#### **Step 1: Understanding the Problem**

We were given JSON data of Aave V2 protocol wallet transactions. Each record had a wallet address, action (borrow, repay, etc.), and amount. Our task was to assign a credit score between 0 and 1000 to each wallet based on behavior.

## **Step 2: Project Setup**

We created a project folder aave-credit-score with subfolders:

- data/ for input file
- src/ for the Python script
- readme.md and analysis.md for documentation

# **Step 3: Loading JSON**

Used Python json and pandas libraries to load and organize the data.

### **Step 4: Feature Engineering**

Extracted:

- Total and count of actions like borrow, repay, liquidationcall
- Repay-to-borrow ratio
- Liquidation counts

#### **Step 5: Scoring Logic**

We used:

```
python
CopyEdit
raw score = (repay ratio * 2) - (liquidation count + 1)
```

Then scaled the score to 0–1000 using MinMaxScaler.

# **Step 6: Output Files**

- wallet scores.csv: Wallets with credit scores
- score\_distribution.png: Graph of score ranges

# **Step 7: Documentation**

readme.md describes the project, method, and how to run the code. analysis.md gives behavioral insights for different score ranges.

## Step 8: GitHub Upload

Used git to push code and files to GitHub. Then submitted repo link in Google Form.