

Gramener Case Study

By-

Arram Rahul

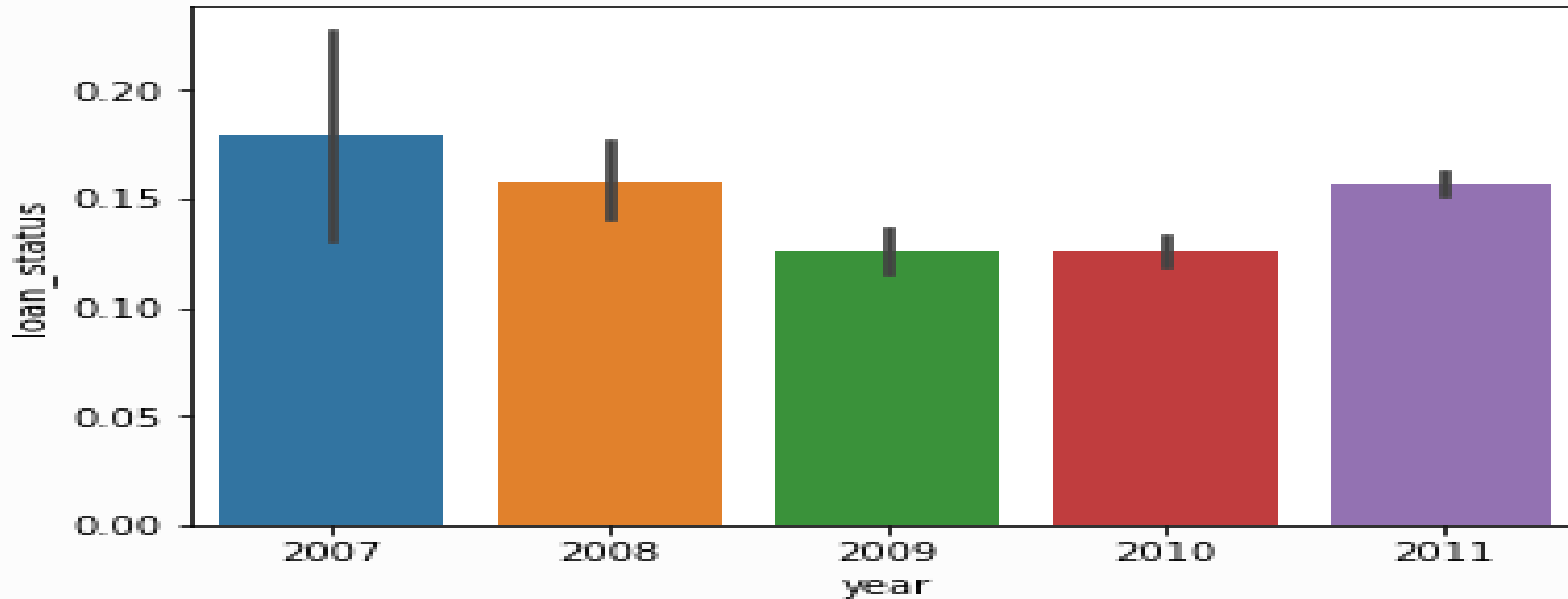
Data Understanding

Types of variables

- Customer (applicant) demographic
- Loan related information & characteristics
- Customer behaviour (if the loan is granted)

