



Microsoft 365

Azure

Office 365

All Microsoft



Paisabazaar develops digital stack to simplify end-to-end lending processes using Microsoft Azure

Customer
Paisabazaar

Products and Services

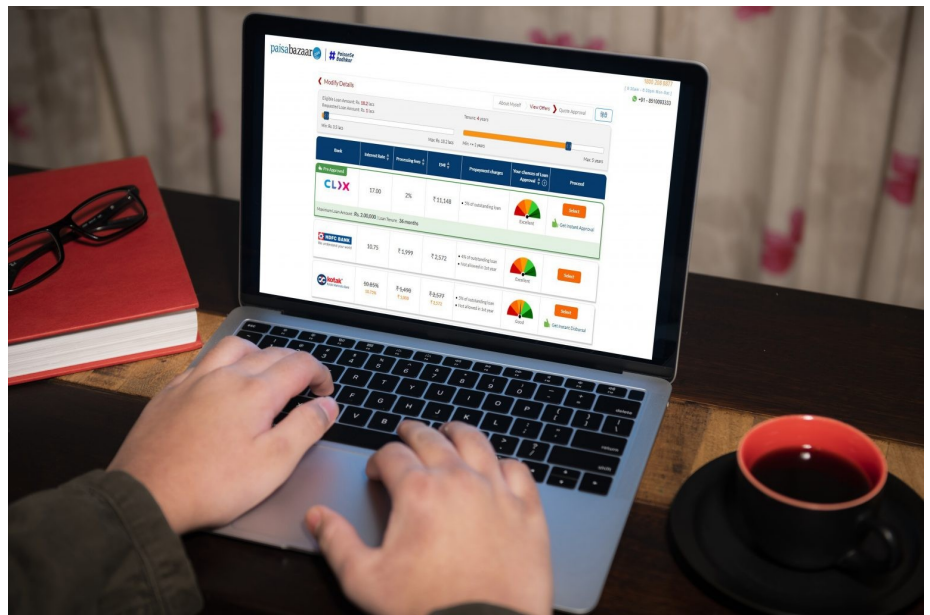
Azure
Azure Active Directory
Azure Cognitive Services (AI)
Azure Kubernetes Service
Azure Machine Learning

Industry
Other

Organization Size
Large (1,000 - 9,999 employees)

Country
India

December 29, 2020



Share this story



The lending industry in India has long been dependent on traditional processes for business development, data acquisition, verification, and validation. This meant cumbersome processes that required many personal visits, and ultimately led to underutilization of time and resources.



© 2017 Microsoft

Paisabazaar was already in the process of digitizing lending processes when COVID-19 hit India. The pandemic accelerated the company's endeavor to digitally replicate its end-to-end lending process to create a seamless remote experience for both customers and lenders. The company was able to achieve this through the creation of a digital stack—Paisabazaar Stack—that disburses loans and issues credit cards using Microsoft Azure, AI Builder, Azure Machine Learning, Azure Cognitive Services, and Azure Kubernetes Service (AKS).

Paisabazaar was founded in 2014 with the goal to make personal finance easy and convenient. The platform simplifies personal finance for its customers through technology-driven innovations. As one of India's foremost marketplaces for financial products, the company has more than 130 partners and has served over 22 million customers across 1,250 cities and towns within the country. It is also India's largest marketplace for lending products and one of the fastest growing fintech firms with a compound annual growth rate of more than 80 percent.

Overcoming physical restrictions to meet changing needs

Paisabazaar was in the process of developing digital systems to serve the needs of the lending market when COVID-19 hit. It aimed to simplify complex financial processes by making them digital to match buyers with lenders and make the lending process more seamless.

However, certain regulatory requirements and traditional practices stood in the way. Traditional lending processes were largely

dependent on physical visits to verify customers' incomes and employment, and it required physical checks. This data was also prone to human errors.

"With the pandemic-induced lockdown, one of the most highly impacted industries was lending. This happened because almost the entire industry was largely underprepared in terms of having the digital infrastructure to tackle a situation where there are complete restrictions on physical movements. It has become amply clear that the future of lending is in completely paperless and presence-less loans," says Mukesh Sharma, CTO, Paisabazaar.

The company had been trying to create a digital ecosystem for lending partners, banks, and non-banking financial companies (NBFCs). But when COVID-19 struck, digitization became a critical need as physical contact was limited. As a technology-driven fintech firm, Paisabazaar started to digitally recreate the fundamental process of lending, encompassing the complete end-to-end value chain, through a stack. Microsoft was the preferred choice for this project as Paisabazaar had been using Azure for two years and believed in the capabilities of Microsoft products to empower organizations through technology infrastructure.

