

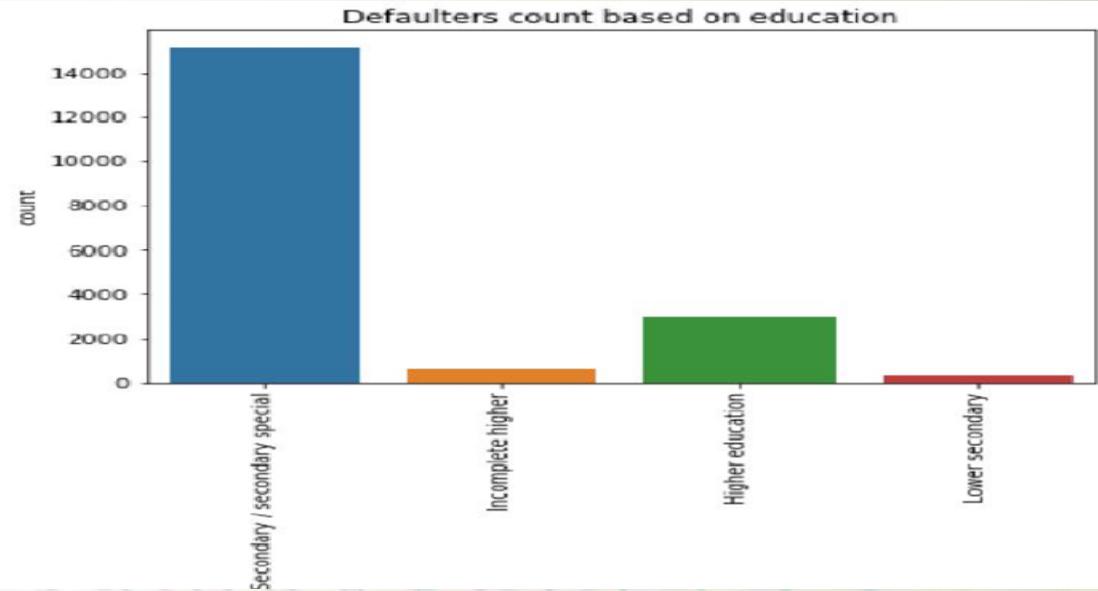
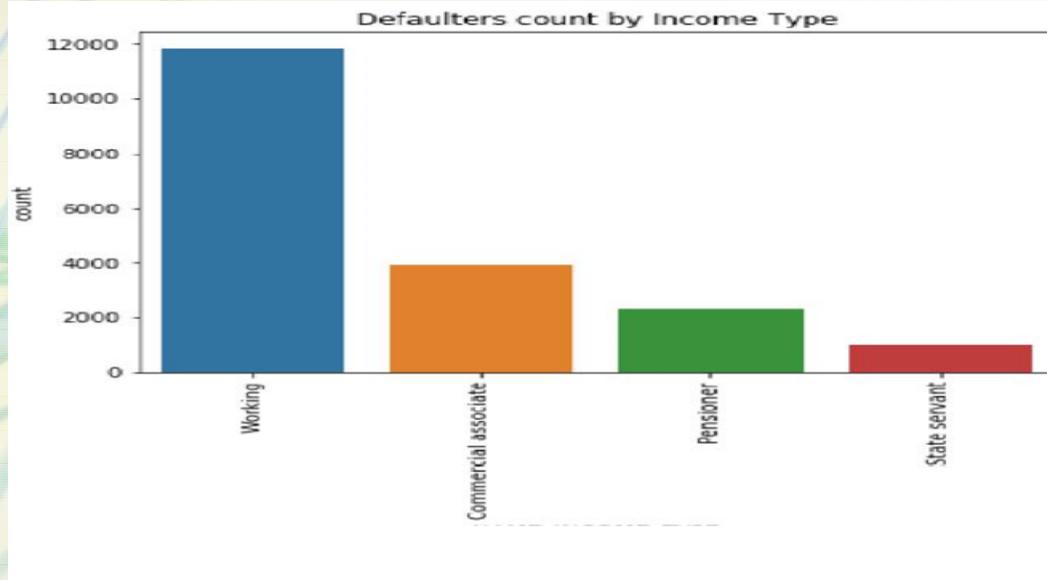
PRESENTATION ON CREDIT EDA CASE STUDY