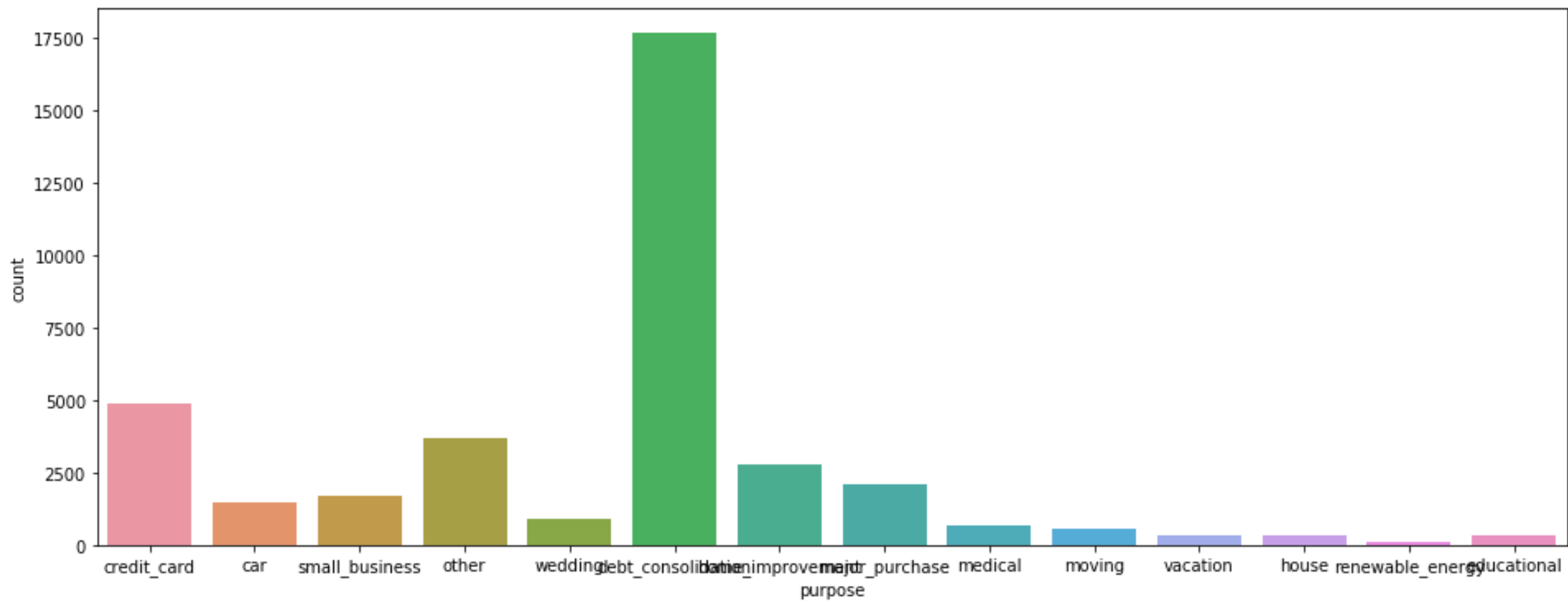
Time Frame of the Data – 2007-2011

- 78% increment in applicants in 2011 compared to 2010
- 145% increment in applicants in 2010 compared to 2009



Loan Purpose Distribution : Debt Consolidation Loan is the most popular

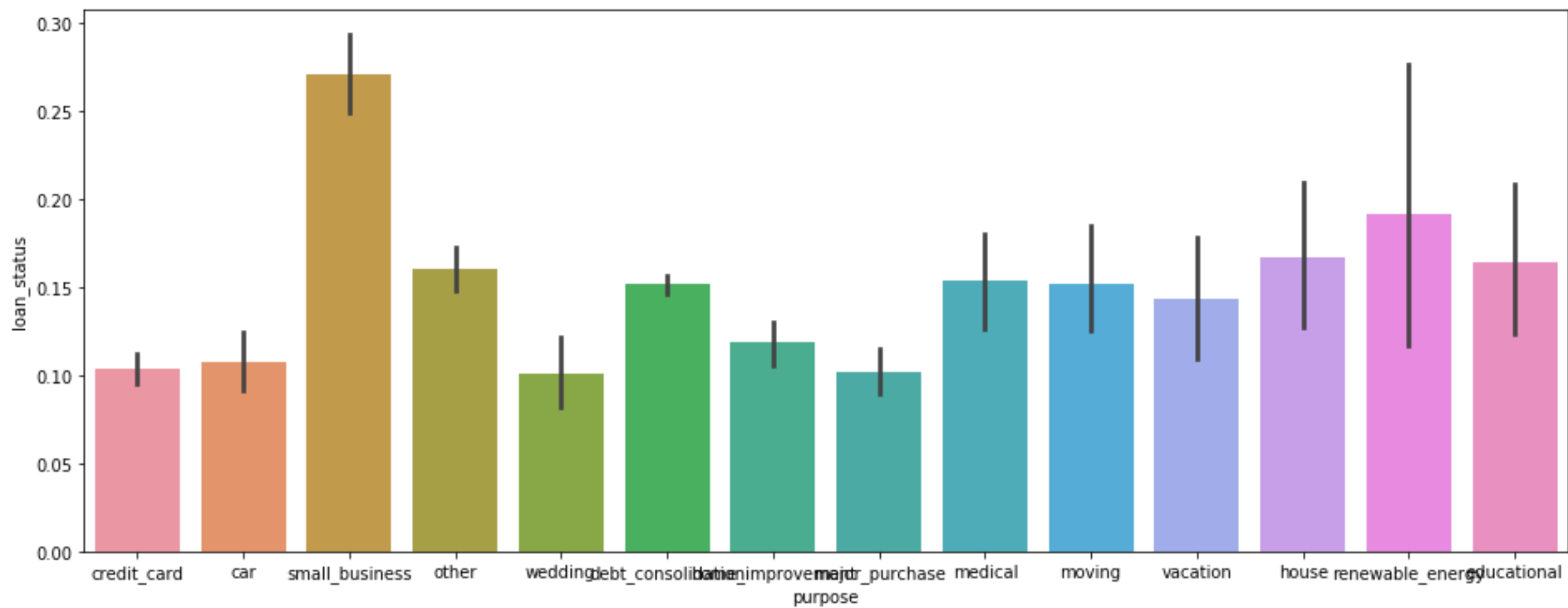
- 46.8% debt consolidation loans
- 13% credit card loans
- 7.5% home improvement loans
- 5.6% major purchase l



