

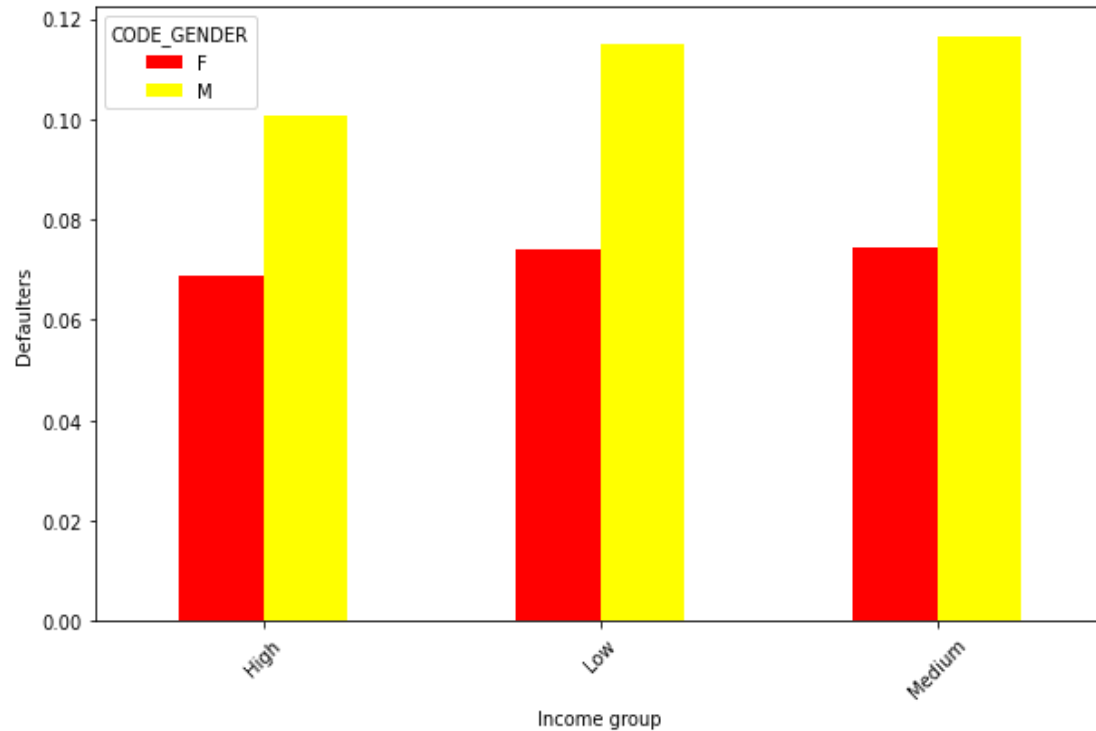
Credit EDA Case Study

Made by:

