

CROWDPAY

A finTech Revolution

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project abstract



Presentation Overview

- Problem Statement
- Existing systems & its problems.
- Solutions to existing systems
- Existing PeerToPeer systems.
- Success stories.
- CrowdPay
- How CrowdPay is different from other systems.
- How it works
- Key-Players involved.
- UI
- Data Model
- Areas of Improvement

Problem Statement

The rate of unemployment in India, during the months of April and May this year was an unprecedented 23.52%. The roots of which can be directly linked to the COVID-19 pandemic and the ensuing public lockdown, with a large population of our citizens finding it difficult to make ends meet. Recent reports suggest that the Unorganized Sector which was worst hit will atleast take 2-3 years to break even.

With our country set to regain its past glory, our prime attention should be to rehabilitate both the Rural and Unorganized Sector of our country. Helping these sectors stabilize would mean more and more job opportunities which in turn would vitalize our economy. But to begin with, finding the capital investment for the underprivileged is almost a herculean task; nipping out all their dreams and desires.

What can we do to help them succeed?

Existing Platforms To Avail A Loan

OFFICIAL FINANCIAL INSTITUTIONS

The most common option for getting funding is through a loan given by banks as well as other official financial institutions. Nowdays getting a loan is not very easy due to financial economic crisis.

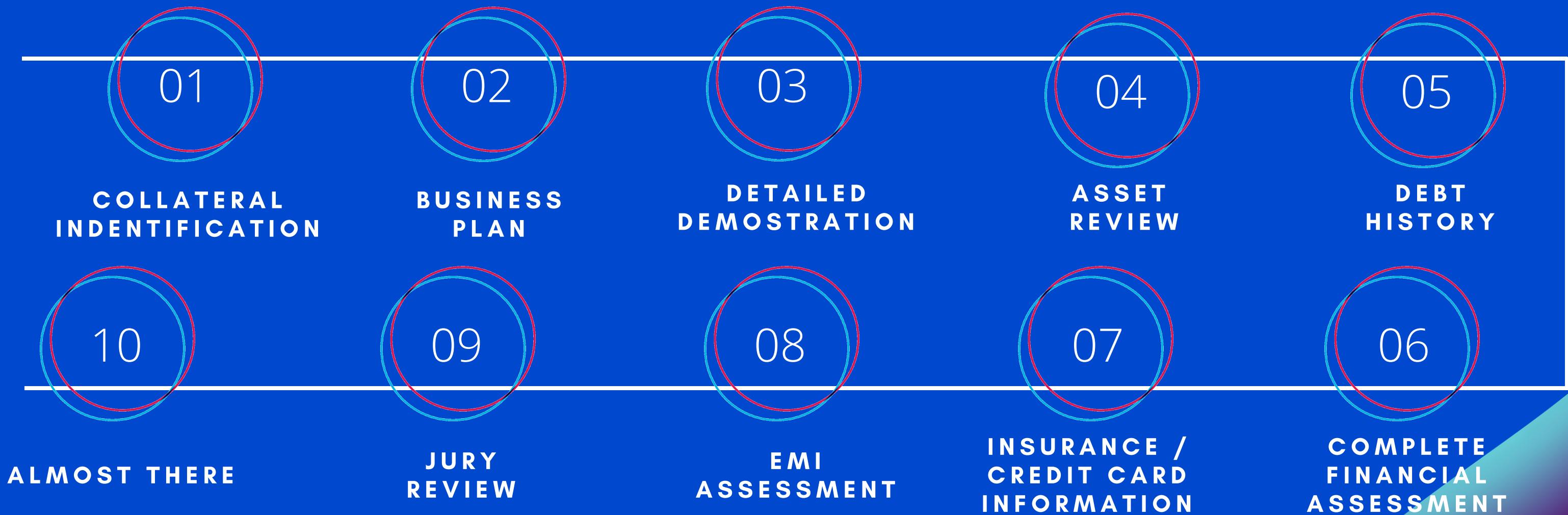
MONEYLENDERS

A moneylending loan is a short-term and high cost form of loan . Using a moneylender is one of the most expensive ways you can borrow money.

FRIENDS & FAMILY

Borrowing from friends & family is a popular resort when they fail to secure a loan due to a bad credit score, previous unpaid loans, or any other reason.