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Problem Statement

There are circumstances when loans providing companies provides loan to consumers which are insufficient in paying back loans. This insufficiency shall be due to many reasons which we shall present in our upcoming analysis slides. To understand some of the major reason for consumers becoming defaulters we have compared many factors so that loan providing companies should be more caution before sanctioning loans to consumers who won't be capable in future to repay the loan amount which could be a major financial loss of company and result in increase in debts of company. Moreover, this analysis would also show if consumer are likely to replay the loans but due to some reason company rejects their loan application. In that case as well it's a business loss on company's side.

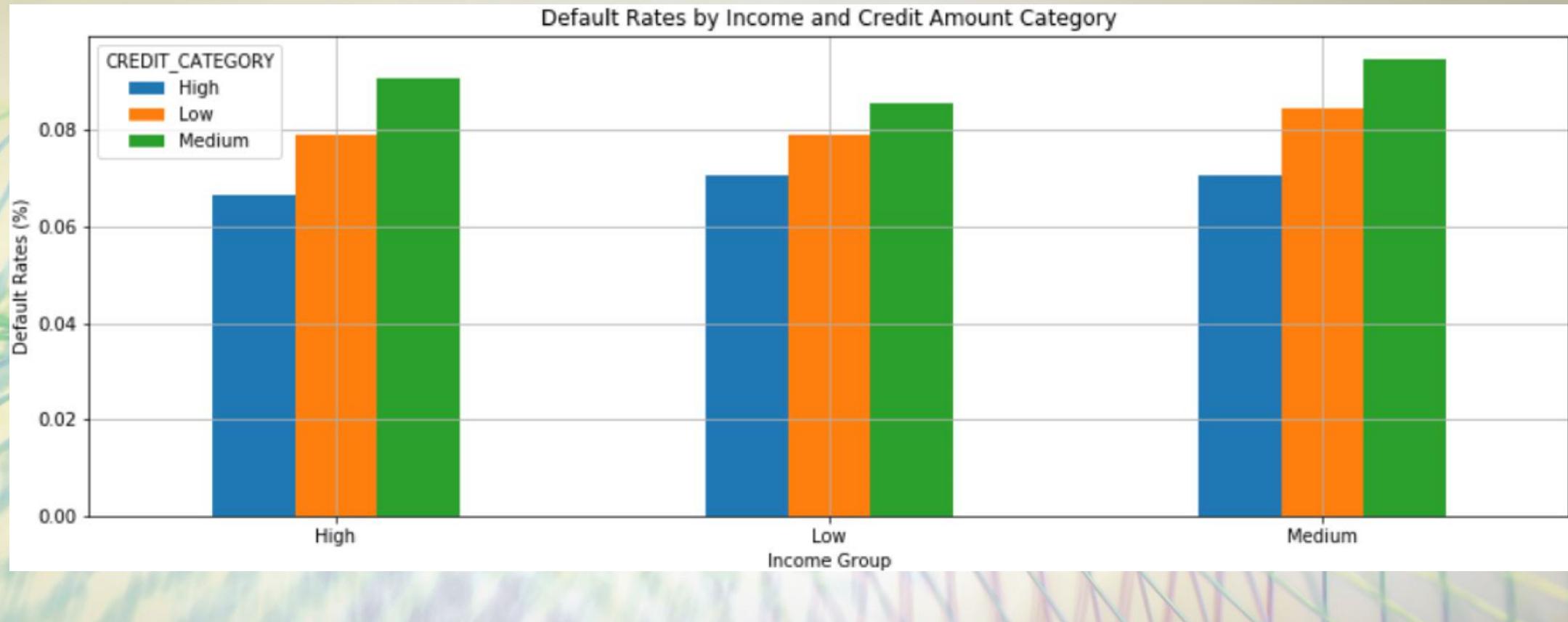
CURRENT APPLICATION ANALYSIS



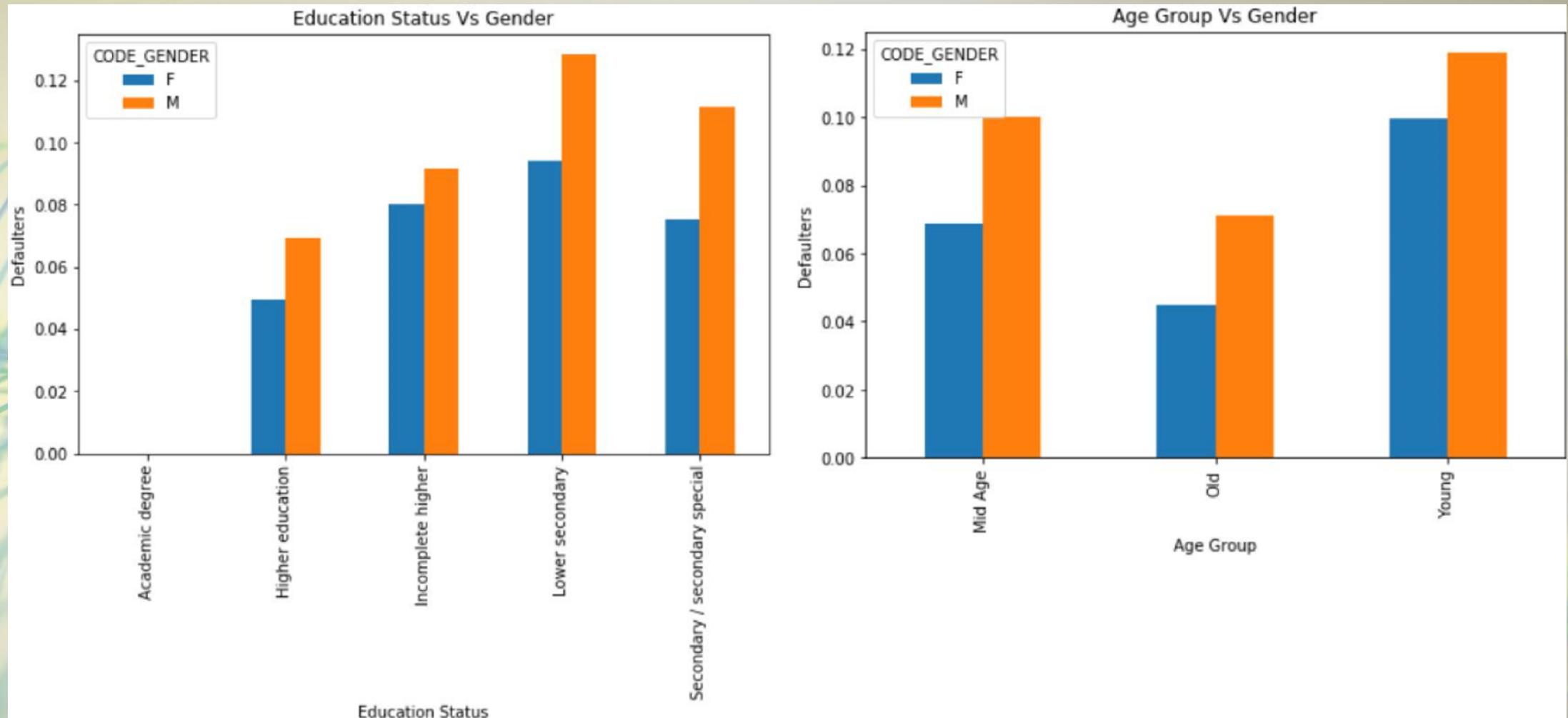
- Working people are more in numbers who are defaulters.
- Also found that, client with Secondary/ secondary special education are more defaulters in number.



- Young people are more likely to be defaulted than mid age or old people.
- Low-income group clients, no surprisingly, are more defaulted followed by medium income group.
- Number of defaulters who are old, are same across the income group.