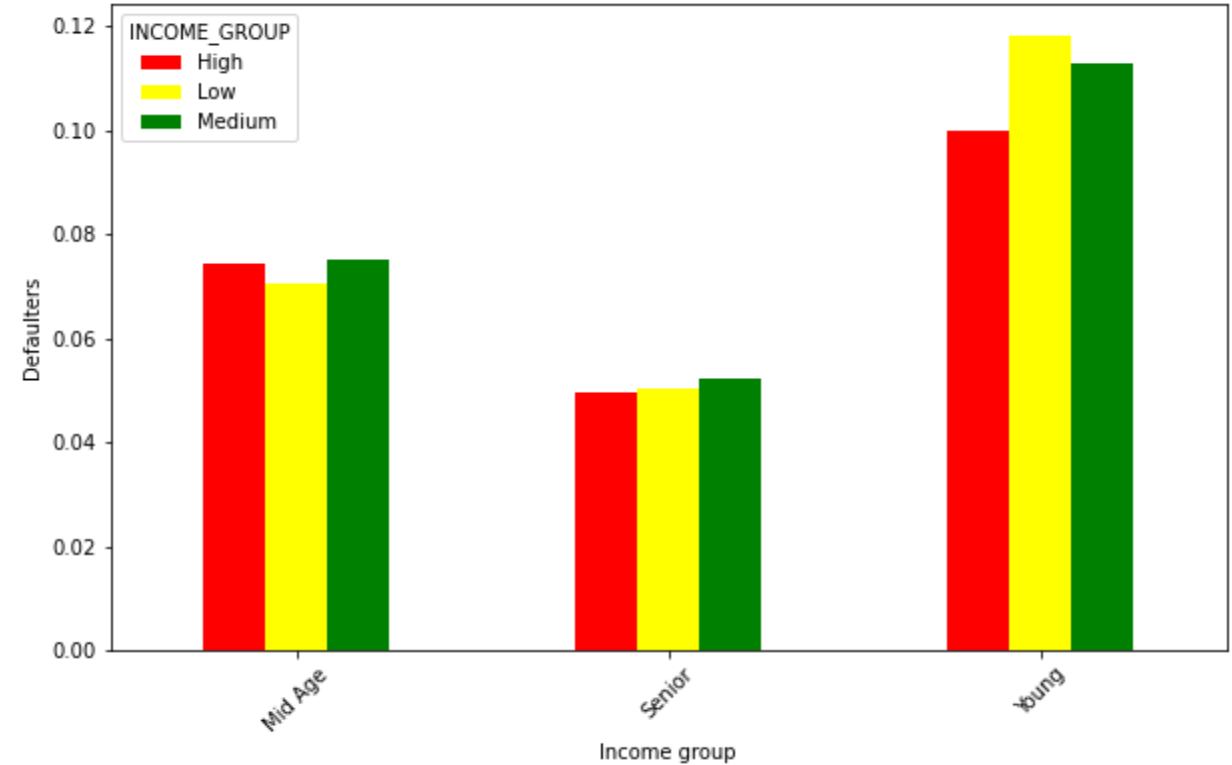
Prabhdeep Singh Keer

Current Applications

Income Groups and Gender



Income Groups and Age Groups



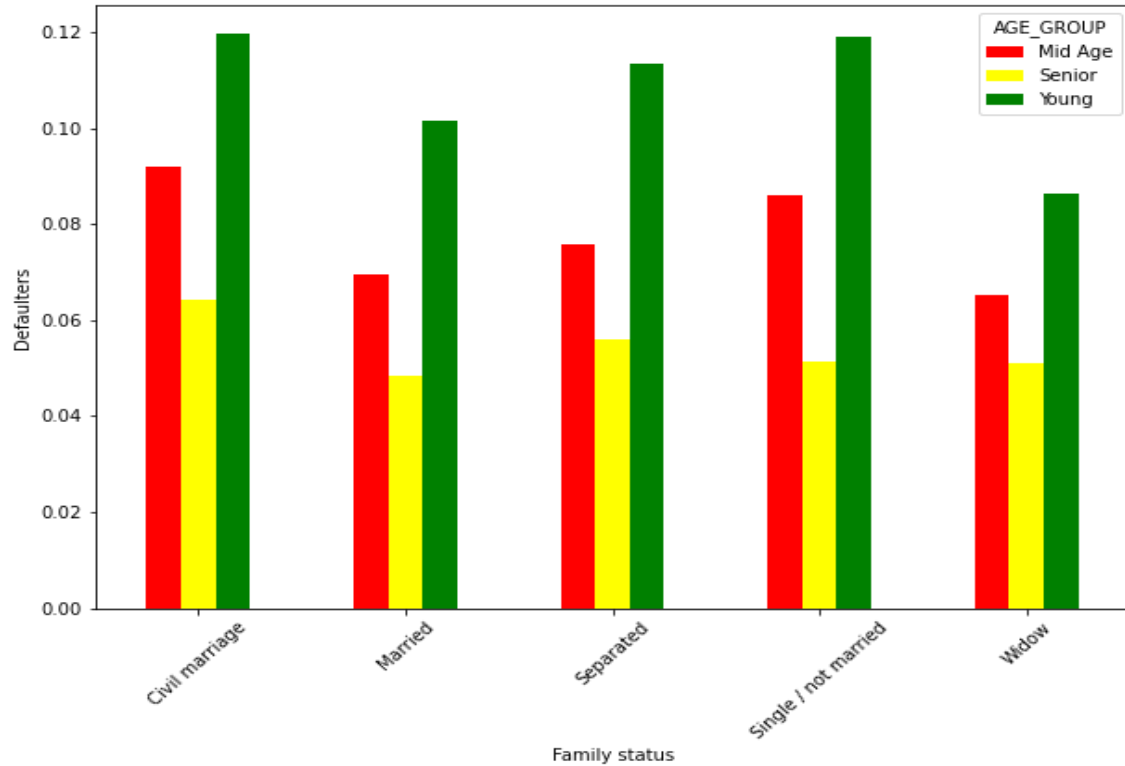
Observations:

1. Higher Income Groups have lesser defaulters as compared to other income groups.
2. Middle age and Senior are lesser on defaults as compared to the Young in all income groups.

