

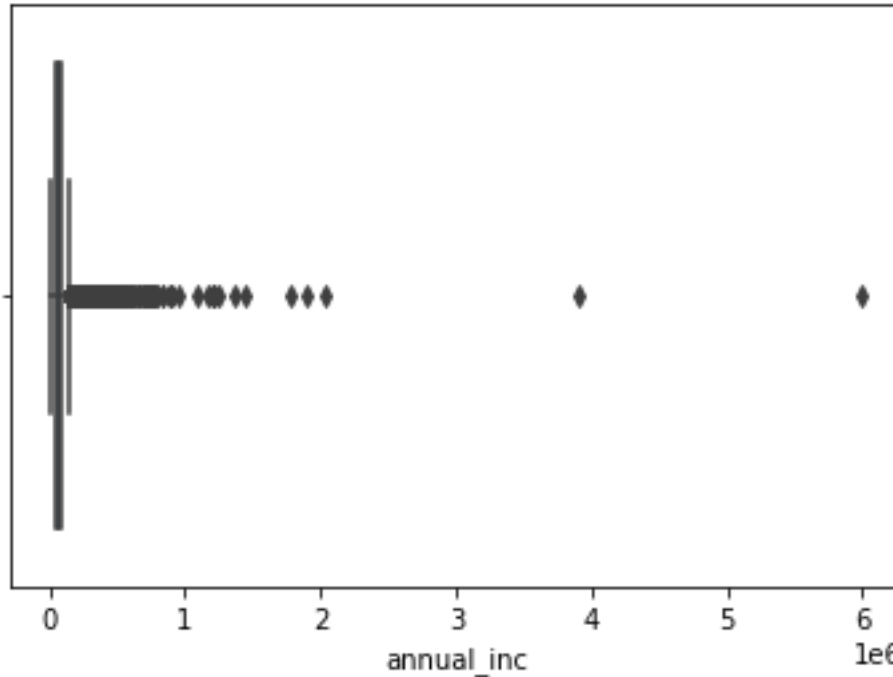
Lending Club Case Study

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Understanding Lending Club Data

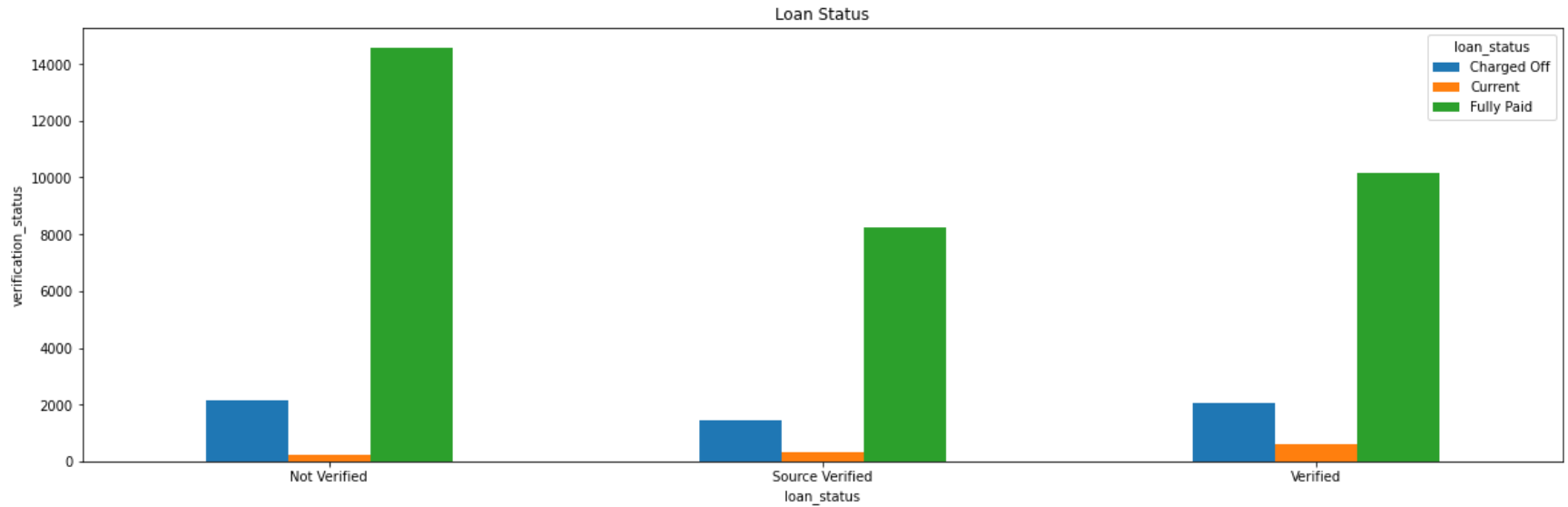
- Lending club data provided has total 39717 rows and 111 columns.
- Out of 111 columns **float64** entries are **74**, **int64** entries are **13** & **object** entries are **24**.
- Out of 111 columns the columns with NA entries are removed for data cleaning purpose.
- Which makes data frame now with 43 columns.