Default Rates By Loan Purpose

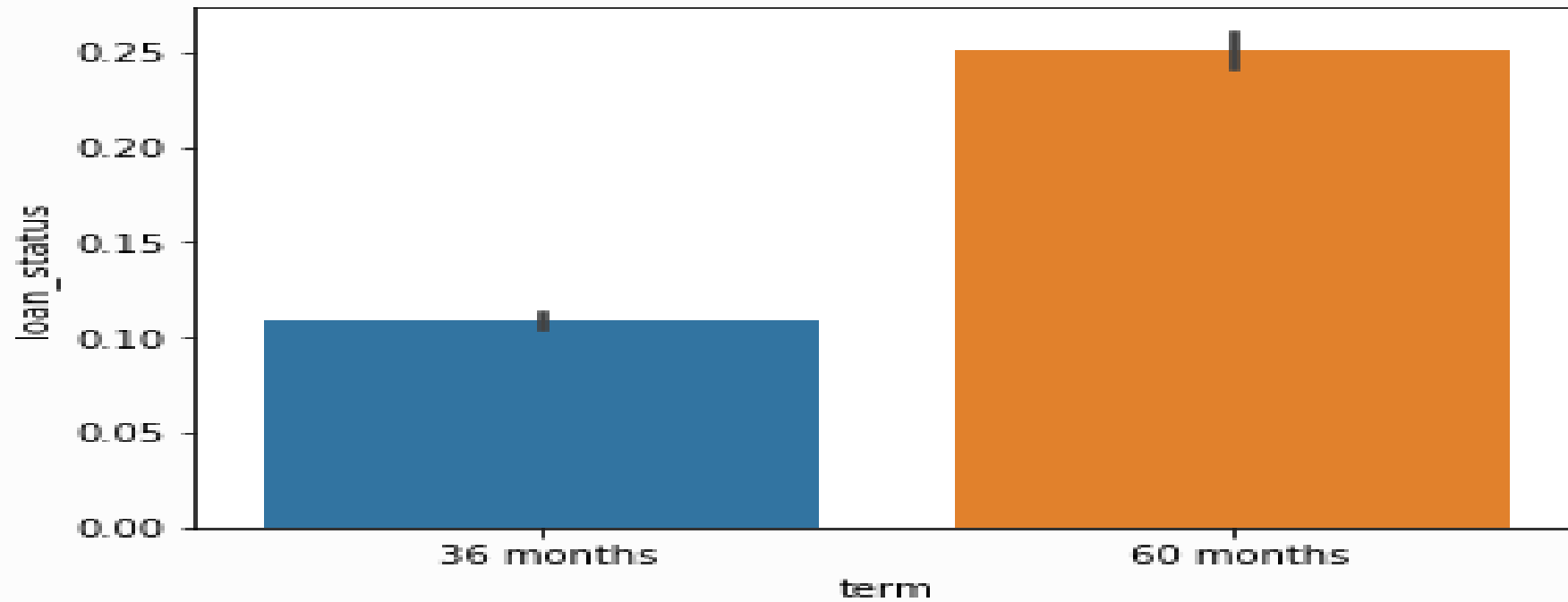
- Small business: 27%
- House: 17%
- Educational: 16%
- Debt consolidation: 15%
- Credit card: 10%
- Major purchase: 10%