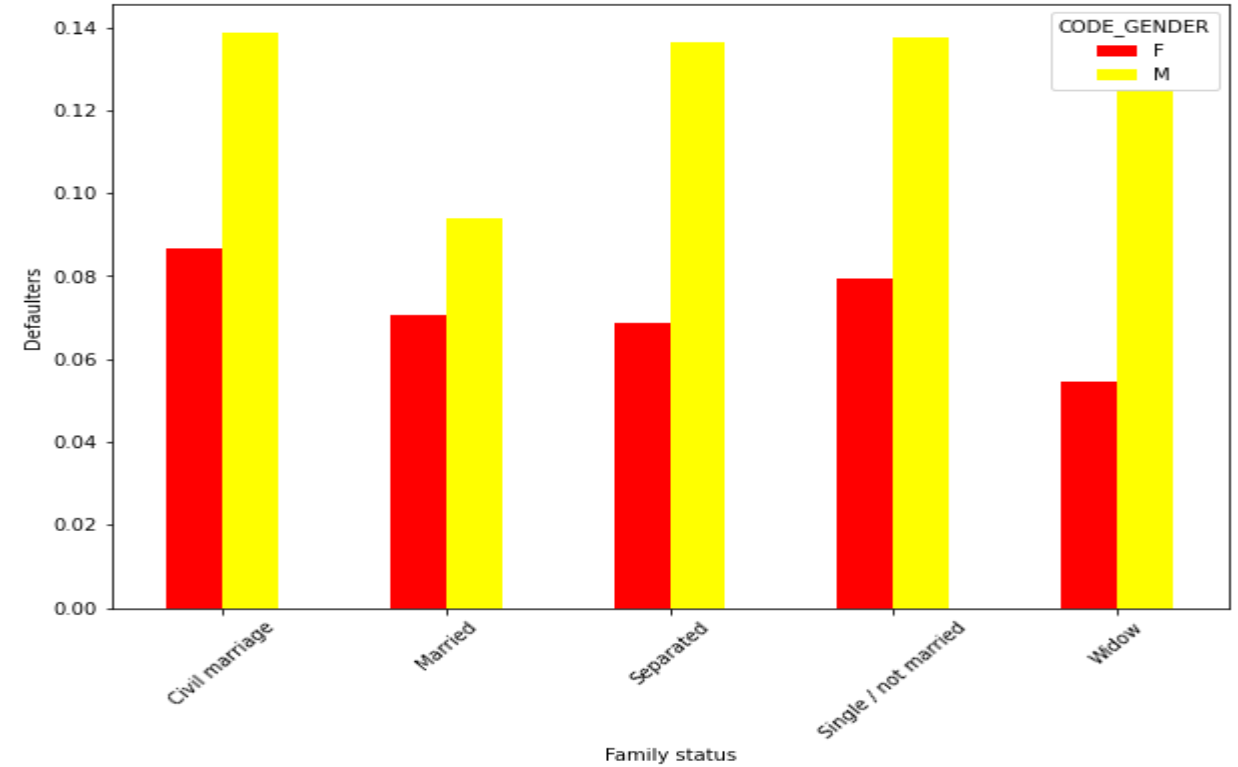
Recommendations:

1. Safely grant loans to middle age and senior people in the higher income group.
2. Don't grant loans to younger people in the low income group.