Removal of Outliers

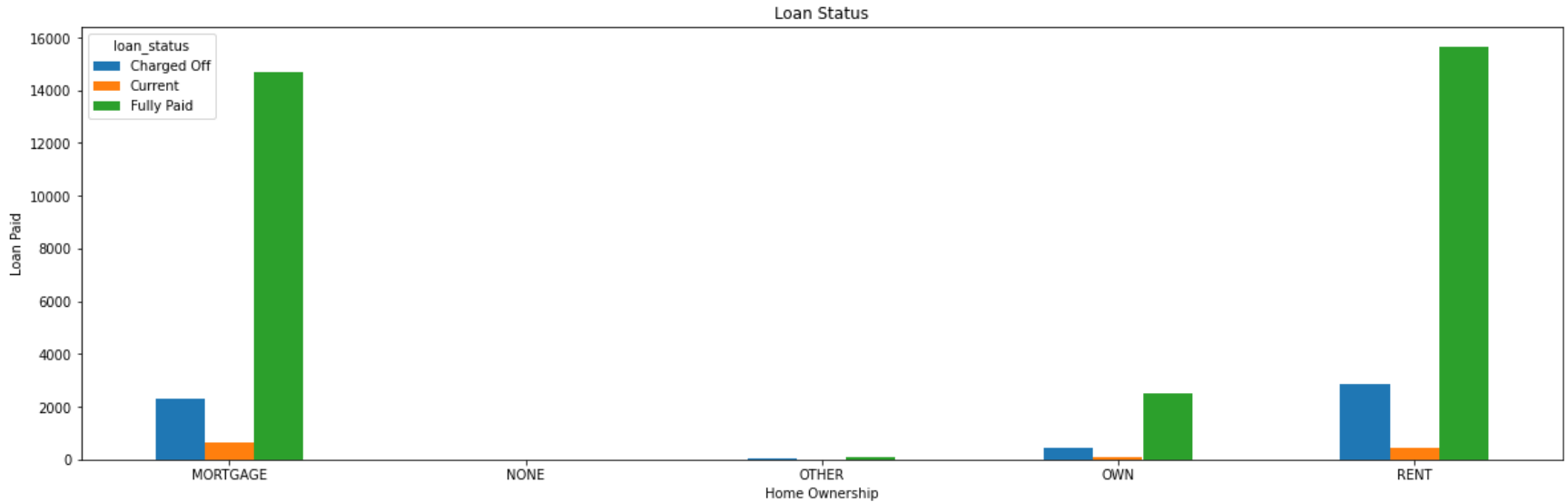


Borrowers with annual income above 18 lac are considered as outliers and removed from data sheet ;there were total 4 entries for the same data.