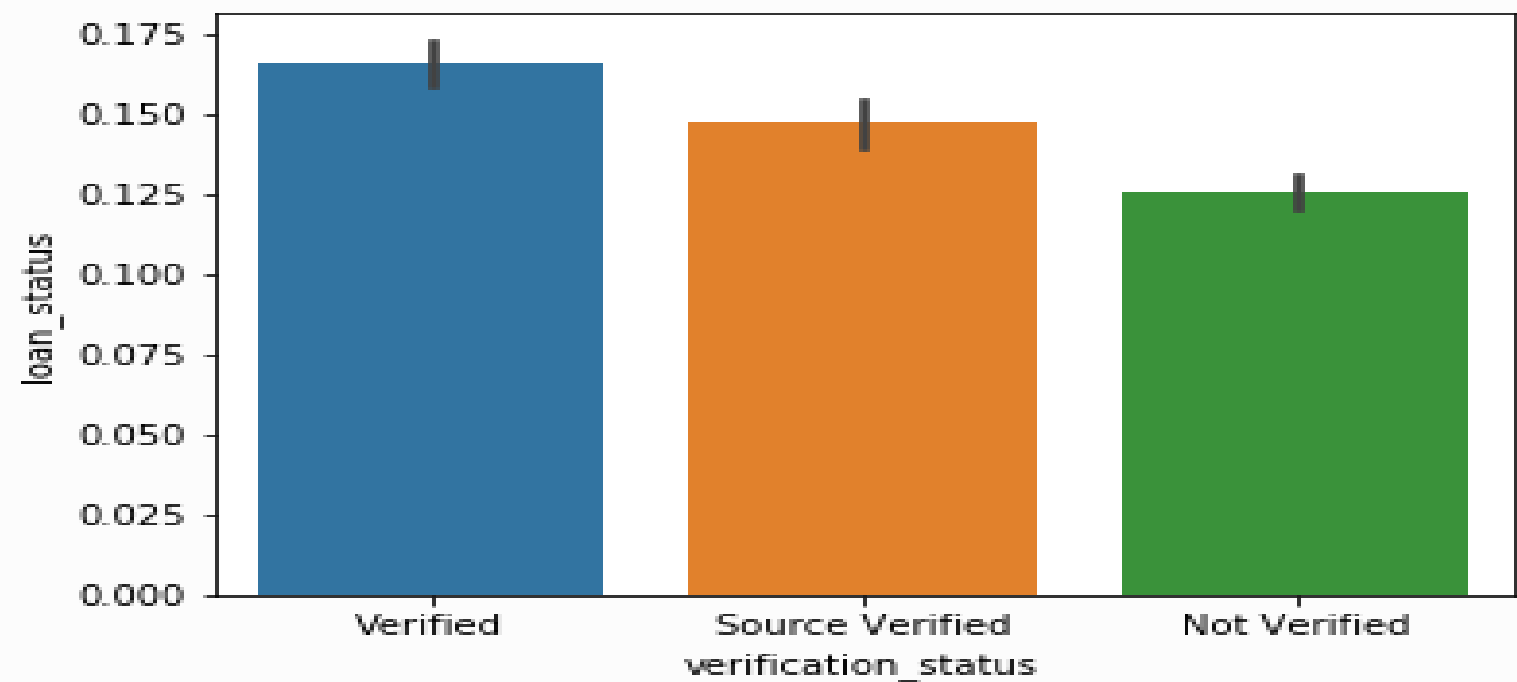
Default rate by term

60 months loans default more than 36 months loans



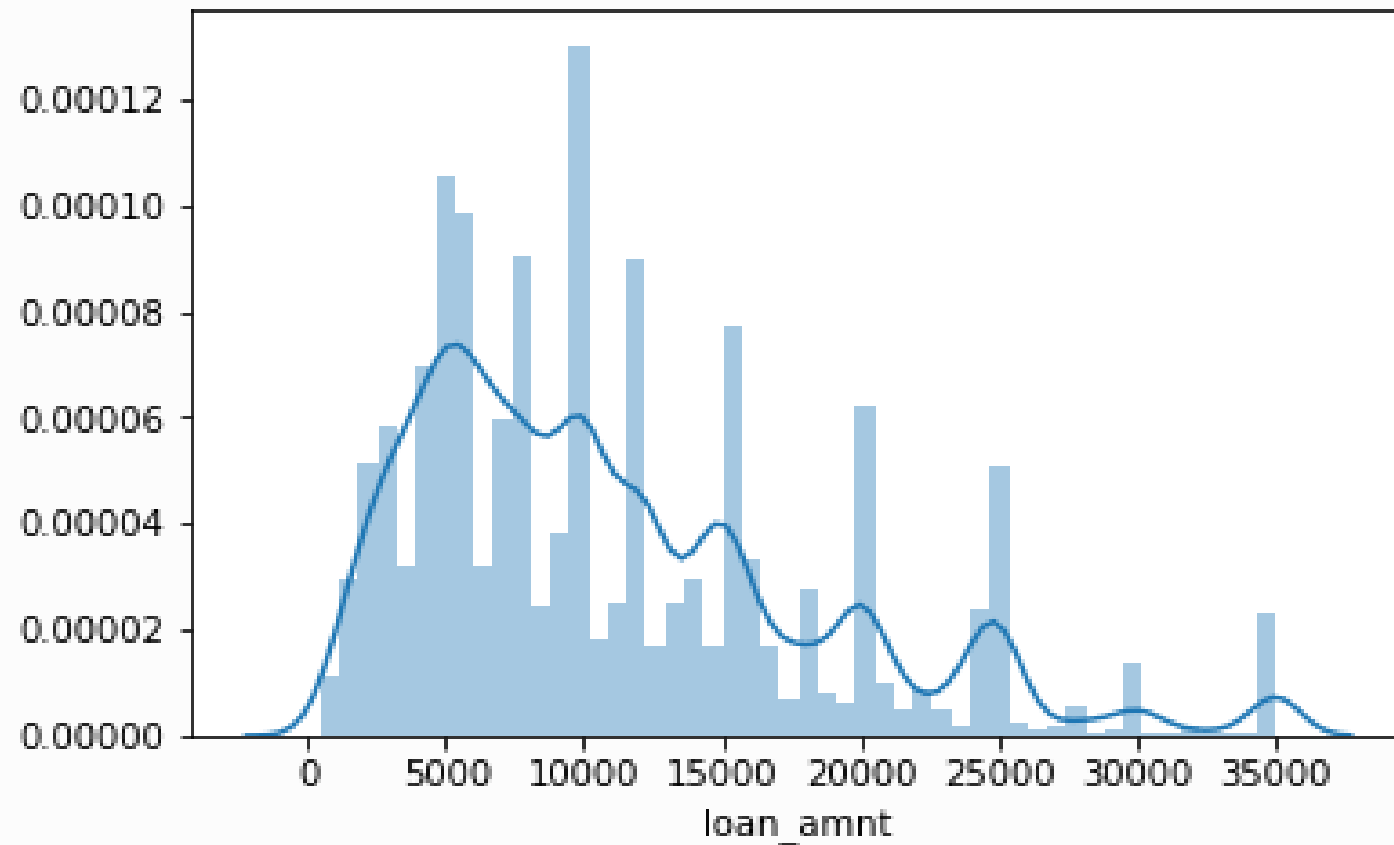
