020

Technology has made a lot of improvements, and the banking industry is no exception. The daily number of loan applications is rising approval. There are a few bank regulations that they must follow. When choosing a loan applicant, take this into account. Based on some parameters,  the bank must determine the best option based on some criteria. Checking out manually every order is difficult and dangerous  to propose the individual for loan approval. In this work  That is  using a machine learning method that will predict, the individual who can be trusted with a loan  a record of the customer to whom the loan is credited  before. The main goal of this paper is to predict whether the authorization of a loan to a particular person or not.

(6) Design and Simulation of Loan Approval Prediction Model using AWS Platform.

Author: Ramachandra H V, Balaraju G, Divyashree R

Year: 2021

The application used in this book helps in anticipating the fate of credit and its status and relies upon that the can make in introductory long periods of advance. Utilizing the application that was explained in this book, the banks can diminish the quantity of awful advances from bringing about cut off misfortunes. A few AI calculations and bundles were utilized to set up the information and to fabricate the arrangement model. AI bundle libraries help in fruitful information examination and highlight determination. Utilizing these techniques bank can without much of a stretch distinguish the necessary data from immense measure of informational collections and aides in fruitful advance forecast to diminish the quantity of awful credit issues.

(7) An Approach for Prediction of Loan Approval using Machine Learning Algorithm.

Author: Mohammad Ahmad Sheikh, Amit Kumar Goel , Tapas Kumar

Year: 2020

The process of prediction starts from cleaning and processing of data, imputation of missing values, experimental analysis of data set and then model building to evaluation of model and testing on test data. On the data set, the best case accuracy obtained on the original data set is 0.811. In most of the cases, those applicants who have high income and demands for lower amount of loan are more likely to get approved which make sense, more likely to pay back their loans. Some other characteristic like gender and marital status seems not to be taken into consideration by the company.

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