Ideation Phase
Define the Problem Statements

Date	19 September 2022
Team ID	PNT2022TMID52855
Project Name	Project - Smart lender Applicant credibility for loan approval
Maximum Marks	2 Marks

Customer Problem Statement Template:

Banks are vital to financial management and for controlling the economy of a country. Large portions of a bank's assets directly come from the interest earned on loans given by the banks. Banks and financial institution distribute loans and these loans act as the core business part of almost every bank. The prime goal is to invest their assets in safe hands. The success of bank depends on the decision-making capability to evaluate risk of lending loan to the customer. Checking manually individual consumer's credibility for the loan approval is difficult, time consuming and risky. Thus, the banks aim to minimize the credit risks of defaulting. In this study we have applied a machine learning model to train and test the data. From this best model is selected and saved. With the help of machine learning the speed, efficacy and accuracy of the loan approval process will be faster and time saving. It will accurately identify whom to lend loan to and will also help banks to identify the loan defaulters for much-reduced credit risk.

I am	I'm trying to	But	Because	Which makes me feel
Bank or Microfinancing bank	Fasten my loan process and wants to know who are the loan defaulters	Unable to find the correct technology	The accuracy of the technology is very low and unpredictable	Hopeless and insecure due the incurring loss by defaulters.