Family Status and Age Group



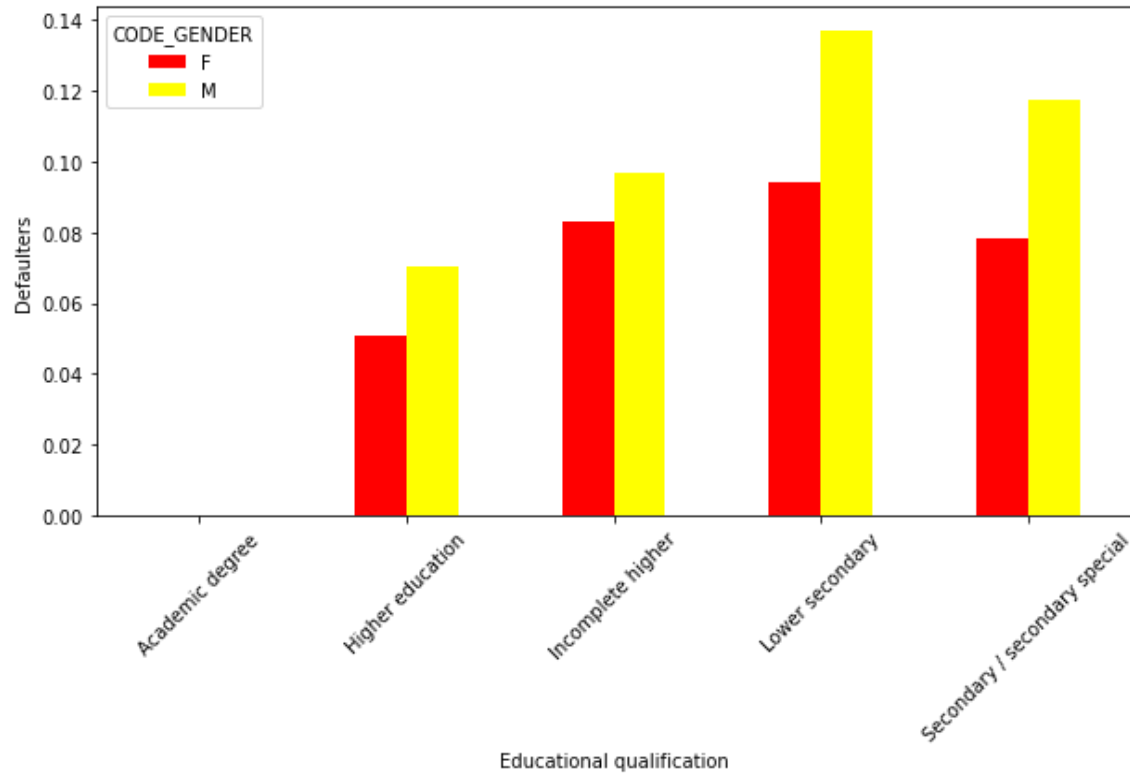
Family Status and Gender



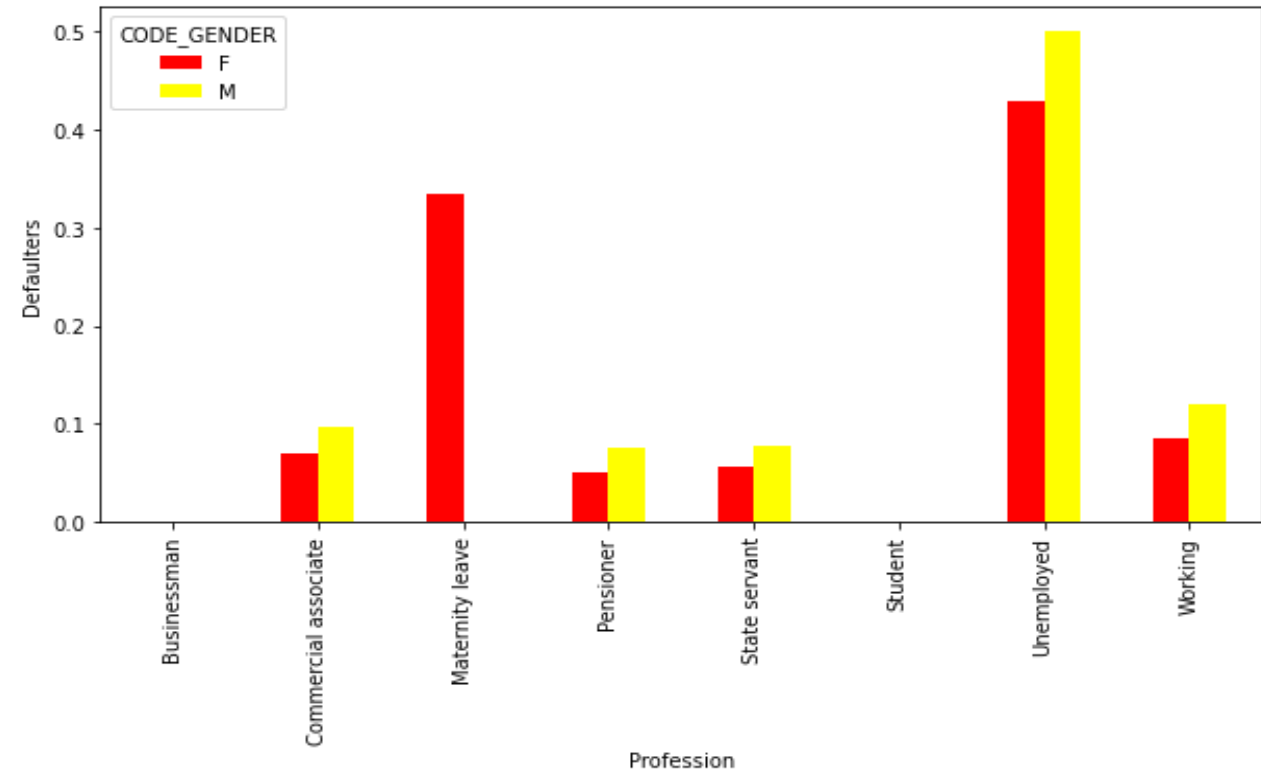
- Observations:**
1. Senior people irrespective of the family status are least likely to be defaulted of all age groups.
 2. Young people are the most likely of all the age groups to default irrespective of the family status.
 3. Males are defaulting more than females.

- Recommendations:**
1. Grant loans to senior citizens irrespective of their family status.
 2. It is risky to give loans to single , separated and civil marriage young men.

