**Machine Learning Project - 1: Building a Prediction model for banking loan approval info for a Nationalized Bank.**

Distribution of the loans is the core business part of almost every bank. The major portion of the bank’s assets directly came from the profit earned from the loans distributed by the banks. Today many banks and financial companies approve loans after a rigorous process of verification and validation but still there is no surety whether the chosen applicant is the deserving right applicant out of all applicants. This is project one of the bank wanted to build a model to predict whether that particular applicant’s loan can be approved or rejected.

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| VARIABLES | VARIABLE DESCRIPTION |
| APP\_ID | Application id’s |
| CIBIL\_SCORE\_VALUE | Cibil score is the three digits (0=bad,1=0k,2=good) |
| NEW\_CUST | New To Credit score will help banks rate new borrowers (Y/N) |
| CUS\_ATGCODE | Customer category code i.e. existing or new customer |
| EMPLOYMENT\_TYPE | Gives the type of employment i.e. salaried =1,or self employed=0 |
| Age | Age of the applicant |
| SEX | Gender of the person, “F” & “M” |
| NO\_OF\_DEPENDENTS | Dependents of the applicant. |
| MARITAL \_Status | Marital Status of the applicant 1-Married 0- not Married |
| EDU\_QUA | Educational qualifications of the applicants (1=educated, 0=not-educated) |
| P\_RESTYPE | Type of Residence of the applicant 1=Own, 0=Rented |
| P\_CATEGORY | Type of house the applicant stays in. |
| EMPLOYEE\_TYPE | Gives the type of employment 0=Private, 1=Temp, 2=Government |
| MON\_IN\_OCC | Months in working in present employment |
| INCOME\_EXP\_GMI | Income Expenses based rating |
| ASSET\_LOAN\_RATIO | Pre-calculation based asset & loan ratio |
| TENURE | Loan tenure ranges from 12 to 48 |
| Status | Loan approved or rejected (1/0) |

Based on the above fields students has to create data and develop a prediction model for loan approval/rejection.

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