Default rate by verification status

surprisingly, verified loans default more than not verified



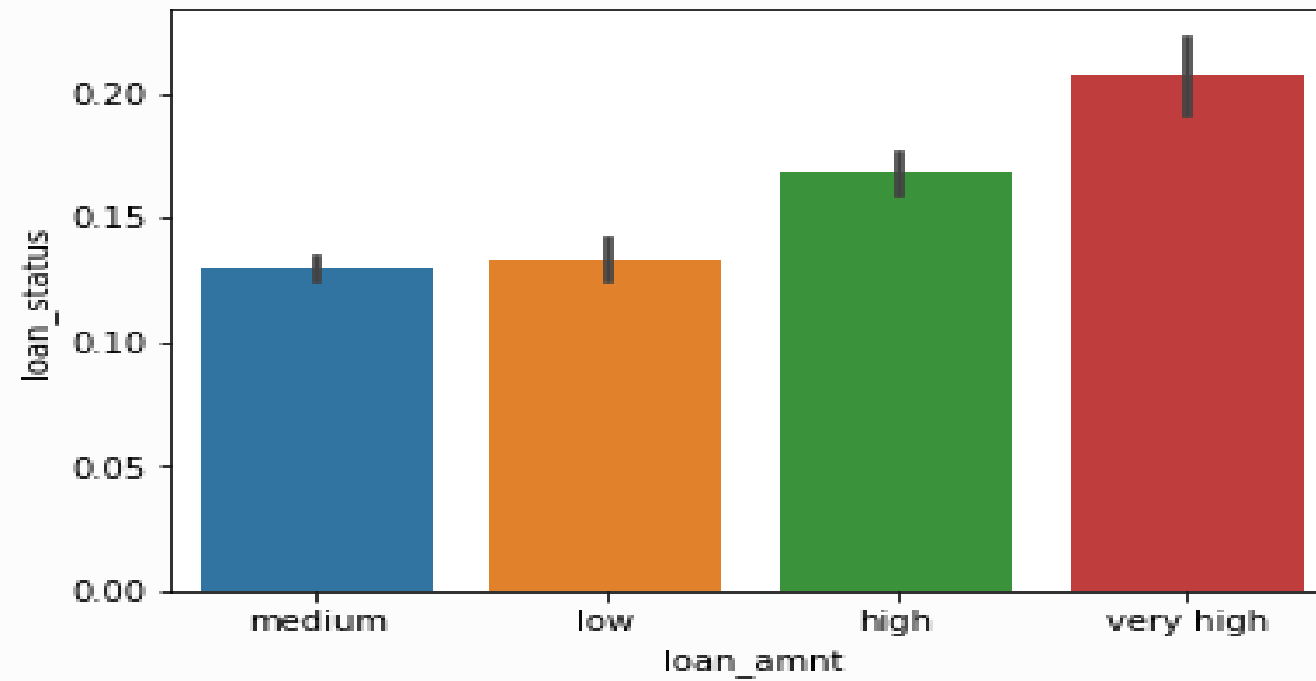
Loan amount distribution