Education Qualification and Gender



Profession and Gender



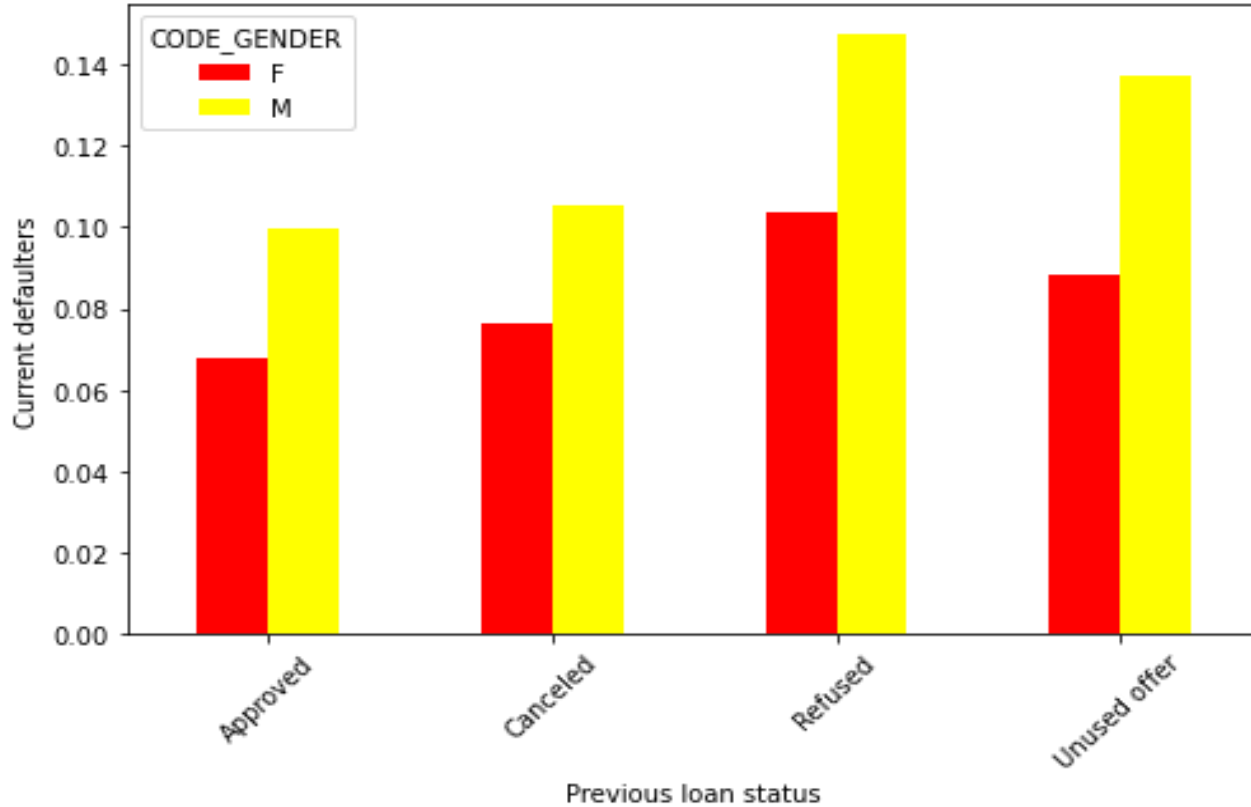
- Observations:**
1. People with higher education default less and people with lower secondary education default more.
 2. Unemployed clients and clients on maternity leave are actually defaulting a lot more than what others do.

Recommendations: 1. It is better to grant loans to highly educated people across all categories except unemployed and women who are on maternity leave.

