

# Loan Approval Prediction Model Using Customer Behaviour

**Prof. (Mrs.) M. P. Desai<sup>1</sup>, Shrutika Kadam<sup>2</sup>, Sagar Dhawane<sup>3</sup>, Ankita Basare<sup>4</sup>, Vinod Jairmod<sup>5</sup>**

Guide, Department of Information Technology<sup>1</sup>

Students, Department of Information Technology<sup>2,3,4,5</sup>

Smt. Kashibai Navale College of Engineering (SKNCOE), Pune, Maharashtra, India

**Abstract:** *Nowadays bank and bank data are very important. In this covid-19 era, people need money a lot, so people are applying for more loans now than before. It is necessary but it is difficult to check all this. Often wrong selections of data can result in loss to the bank. If this data is accurate the bank gets profit. Banking industry always needs a more accurate predictive modelling system for many issues. The bank can earn money from the interest on the credit card used in the loan approval process. All this require a real based application model to be accurate and this model is made using machine learning (ML). In India, the large number of people applying for the loans for various purpose of reasons. The bank employees are not able to analyses or predict whether the customer can payback the amount or not (good customer or bad customer) for the given interest rate. Besides of Credit Score, we believe there are other factors which should be taken in consideration while taking a decision on loan approval. This model is capable of doing that using machine learning algorithm to predict that whether a customer should be provided loan or not..*

**Keywords:** Loan defaults, Machine Learning, Logistic Regression, Covid-19 Crisis.

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