the median loan amount is around 10,000



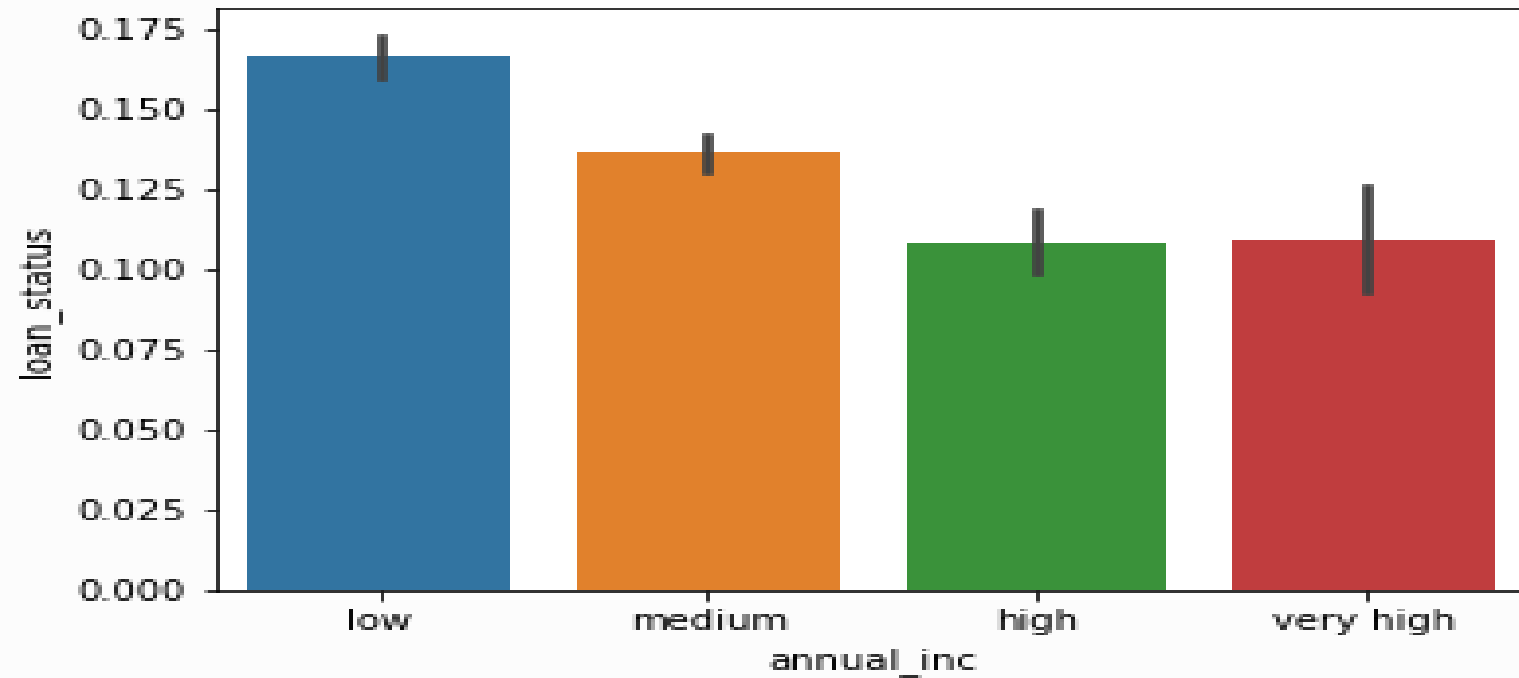
Default rate according to loan amount

higher the loan amount, higher the default rate