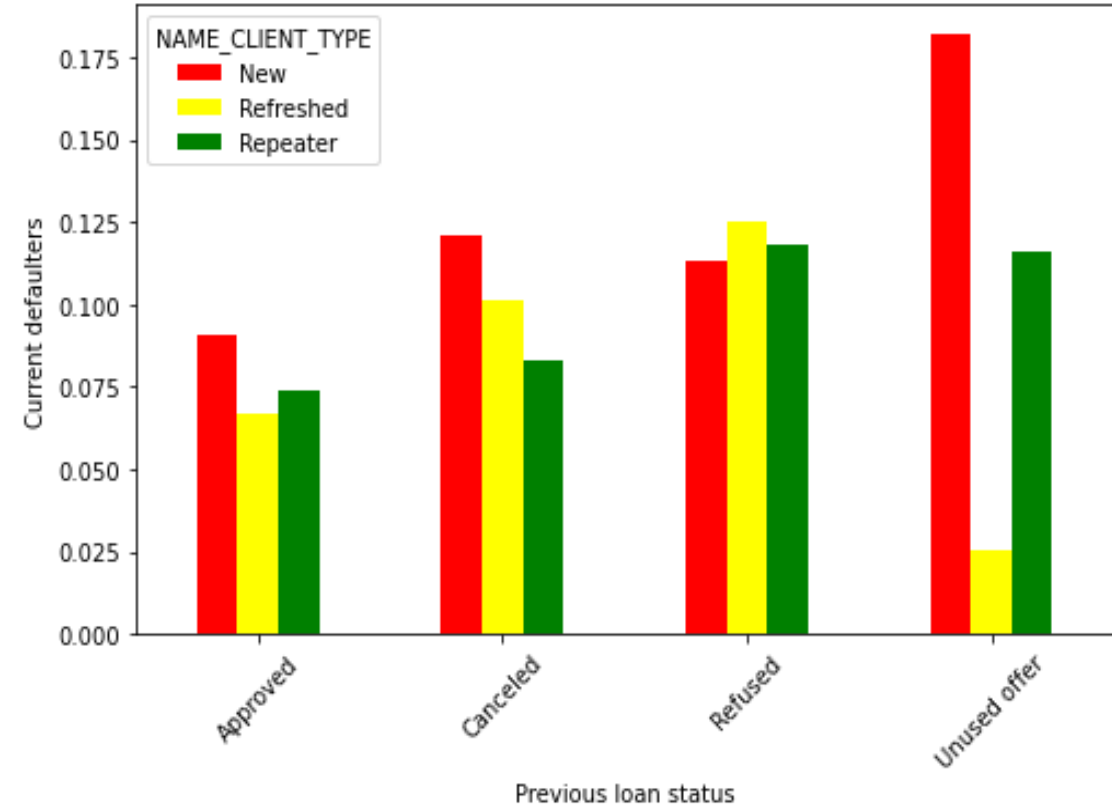
Loan Application Status Relations

Current and Previous

Previous loan status & Gender



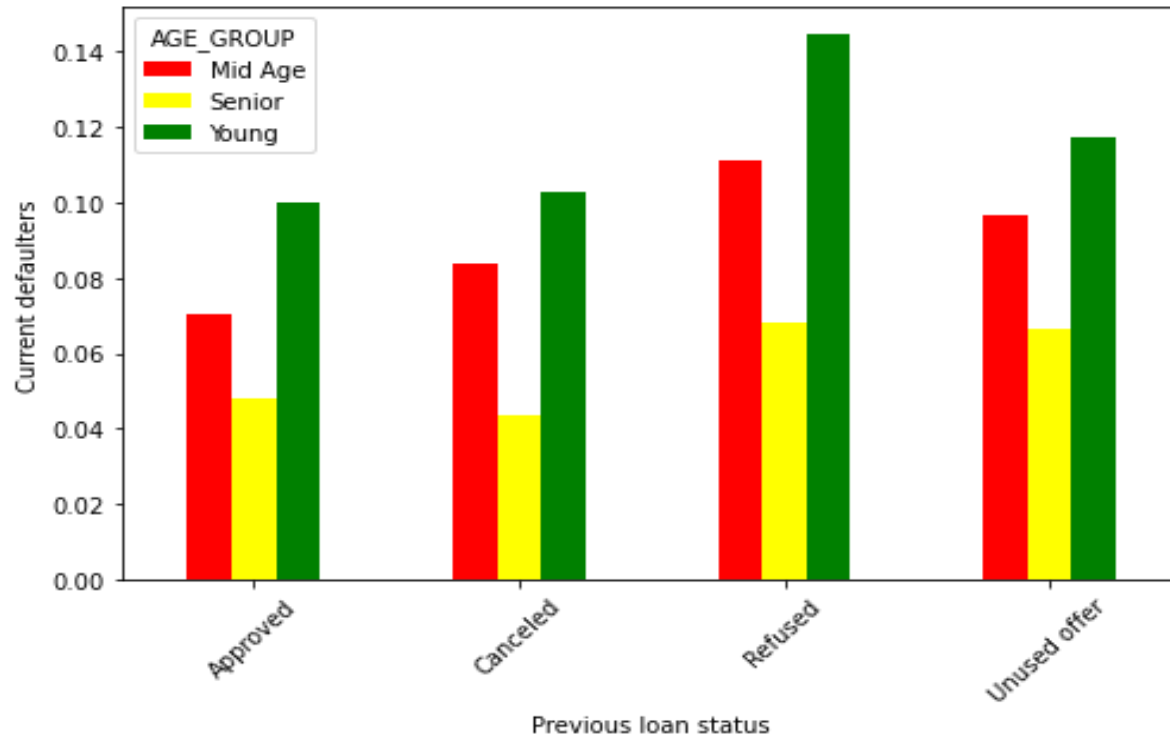
Previous loan status & Client type



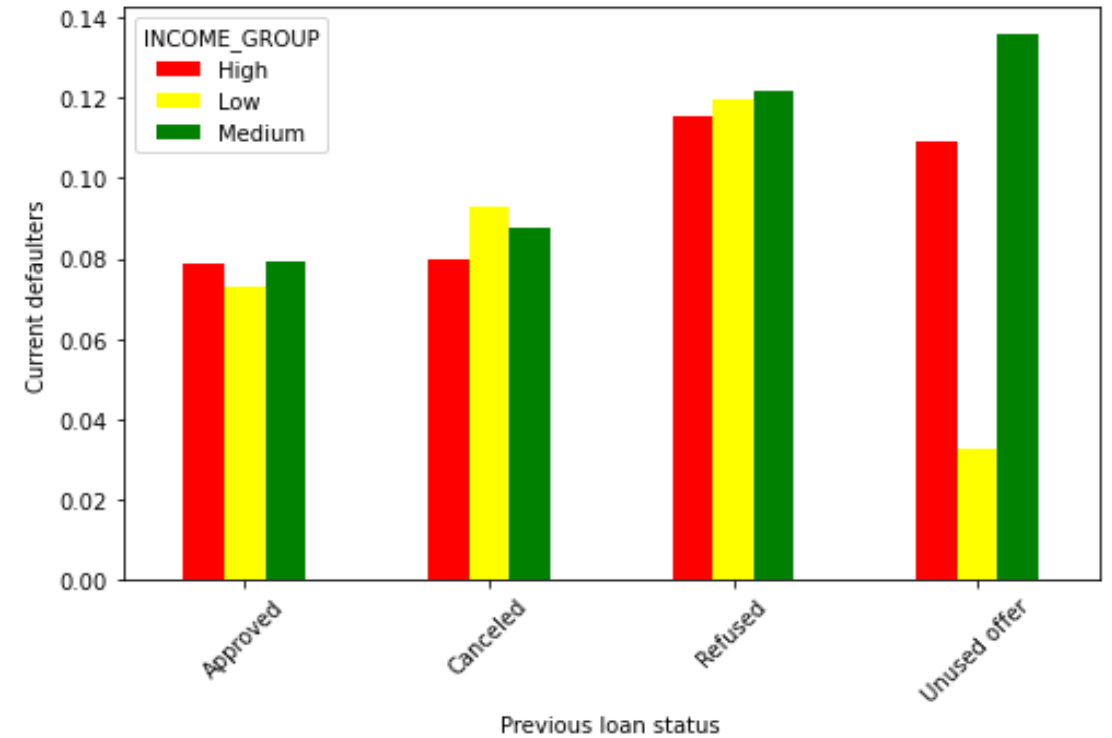
- Observations:**
1. Previously refused and unused offer in males were more defaulting in nature.
 2. Clients which are under previously unused category are now more defaulting in nature.

- Recommendations:**
1. It is recommended to provide loans to females whose loans were approved previously.
 2. There is a great risk associated with providing loans to clients whose loans were refused or unused previously.

