You are requested to create an Indian credit risk(default) model, using the data provided in the spreadsheet.

Hints:

Dependent variable - We need to create a default variable which should take the value of 1 when net worth next year is negative & 0 when net worth next year is positive.

Validation Dataset - We need to build the model on train dataset and check the model performance measures on validation dataset.

Please find attached the files to be referred.

Please note the following:

You have to submit 2 files :

Business Report: In this, you need to submit all the answers to all the questions in a sequential manner. Your answer should include detailed explanations & inferences to all the questions. Your report should not be filled with codes. You will be evaluated based on the business report.

Python code file : This is a must and will be used for reference while evaluating.

Any assignment found copied/ plagiarized with other submissions (s) will not be graded and marked as zero.