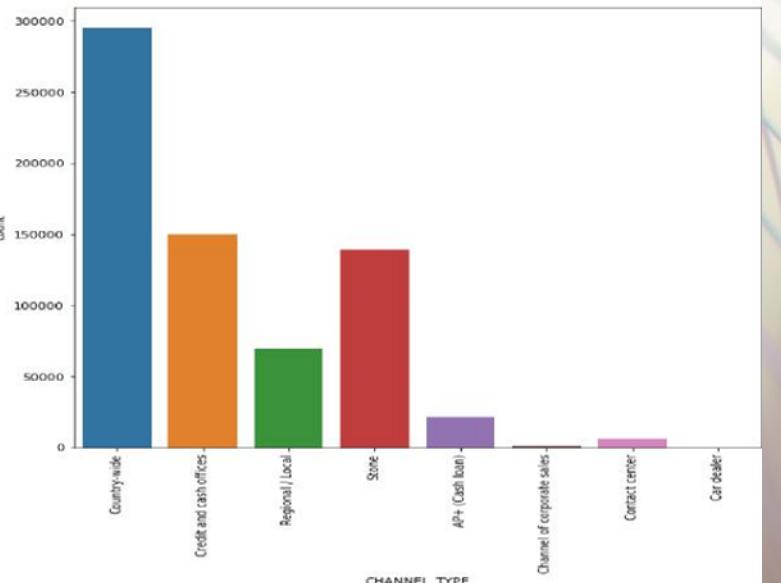
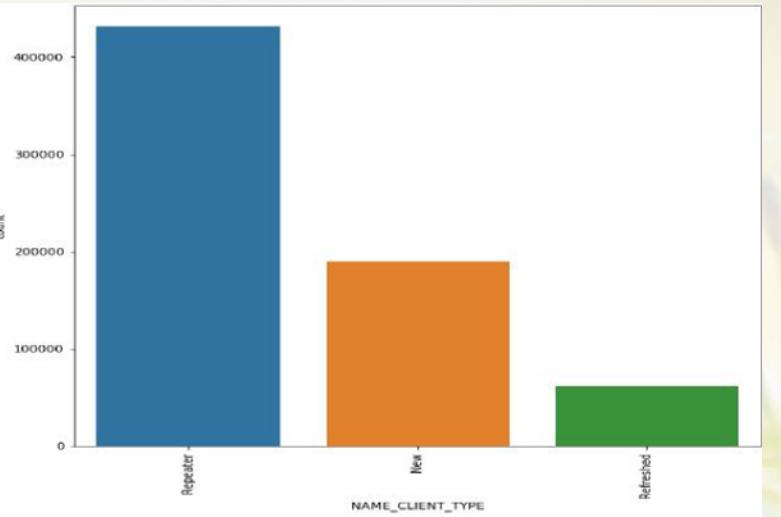
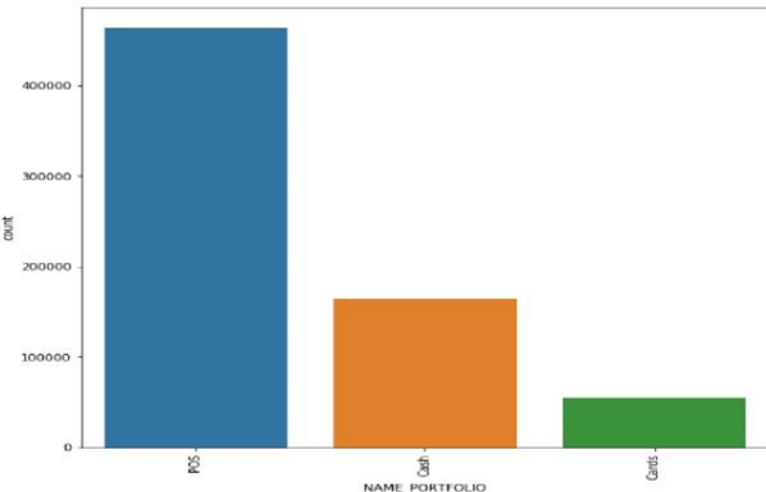
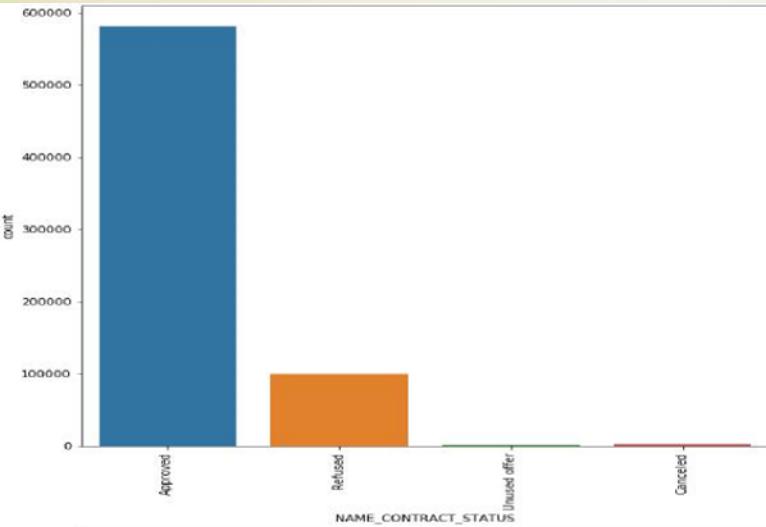