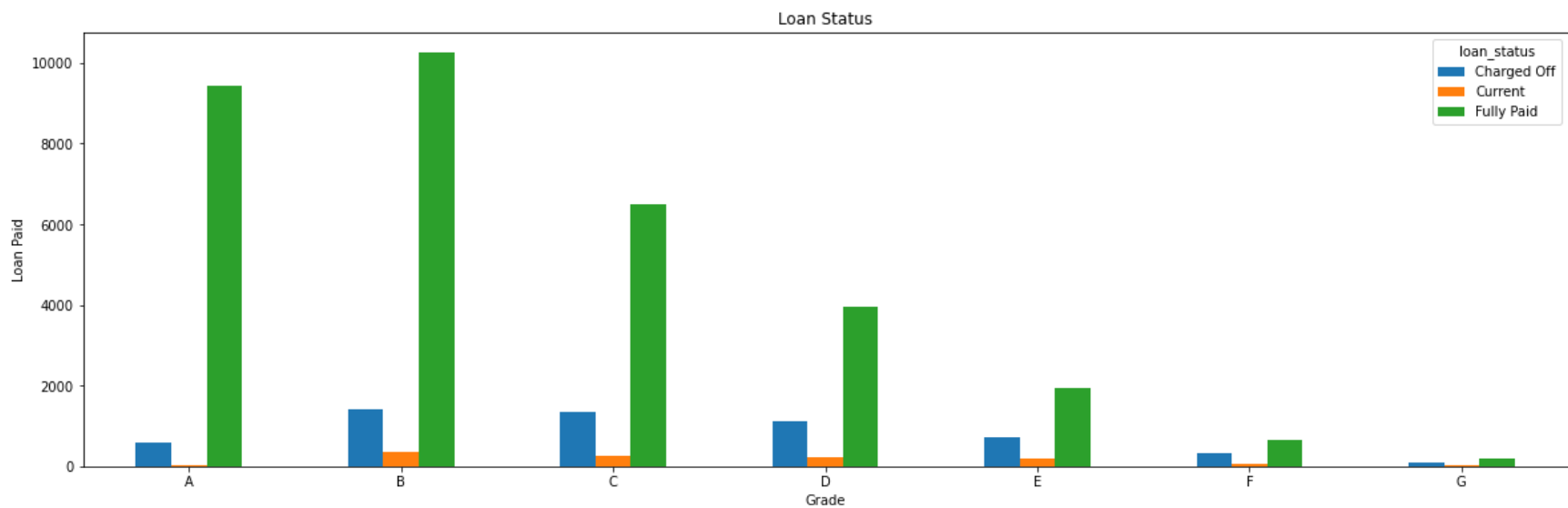
Exploratory Data Analysis



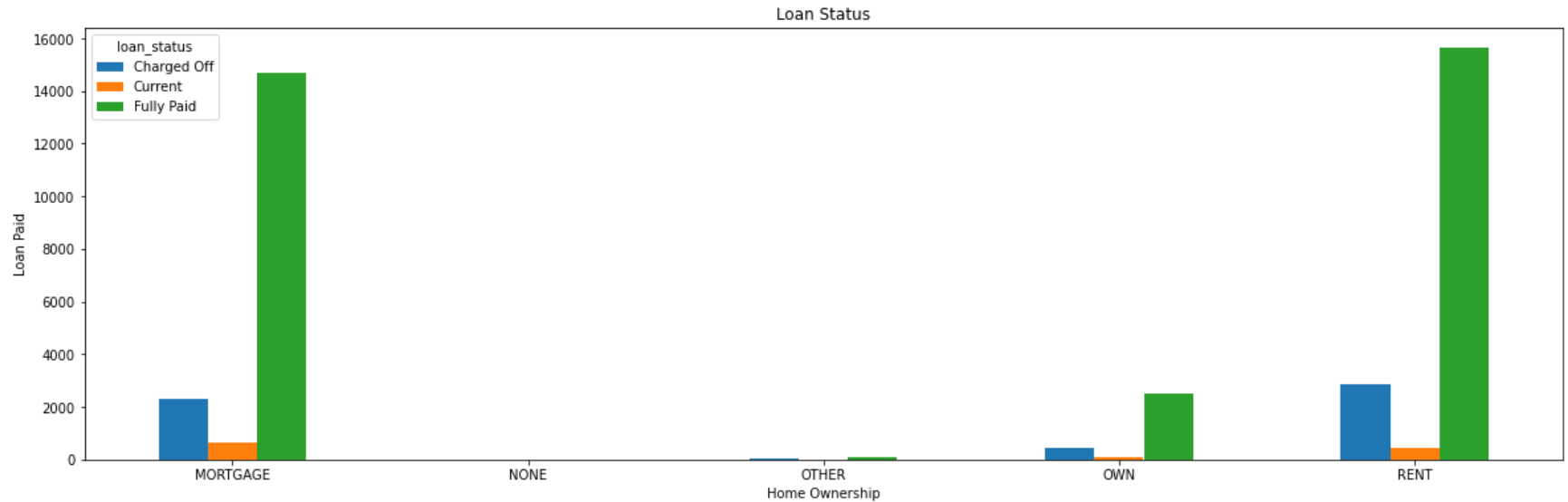
There is no such large effect of verification on repayment of loan.