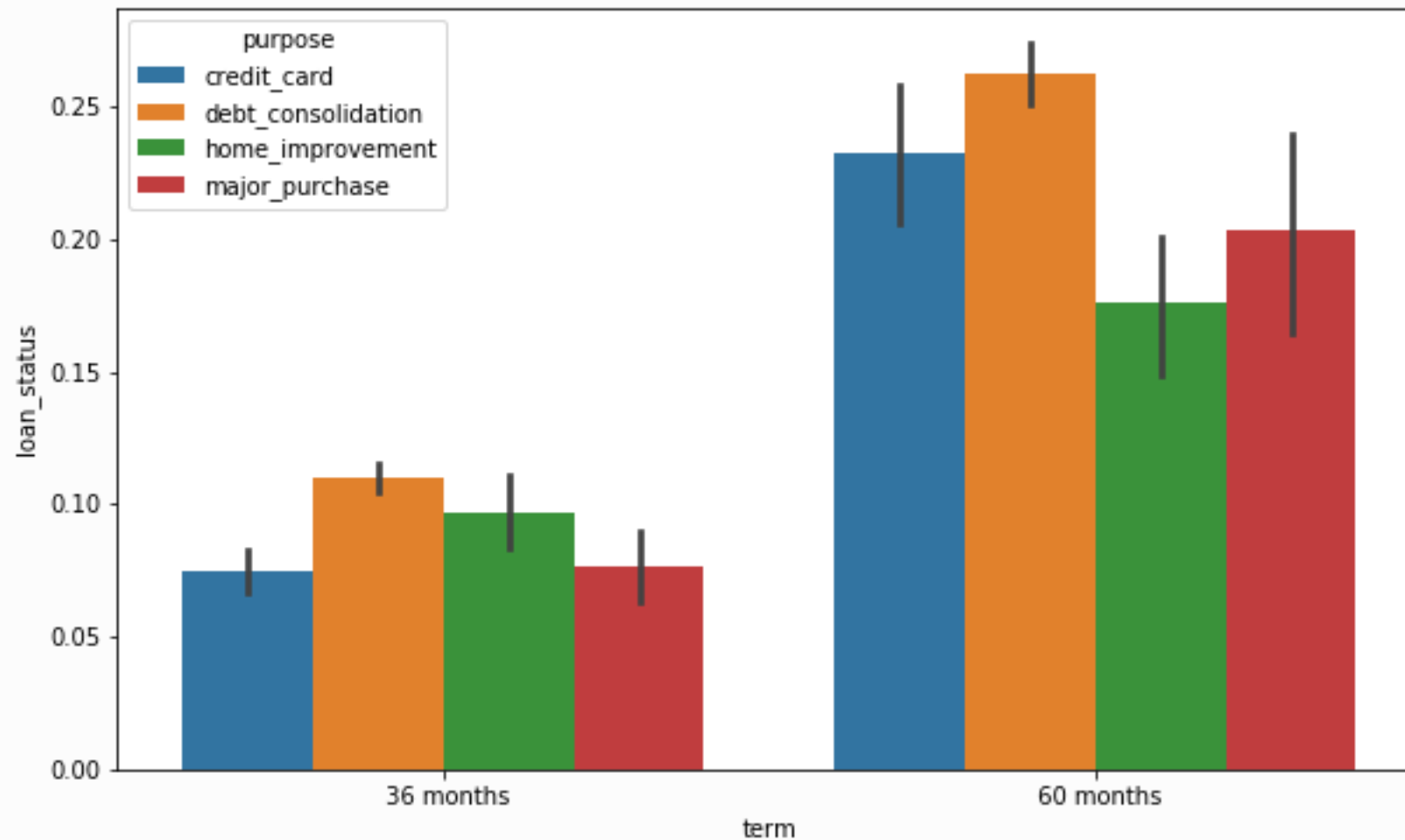
Default rate according to annual income

- lower the annual income, higher the default rate

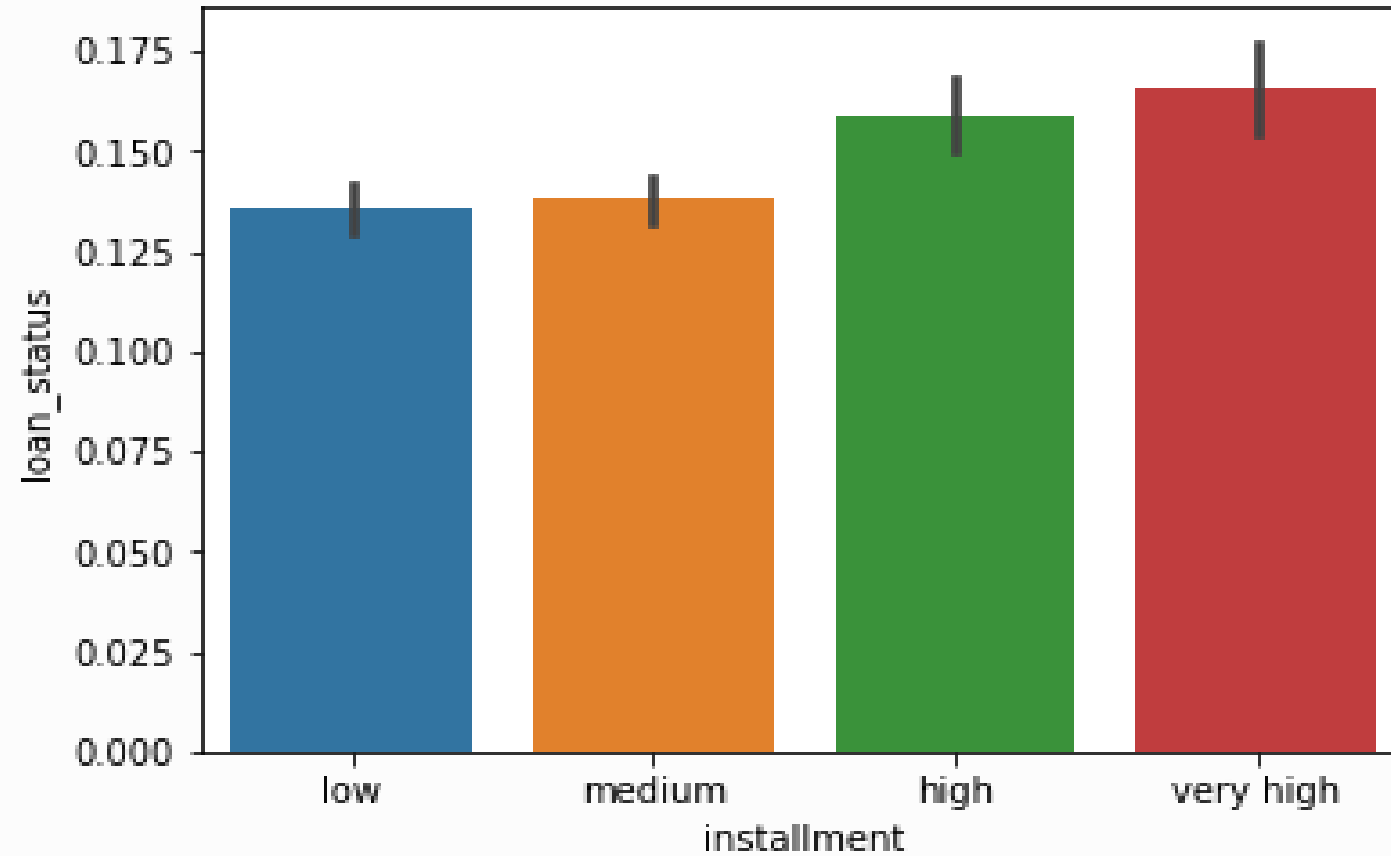


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Bivariate analysis of distribution across term



Distribution across various installments



Bivariate analysis of dti

