# Classification Model from Scratch: Loan Approval Prediction

Please go through the document carefully to understand the requirements and our expectations.

### **Scope of Work**

The goal of this task is to build a **machine learning pipeline** from scratch to predict **loan approval** based on applicant data. The pipeline should include all necessary steps from data preprocessing to model evaluation.

### **Steps to Include**

- 1. Data Preprocessing:
  - Handle missing values
  - Apply encoding to categorical variables
  - Perform feature scaling (standardization or normalization)
- 2. Exploratory Data Analysis (EDA):
  - o Analyze the dataset using descriptive statistics, visualizations, and correlation analysis
- 3. Feature Selection/Engineering:
  - Select important features and/or create new ones to improve model performance
- 4. Model Training:
  - Train at least two models to achieve the same.
- 5. Model Evaluation:
  - Evaluate models using common metrics such as:
    - Accuracy
    - Precision
    - Recall
    - F1 Score

# **Deliverables Expectations**

- A Python script or Jupyter notebook (.py or .ipynb)
- **README.md** file that includes:
  - Summary of your approach
  - Key challenges/decisions
  - Model comparison
- Output files (e.g., test predictions in .csv or .json format)
- A link to the <u>Kaggle Loan Prediction Dataset</u> used in your solution

- A Google Drive folder link will be provided to save the following items
  - Code
  - Sample data
  - Any required assets or models

## **Optional**

 Create a Streamlit app for easy interaction with the model (to predict loan approval from user input)

# **Technologies / Tools**

You may use any of the following (or similar):

- Python
- Scikit-learn (for preprocessing, model training, and evaluation)
- Pandas (for data manipulation)
- Matplotlib / Seaborn (for EDA and visualizations)
- Streamlit (if creating an interactive app)
- Kaggle Dataset: Loan Prediction Dataset

#### **README Expectations**

Ensure your README includes:

- Project title: Classification Model from Scratch: Loan Approval Prediction
- Instructions to:
  - Install dependencies
  - o Run the code
- Summary of your approach (overview of the pipeline)
- Key challenges and decisions made (e.g., handling missing data, feature engineering techniques, etc.)
- Model comparison results (include a table or description of the model performance)
- A link to the Kaggle Loan Prediction Dataset is used

## **Strictly Avoid**

- Submitting Al-generated repositories or README files with no real implementation or understanding.
- Copy-pasting code from ChatGPT, GitHub Copilot, or other tools without customization or comprehension.

- Submitting cloned tutorials with zero modifications.
- Private repositories or links with no access granted.
- Incomplete or undocumented codebases.