Hurdles All The Way



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hurdles in availing a business loan

That's Too Much Effort

To avail a business loan in these traditional institutions you'll have to go through a hectic process - wait for a minimum of 3 weeks, plus the extra effort in documentation, verification and even then you have not much hope of finally getting it. This is if you have a collateral, but can the underprivileged afford to wait 3 more weeks with no collateral and no one to stand in as guarantee.

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problems with these traditional models

AN EASIER LIFE ONE CLICK AWAY

The above problems create a need for a financial revolution

Peer To Peer (P2P) Lending

Peer-to-peer lending is a form of direct lending of money to individuals or businesses without an official financial institution participating as an intermediary in the deal. P2P lending is generally done through online platforms that match lenders with the potential borrowers.

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problems with these traditional models

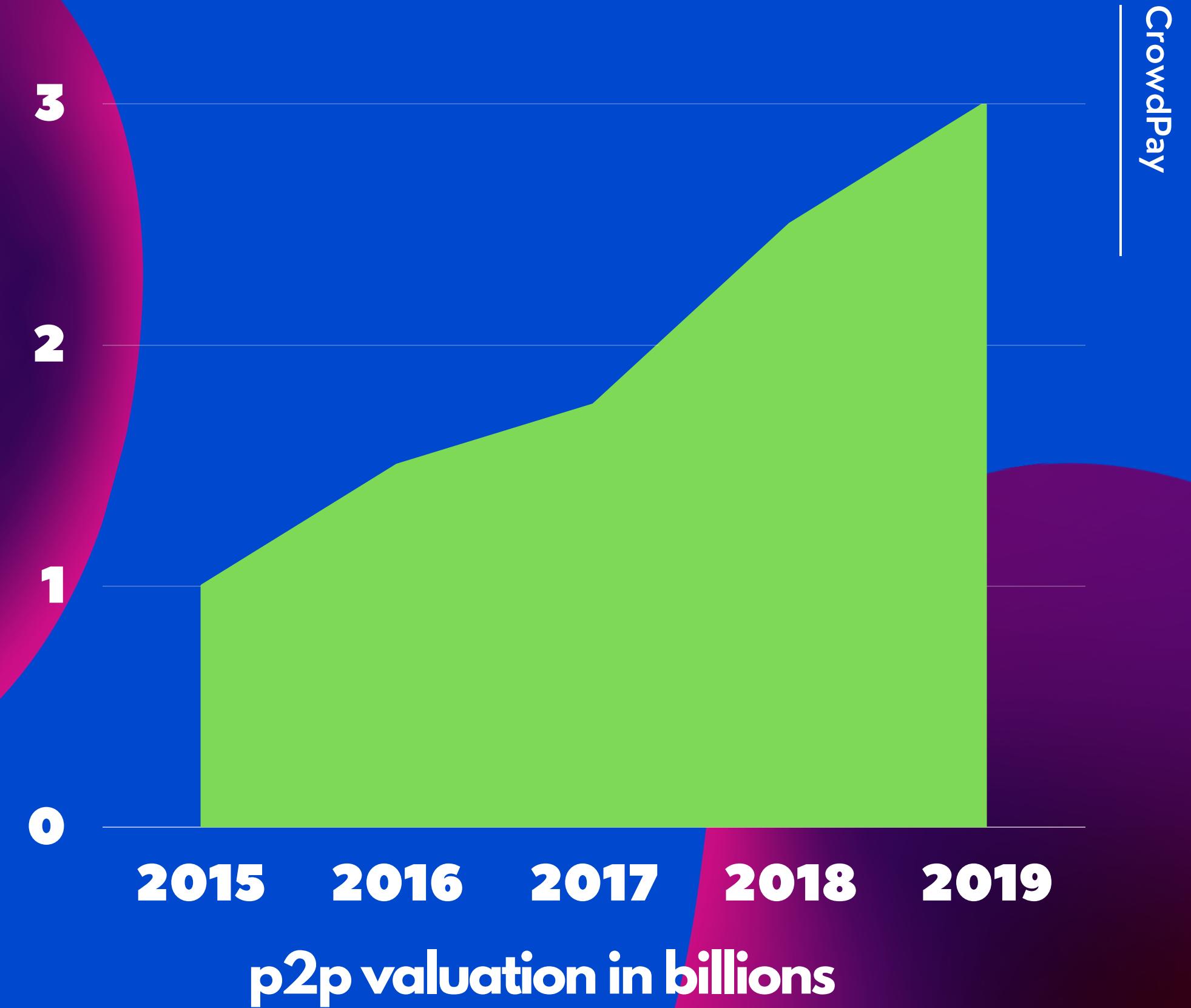
CROWDPAY

Our Idea is to create an online peer-to-peer lending platform which enables borrowers to access affordable fixed-rate, fixed-term unsecured personal loans between Rs.1,000 to 50,000. Investors have the opportunity to earn solid returns via traditional state agencies doubling in as underwriters. The borrowers will be classified based on various aspect like health status, occupation, life style, financial risk factor into minimal, low, medium, high, very high, unrated risk categories.



P2P In India