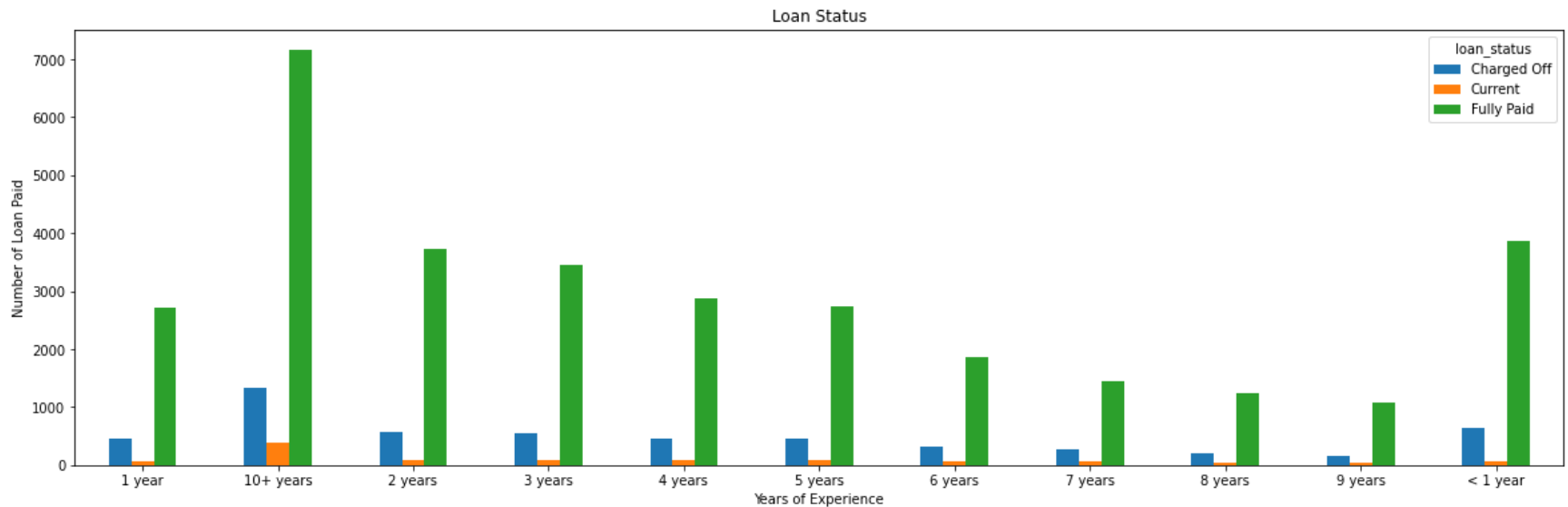
- Above graph suggests that borrowers having mortgage and rented house are likely to be defaulter.
- House type should be considered while sanction of loan.



C and D graded borrowers are likely defaulters.



- Borrowers who are requesting loan against debt consolidation and small business are likely defaulters.
- Borrowers with Debt consolidation should be scrutinized properly.



Borrowers having 1 year & more than 10+ years of experience are likely defaulters

Borrowers with 10+ years of experience must be scrutinized properly.

Suggestions to lending club

- Ownership of house should be the stringent criteria while approving loan. (More likely defaulters are with mortgage type).
- Its advised while sanctioning loan debt consolidation purpose should be highly scrutinized.
- Also its suggested to scrutinize C & D graded borrowers.