Embracing a new normal through digitization

COVID-19 gave a push to presence-less lending and during this period, Paisabazaar enabled end-to-end, digital processes. By working with partner banks, customers can now procure loans through the Paisabazaar platform, with disbursements taking place within 24 hours.

The company implemented several Microsoft solutions to make this possible:

- KYC verification: The digital KYC module is part of the Paisabazaar Stack. It includes KYC verification and video KYC that uses

Cognitive Services. The applicants can verify their identities, locations, and liveness, which ensures that they are real people and not bots.

- **Income and employment validation:** The income of the applicant is validated, and employment is verified digitally by the stack. Bank statements are analyzed digitally using AI to determine financial health and provide results to Paisabazaar's lending partners. This enables faster decision making, and customers can provide self-attested proof of income, such as bank statements and salary slips, digitally.
- **Repayment agreements:** Paisabazaar uses the stack to fast track the National Automated Clearing House process, streamline verification of bank account details, and set up repayment instructions through the digital mandate on behalf of its partner lenders.

Chance of Approval is a feature Paisabazaar developed long before COVID-19, using Azure Kubernetes Service. It enables the company to use a predictive algorithm model to provide customized lending solutions. It matches factors from a customer's profile, such as income, credit score, or age, with the various lending criteria of different lenders, and shows the customer the odds of getting the application approved.

The lending industry's supply in the first quarter of 2020 had become almost negligible, but the company used this time to ideate, develop, and implement the stack to become ready for the future.

Transforming lending with an end-to-end digitization stack

By July, the company started having conversations with its partners and lending became easier, as they too were looking for digital solutions. Paisabazaar was ready with a solution, which made it easier for its partners to resume business. The company received very favorable responses from the lenders and were able to drive adoption of the platform with its partners.

"We are seeing very encouraging signs across all our products and are moving the chain forward and educating the customers on the new process," says Gaurav Aggarwal, Director & Head of Unsecured Loans, Paisabazaar.

The company now offers its entire end-to-end digitization stack to banks and NBFCs on its platform. In the fourth quarter of 2020, the company is working to get back to pre-COVID business numbers. The responses from customers, as well as partners, has been overwhelming. According to Aggarwal, the benefits of the stack far extend its role as a counter measure against COVID-19. The real win for the company is the change the stack has brought to the traditional lending ecosystem.

Sharma adds, "Our philosophy at Paisabazaar is to make financial transactions, and the interactions around them, easy and convenient. We see technology, along with data, as a great enabler towards that goal. Our work with Microsoft has helped us bring industry-leading initiatives to end customers. We will continue to work with Microsoft to come up with technology-led solutions to bring ease to customer's lives."

" Our philosophy at Paisabazaar is to make financial transactions, and the interactions around them, easy and convenient. We see technology, along with data, as a great enabler towards that goal."

—Mukesh Sharma: CTO

Paisabazaar

" We are seeing very encouraging signs across all our products and are moving the chain forward and educating the customers on the new process."

—Gaurav Aggarwal: Director & Head of Unsecured Loans

Paisabazaar



Similar Stories

The logo for New Signature, with "NEW" in grey and "SIGNATURE" in blue.

New Signature preaches—and practices—user-friendly IT

The logo for Genetec, in blue.

Genetec embraces digital productivity and boosts efficiency with sales enablement platform



Amici Events & Catering relishes digital transformation

Technical story



Cloud9 conquers esports using Azure data analytics

Follow Microsoft



What's new

- Surface Laptop 4
- Surface Duo
- Surface Laptop Go
- Surface Go 2
- Surface Pro X
- Microsoft 365

Microsoft Store

- Account profile
- Download Center
- Microsoft Store Support
- Returns
- Order tracking
- Virtual workshops and training

Education

- Microsoft in education
- Office for students
- Office 365 for schools
- Deals for students & parents
- Microsoft Azure in education

Enterprise

- Azure
- AppSource
- Automotive
- Government
- Healthcare
- Manufacturing
- Financial services
- Retail


Developer

- Microsoft Visual Studio
- Developer Center
- Channel 9
- Microsoft 365 Dev Center
- Microsoft 365 Developer Program

Company

- Careers
- About Microsoft
- Company news
- Privacy at Microsoft
- Investors
- Security

Microsoft Store
Promise

 [English \(Canada\)](#) [Contact Microsoft](#) [Privacy](#) [Terms of use](#) [Trademarks](#) [About our ads](#) © Microsoft 2021