- Medium amount of loan credited people are more defaulted.
- High loan amount people are less defaulters across the income group.
- Medium income group people with all buckets of credit category have high default rate.

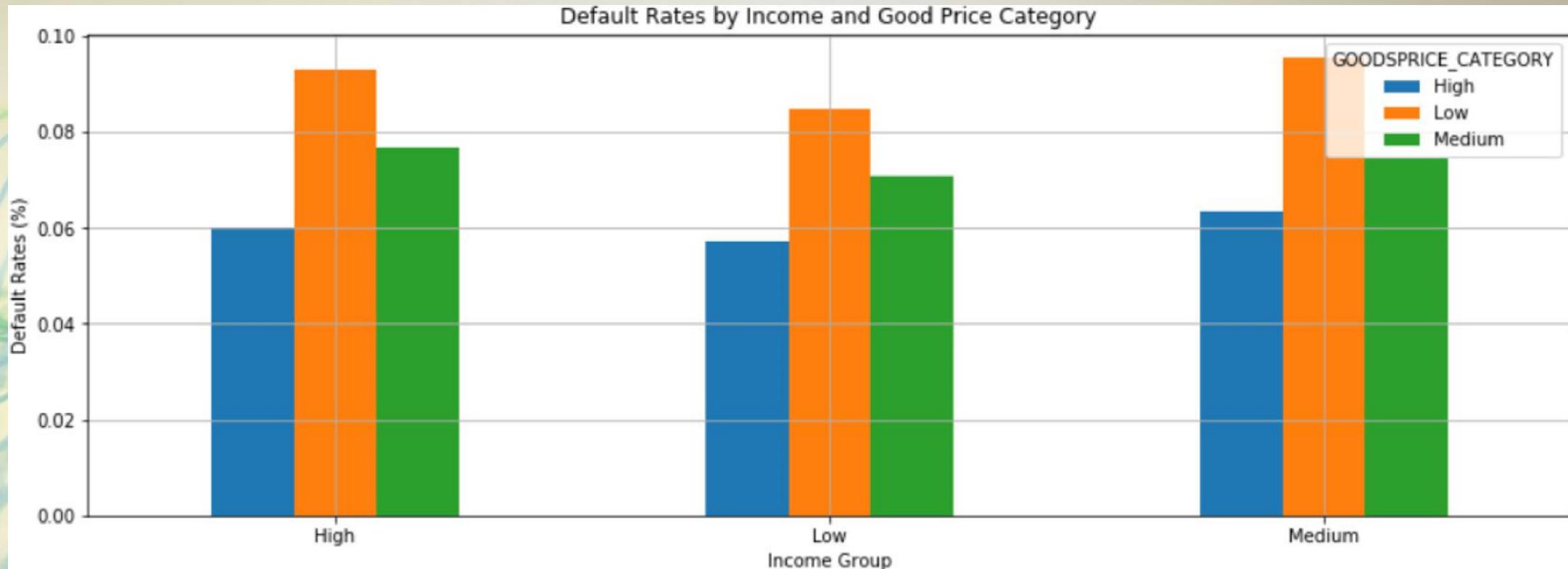


- Lower secondary male clients has high default rate.
- Young male clients has high default rate followed by mid age male.
- Female old client are the safe client to credit loan.
- Also, female clients with higher education are less likely to be defaulted.

