Model Development Phase Template

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| Date | 03 October 2024 |
| Team ID | LTVIP2024TMID24947 |
| Project Title | SmartLender - Applicant Credibility Prediction for Loan Approval |
| Maximum Marks | 5 Marks |

**Feature Selection Report Template**

In the forthcoming update, each feature will be accompanied by a brief description. Users will indicate whether it's selected or not, providing reasoning for their decision. This process will streamline decision-making and enhance transparency in feature selection.

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| **Feature** | **Description** | **Selected (Yes/No)** | **Reasoning** |
| Loan\_ID | Unique identifier for each loan applicant | No | For predicting the loan, a Loan ID is not required. |
| Dependents | Number of dependents | Yes | Indicates financial responsibilities and influences loan capacity. |

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| Self\_Employ ed | Self-employme nt status | Yes | Self-employed individuals may have different financial profiles. |
| Income in annum | Income of the applicant in a year | Yes | It is crucial in determining the applicant's financial capacity. |
| Loan Amount | Amount of loan applied | Yes | Fundamental for assessing the financial magnitude of the loan. |
| Loan Term | Term of the loan (in years) | Yes | The loan term influences monthly repayments and impacts eligibility. |
| Cibil score | Cibil score of the applicant | Yes | A major factor in loan approval is reflecting the applicant's creditworthiness. |
| Assets | Assets of applicant | Yes | It is crucial in determining the applicant's financial capacity. |
| Loan\_Status | Loan approval outcome | Yes | The target variable for predictive modeling – is essential for the project's goal. |