The Indian P2P post RBI regulation in 2015, lending market is estimated to reach \$4 Bn-\$5 Bn valuation by 2023. Overall, a BCG report has predicted the digital lending industry to touch \$1 Tn mark in the next five years. Some of the prominent players in the Indian market include LenDenClub, Faircent, RupeeCircle, LoanBaba, CapZest, and i2iFunding.



Market Leaders

FAIRCENT.com

Faircent is India's first peer-to-peer lending platform with RBI certification, providing a marketplace that connects individuals in need for credit with individuals and institutes willing to lend their access funds.

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market leaders

CrowdPay



RupeeCircle is the new age Peer-to-Peer (P2P) lending company backed by Mahindra Finance and Oracle's Cloud Accelerator Program, they aim to drive financial inclusion to millions of unbanked & under-banked creditworthy borrowers in India.



A novel P2P lending and borrowing platform in India. It allows individuals to get fast personal loans or become lender to earn higher interest on their savings. The platform helps lenders to multiply their money faster.

So What's New About CrowdPay?

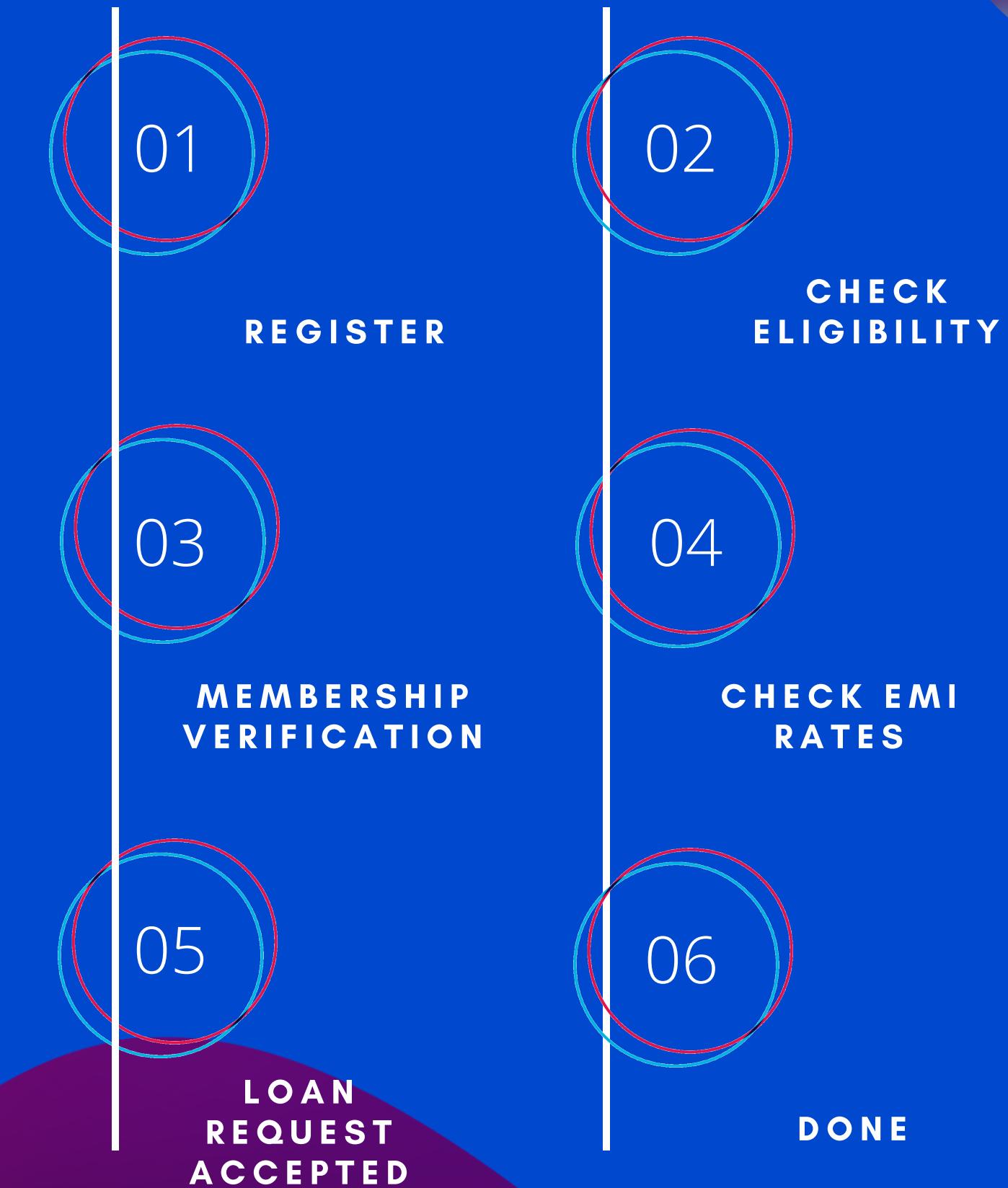
Unlike any existing p2p lending model, CrowdPay aims to unite the efforts of our state government in funding these new entrepreneurs. **Here only members of any one of the 49 state agencies would be able to sign in as a borrower**, with the state agency doubling in as the underwriter. **The State agency will stand as guarantee for the borrower, and will be held responsible for the money if the borrower fails to return the credit.** **For this the state agency will receive a commission of 1% of the total credit**, thus create a healthy and investment safe formulae for success.