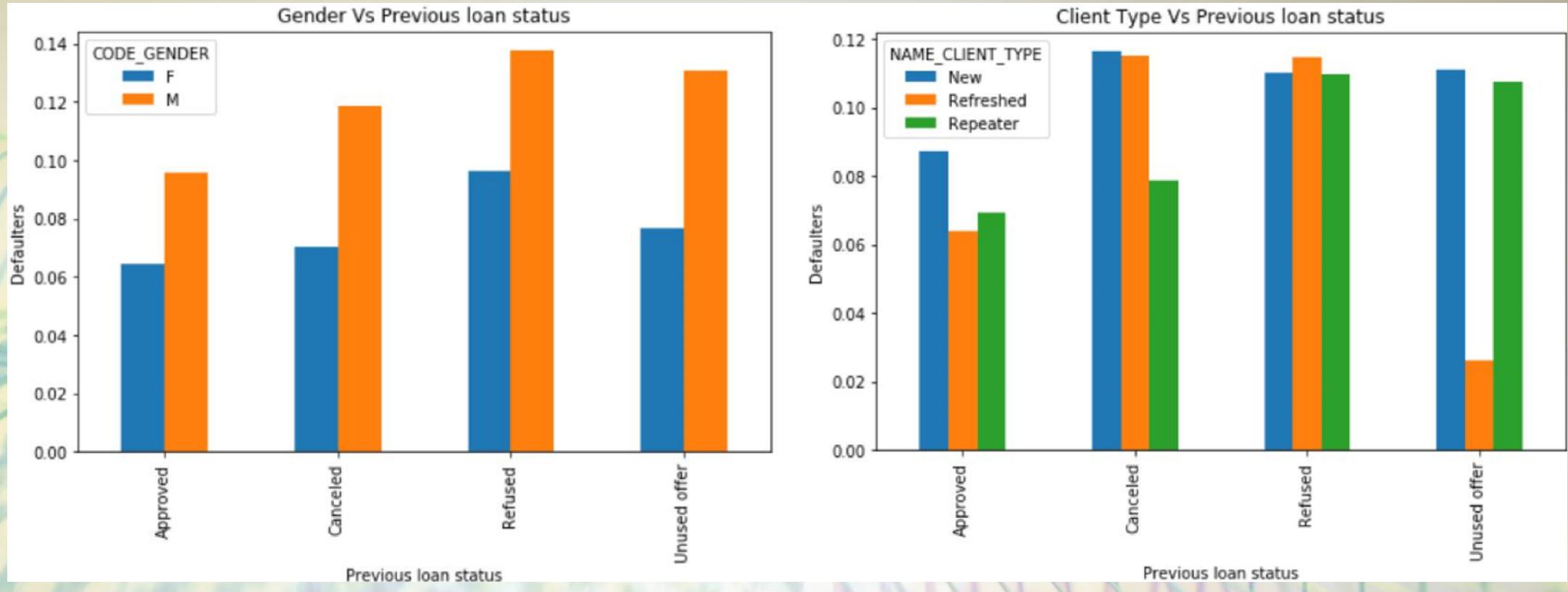
Previous Application Data



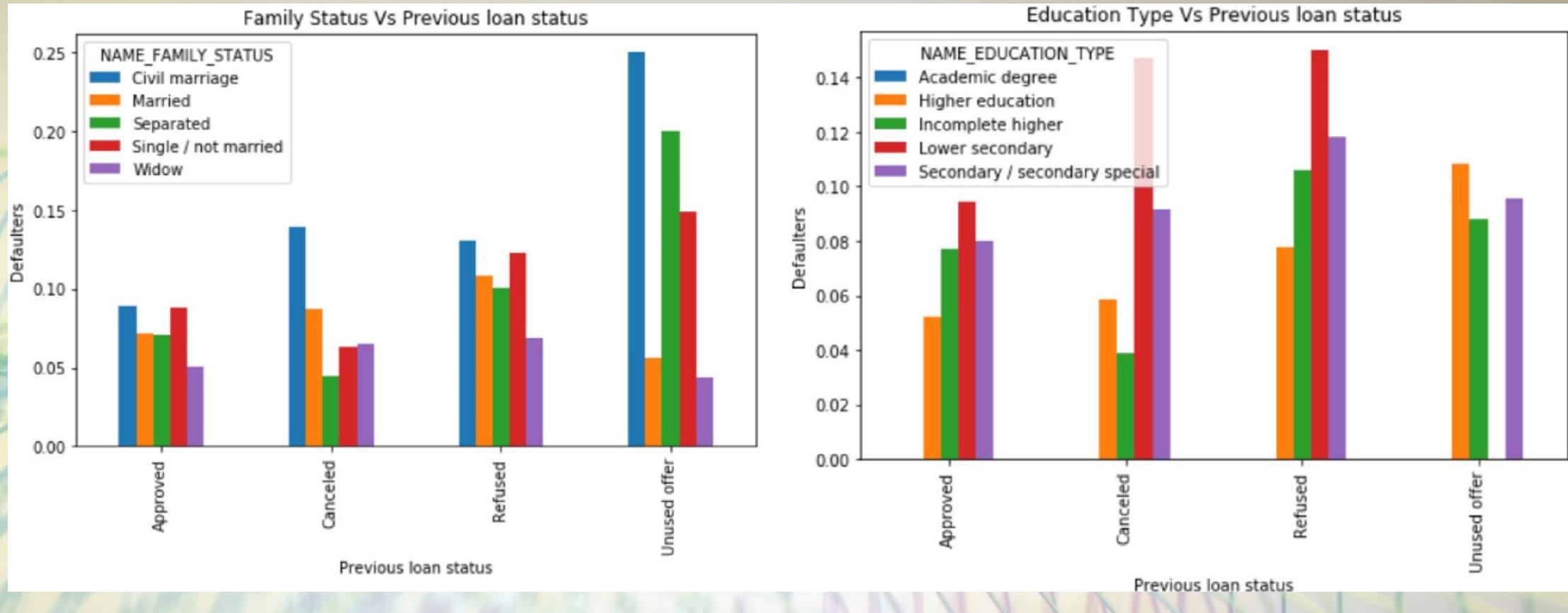
- Approved loans are more in numbers.
- Repeater clients applied for a greater number of loans previously.
- Previously more loans credited as POS.
- Through country-wise channel more loans were processed followed by credit and cash offers.



- Low-income category people with low goods price category has high default rate followed by high income category.
- Low goods price category are more likely to be defaulted.
- It is safe to credit loan when goods price is high as it is almost consistent through out the income group.



- Previously refused male applicants are highest in default in current application.
- Previously approved loans are lowest in terms of defaulters among the loan status.
- Female clients whose previous loans were approved, are safe to credit loan.
- New clients are most defaulters in current application irrespective of previous loan status.
- Refreshed client who has unused offer in previous loan are safest.



- Clients with civil marriage are highest defaulters in every previous loan status.
- Separated and Single people who did not used previous loans are significant in terms of defaulters in current application.
- Married and widow clients are safe to credit loan.
- Lower secondary educated clients are the most in number to be defaulted when their previous loans were cancelled or refused.
- Client who has higher education are safe to credit loan when their previous application was approved.

Recommended group where loan can be credited

(Less chance to be defaulter)

- Clients who are working as a state servant.
- Old people of any income group.
- Client with high income category.
- Old female client.
- Client with higher education (female).
- Any client whose previous loan was approved.
- Widow who has unused previous loan status.
- Refreshed client who has unused loan status previously.

Risky groups

- Lower secondary educated clients are the most in number to be defaulted when their previous loans were cancelled or refused.
- Male clients with civil marriage.
- Previously refused loan status group.

Thank You