Previous loan status & Age Groups

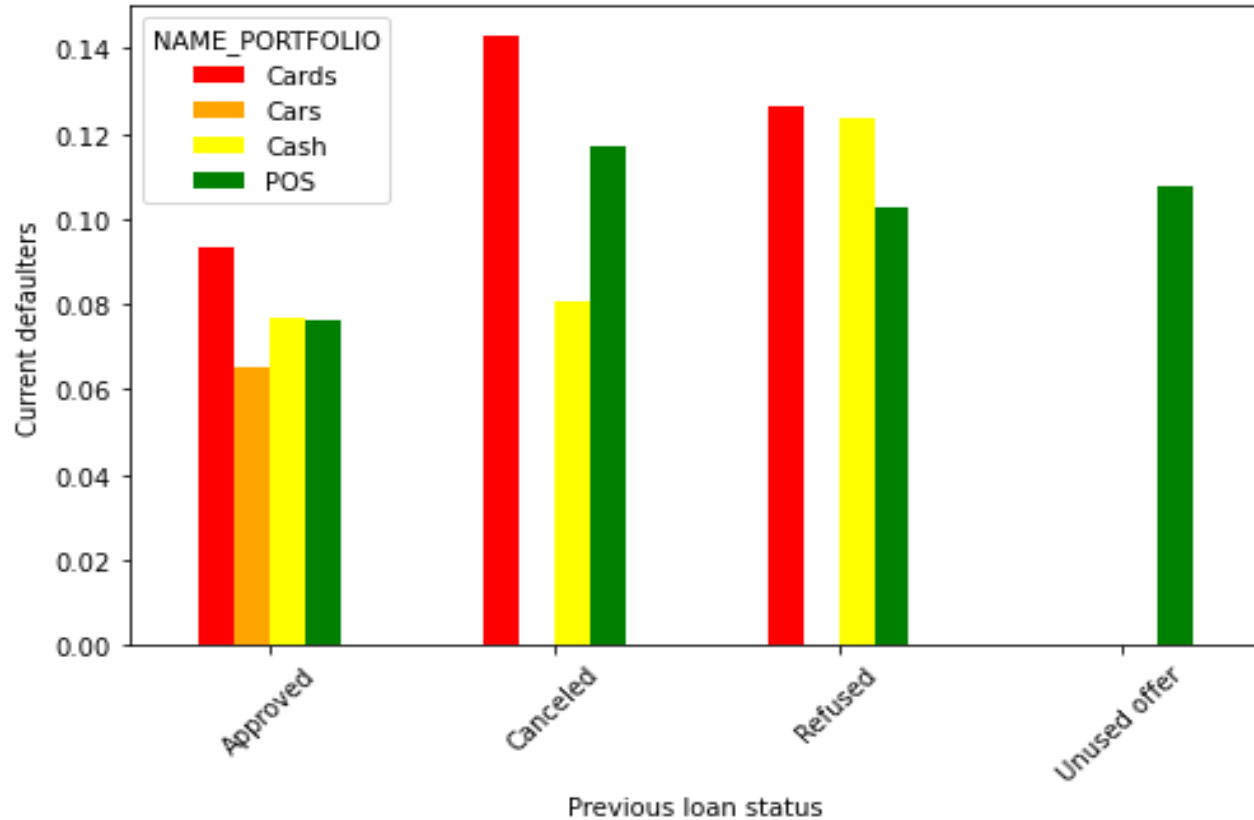


Previous loan status & Income Groups

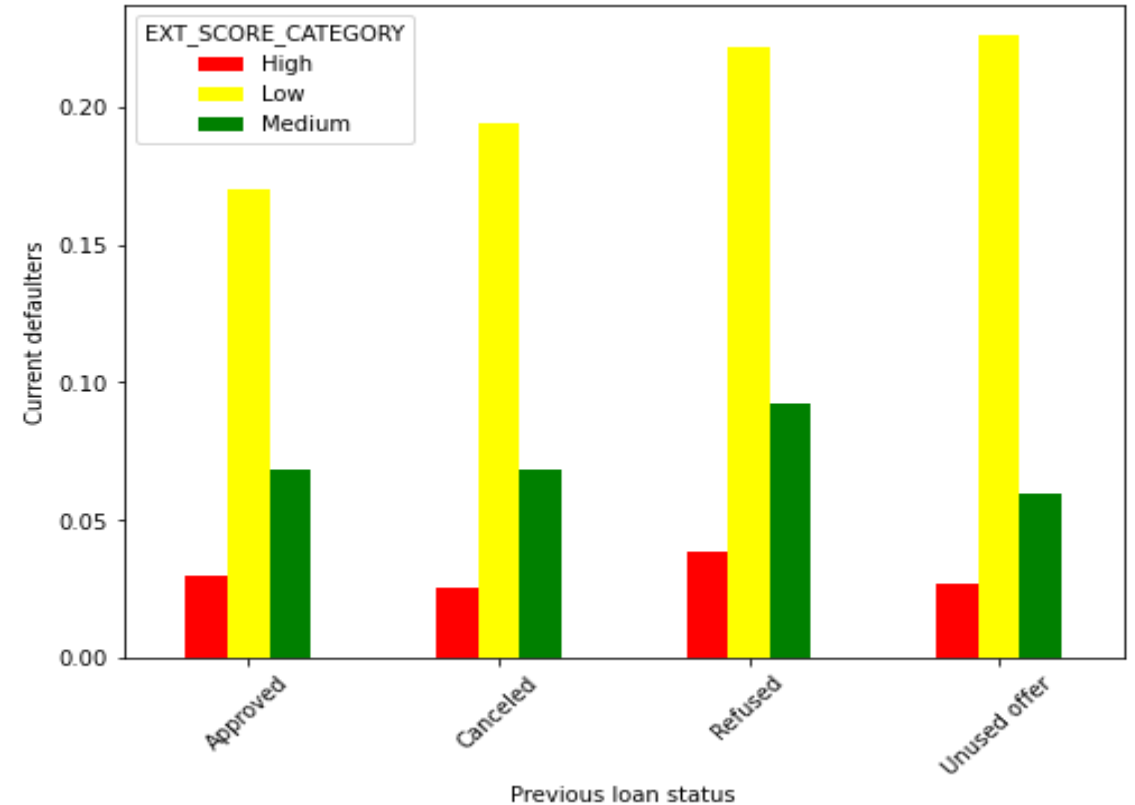


- Observations:**
1. Young people who were refused previously have defaulted more.
 2. Senior Citizens are defaulting very less irrespective of their previous application status.
 3. In all income groups, the previously refused applicants have defaulted more as compared to other previous application status groups.
- Recommendations:**
1. Granting loans to senior citizens is much safer bet as compared to other age groups.
 2. If loans are granted to previously approved category as compared to other groups in the application status types this way granting loans becomes less riskier.

Previous loan status and Portfolio



Previous loan status and External Source Score



- Observations:**
1. The previous applications that were made for Cards and POS have almost been defaulted.
 2. Previously refused applications for cash have also lead in higher number of defaults.
 3. Low external source scoring applications have lead to higher defaults irrespective of their previous application status.

- Recommendations:**
1. It is always safer to grant loans for previously approved loans irrespective of the portfolio they might have.
 2. It is highly risky to grant loans to clients with low external scores especially if their previous applications were refused, unused or cancelled.

Summary

- Recommended groups:

- 1) Clients whose previous loan applications were approved.
- 2) Clients who are highly educated and have high income.
- 3) Clients who have high external source score.
- 4) Senior citizen clients in all the categories.
- 5) Clients who are married are preferred over other clients.
- 6) In terms of gender, females should be preferred to males.

- Risky/Non-Recommended groups:

- 1) Previously refused, cancelled or unused loan applications should be avoided at all costs.
- 2) Low income groups that had their previous applications refused.
- 3) Clients who are unemployed should be avoided.
- 4) Clients who score low in their external source score.
- 5) Clients who have done education only upto lower secondary and secondary levels.

Thank You