

Problem statement : Analysis customer eligibility for home loan on factor such as income ,education level , dependents etc.

Analysis:

We know that home loan is a loan that is obtained to purchase a property/home. It offer high value funding at economical interest rates and for long tenors. They are repaid through EMIs

But there is some factors which determine bank/NBFC loan sanction to customer. We will analysis these factor one by one. These analysis is data driven from the data set provided to us as well as research done by us using google search engine.

Education: Education play important role in sanctioning of homeloan. Banks prefers giving loan to person who are educated ie. person with graduation have more chance of loan sanction than the person with no graduation.

Applicant Income: It is also one of the important factor as customer having high income can payback

loans easily. Hence high the customer income, more likely is it that loan will be sanctioned.

Property Area: Having property area in urban place for home is positive point for the customer. So urban, semi-urban followed by rural is order of preference for the bank in sanctioning loan.

Dependents: It is the number of people who depends on person who wants to takes loan. So the less no of dependent person ,the more likely that the loan will be passed.

Credit Score :It is one of the most important factor in determining the loan status . Customer with high credit score are likely to pay loans on time and vice-versa. So bank don't gives loan to customer with low credit score.

Conclusion: It is found that customer should try to keep their credit score high, should be educated ,less dependents, have property in urban areas, etc in order to be eligible for home loan

