Project Design Phase-I

Proposed Solution Template

Date	19 November 2023
Team ID	
Project Name	Project - Personal Loan Approval Using Machine Learning
Maximum Marks	2 Marks

Proposed Solution Template:

Project team shall fill the following information in proposed solution template.

S.No.	Parameter	Description
1.	Problem Statement (Problem to be solved)	The project aims to address the challenge solved) of predicting credit defaulters, a crucial task for banks to minimize losses and enhance loan recovery.
2.	Idea / Solution description	Implementing machine learning techniques, specifically classification algorithms (Decision tree, Random forest, KNN, xgboost), to analyze and predict applicant credibility for loan approval. The selected model will be saved in pkl format.
3.	Novelty / Uniqueness	The project's uniqueness lies in leveraging a combination of state-of-the-art classification algorithms for accurate credit risk assessment, contributing to improved loan approval decisions.
4.	Social Impact / Customer Satisfaction	The solution directly impacts financial institutions and loan applicants by reducing non-profit assets and facilitating a more streamlined and fair loan approval process, enhancing overall customer satisfaction.
5.	Business Model (Revenue Model)	The business model involves providing the machine learning-based credit risk assessment as a service to financial institutions, generating revenue through subscription fees or transaction-based models.
6.	Scalability of the Solution	The solution is highly scalable, allowing seamless integration with various financial institutions and accommodating a growing volume of loan applications.