Who Are The Key Players?

BORROWER	STATE AGENCY	INVESTOR/LENDER
Someone who's in need for money	One of the 49 State Agency listed under Kerala State Government	Anyone, anywhere from the world who's willing to invest money.

How CrowdPay Works

CrowdPay follows an easy and transparent 6 step loan avail process



Steps Detailed

REGISTER

Register to get a personal loan for your financial goals. A personal loan through p2p lending can help you take control of your finances.

CHECK ELIGIBILITY

Tell us about yourself and how much credit you want to consolidate.

MEMBERSHIP VERIFICATION

We will notify you once your mentioned State Agency have confirmed the membership.

CHECK EMI RATES

Review your monthly payment and then choose the consolidation loan option you like best.

LOAN REQUEST ACCEPTED

Once your loan request is approved, you are provided with lender details and loan is automatically deposited into your bank account.

Make Your Money Work For You

STEPS TO FOLLOW

REGISTER WITH KYC NUMBER

FIND LOAN TICKETS

CHECK INTEREST RATES

TRANSFER AMOUNT

If you are someone who is looking to make a quick buck over the stagnant cash you have with you, then this is for you. We are providing you an opportunity to be part of a social cause, which enables millions of unemployed in India to start their own business with the money you lend.



make money work for you

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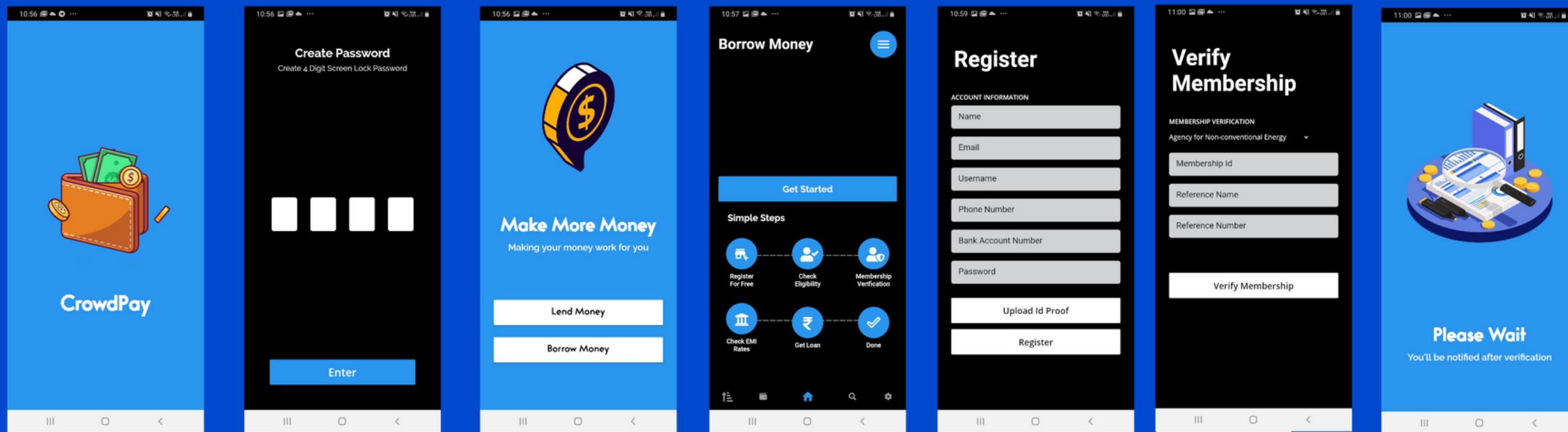
User Interface

Even though envisioned as a complete web application with mobile support, only the a mobile application was developed due to deadline constraints. We hope to build upon this later on.

The mobile application was developed using Flutter SDK and during development Google Firebase was used for authentication, cloud notification and storage.

