

Loan Approval Business Insights Report

1. OVERALL STATISTICS

- Total Loan Applications: 4,269
- Approved Loans: 2,656
- Rejected Loans: 1,613
- Approval Rate: 62.22%

2. FINANCIAL PERFORMANCE INSIGHTS

- Average CIBIL (Approved): 703
- Average CIBIL (Rejected): 429 (Gap: 274 points)
- Average Income (Approved): Rs. 5,025,904
- Average Loan (Approved): Rs. 15,247,252
- Average Total Assets (Approved): Rs. 32,377,297

3. KEY RISK FACTORS IDENTIFIED

1. CIBIL Score below 700: Resulted in only 25.3% approval rate.
2. Asset Threshold: Low total assets below Rs. 16,300,000 increase risk.
3. Debt-to-Income: High loan-to-income ratio (above 6x) is a critical flag.
4. Income Floor: Annual income below Rs. 2,700,000 correlates with higher rejection.

4. STRATEGIC RECOMMENDATIONS

- Prioritize applicants with CIBIL scores above 750 for faster processing.
- Cap the maximum Loan-to-Income ratio at 6x to maintain liquidity.
- Enforce a minimum total asset requirement of Rs. 16,300,000.
- Mandatory enhanced verification for loan amounts exceeding Rs. 21,500,000.
- Implement a tiered interest rate system based on CIBIL score ranges.

ANALYSIS COMPLETE