

VERZEO

MAJOR PROJECT

- **Project Name:**

Machine Learning July Major Project

- **Project Description:**

A bank has given data of user's bank wants you to make a model that can be used to predict customer defaulter on his EMI payment.

BANKING BEHAVIOURAL SCORECARD MODEL

Our task is to build a banking behavioural scorecard model for internal customers through a user's liability account and predict the credit risk.

What is a Banking behavioural scorecard ?

Banking behavioural scorecard is a model that is maintained for a customer based on his liability transactions. Liability transactions are transactions that are transacted by an internal customer of a bank. Internal customers of a bank are the customers who have a savings account (SA) with the bank.

How can a customer repay a loan ?

Customer pays the loan in equal monthly instalments (EMIs). Loans get paid through post-dated cheques. Customer also has an option to pay through the Electronic Clearing System (ECS) technique or standing instructions to debit the user's HDFC Bank account with the EMI amount.

What is the meaning of customer risk profile ?

Customer risk profile means the probability of the customer defaulting on his EMI payment.

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DATA DESCRIPTION

| COLUMNS | DESCRIPTION |
|-----------------|---------------------|
| COL1 | Unique ID |
| COL2 | Target |
| COL3 to COL2395 | Anonymized Features |

Data Volume:

- Training Data contains 17521 rows and 2395 features
- Testing Data contains 20442 rows and 2394 features

Our task is to predict the target variable **COL2**.

EVALUATION MATRIX :

Evaluation matrix for this problem is F1_SCORE (WEIGHTED)
Score = 100 * f1_score(average='weighted')

Data Set:

https://drive.google.com/drive/folders/1OwlGoW31f_jMzNacHukl-fu1JUF41rT4?usp=sharing