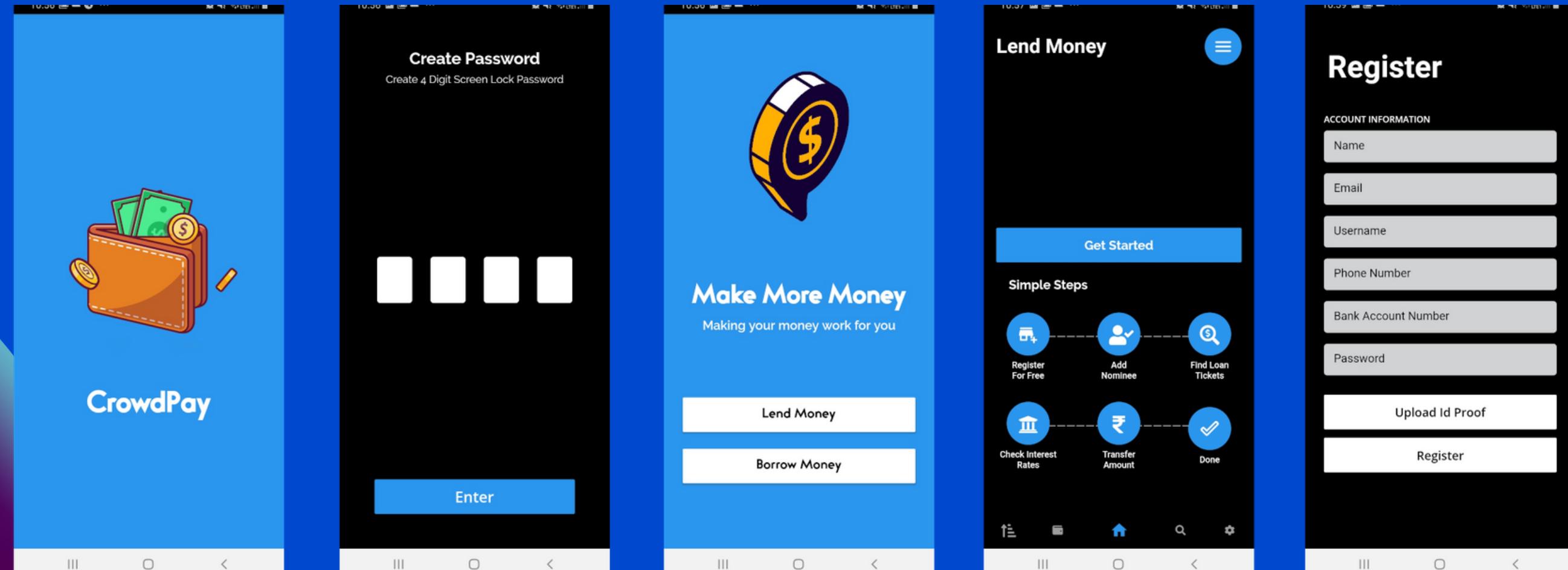
User Interface

Borrower UI

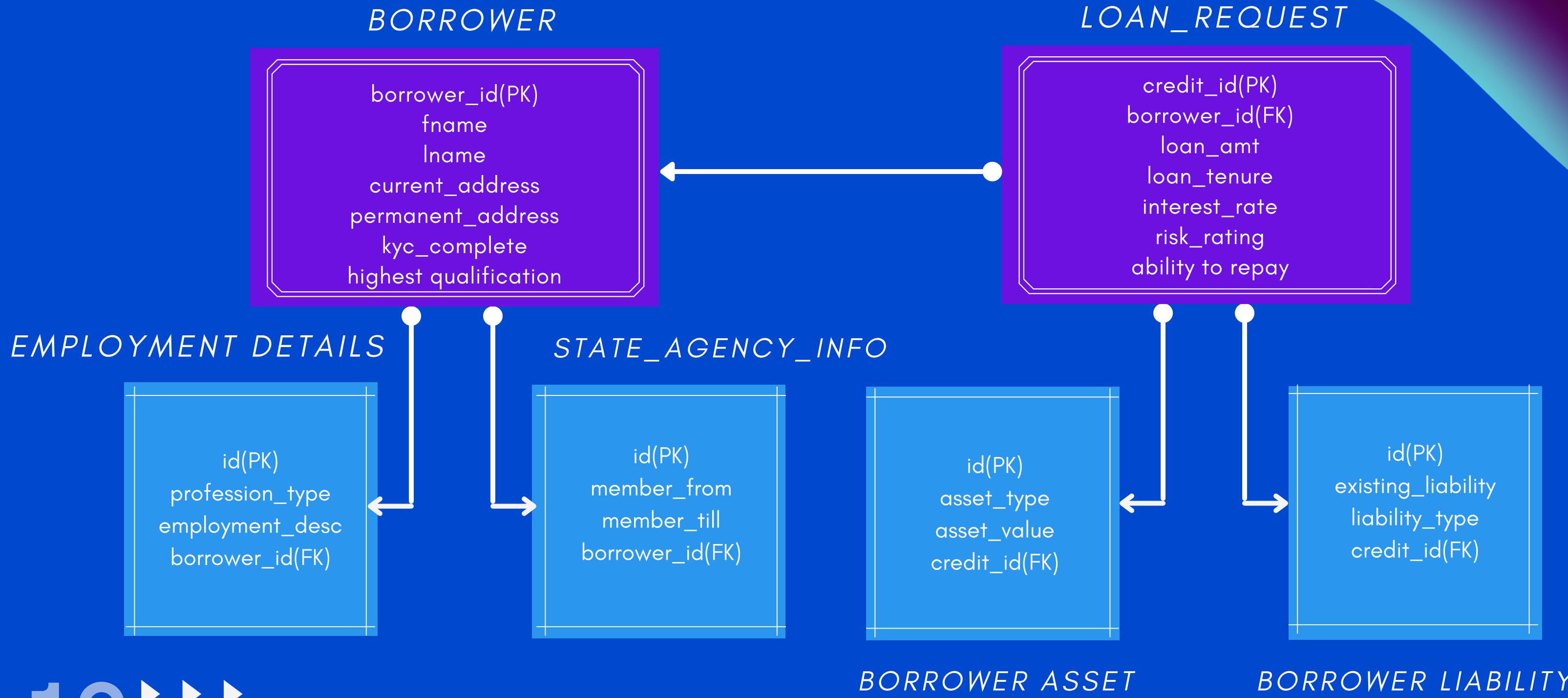


User Interface

Lender UI



Data Model



Data Model

INVESTOR PROPOSAL

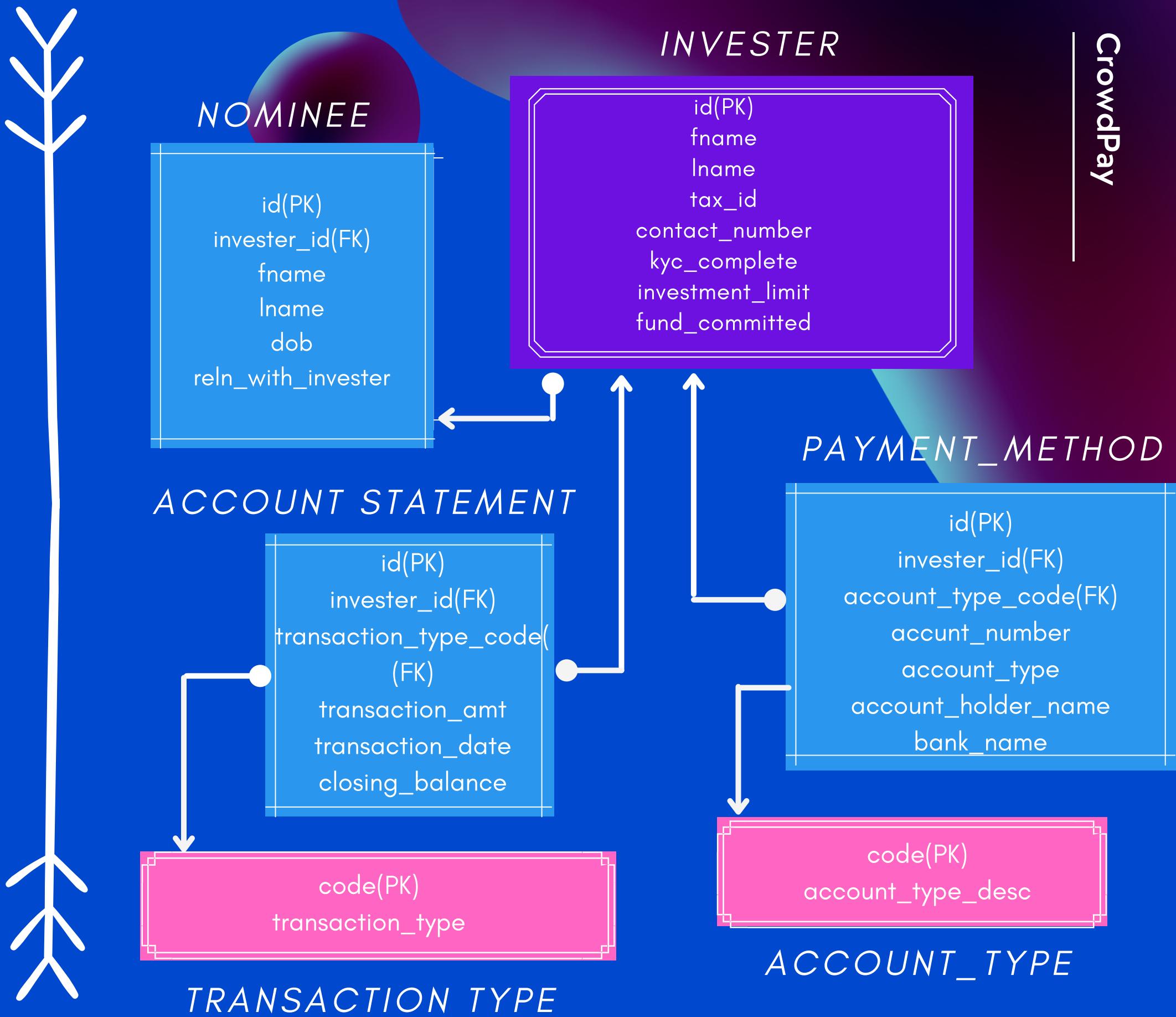
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invester_id(FK)
loan_ticket_id(FK)
proposal_amt
proposal_date
last_update_date

CREDIT FULFILMENT

id (PK)
invester_proposal_id (FK)
release_date_from_invester
disburse_date_to_borrow
emi_amt
emi_start_date
emi_end_date
num_of_total_emi

id(PK)
credit_fulfilment_id(FK)
emi_due_date
due_interest_amt
due_principal_amt
due_emi_amt
penalty_amt
emi_amt_received
penalty_amt_received

CREDIT REPAYMENT



How we can further improve?

- Using AI & ML we can categorize the borrowers into the different risk levels.
- Also we could use NLP techniques to make sure the lender & borrower details are genuine.
- At a later stage, using Blockchain, we can create a secure payment gateway integration, which is not currently included.

Thank You!