

LedgerMan: A Peer-to-Peer Financial Management Portal

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Objectives

LedgerMan is a peer to peer financial management platform that empowers individuals and groups alike to the expertise of industry-leading money management experts. LedgerMan aims to provide the following services:

- A peer to peer lending platform connecting credit seekers with lenders at suitable rates.
- Connecting individuals and groups to credible Direct Mutual Fund investment schemes, handpicked by user ratings.
- Hassle free money management services through UPI number.
- Cap-free investment valuation opportunities.

Introduction

Financial management is the process of budgeting, saving, investing, spending or otherwise overseeing the capital usage of an individual or group.

In the growing financial technology market, **personal finance** is the financial management which an individual or a family unit performs to budget, save, and spend monetary resources over time, taking into account various risks and future life events. Through LedgerMan, we aim to provide a one-stop solution for managing individual and group finances in a way which is secure, efficient and above-all user-friendly.

We will provide higher-level details of its implementation through **UML diagrams**, as well as the business model followed. We will also provide citations for the articles referred.



Key Innovation

LedgerMan has the following salient features:

- **Validation** of consumer and lender records through prior transaction history.
- **Seamless** and atomic bank transaction queries using UPI pin and account information.
- **No** lower monetary cap on Direct Mutual Fund investments.

In addition, the following services have been implemented:

- 1 **Easy** account information querying.
- 2 **Hand-picked** Mutual Fund investment options.
- 3 **Access** to user ratings and contact information.

Business Model

LedgerMan's business model follows the a similar strategy to that of most **commission** models employed by standard brokerage companies or auction houses. We charge a **fee per transaction** that we mediate. This is done in the following way:

- 1 Portal access is provided free of cost.
- 2 We charge a modest one-time amount of **US \$7** for every borrower-lender transaction made, irrespective of transaction currency.
- 3 For Direct Mutual Funds, we charge a modest **2%** over the net surplus achieved by the consumer when the scheme matures.
- 4 All other services are provided free of cost.

Schema & Query Implementation

All schema implementation would be done in a MySQL database. For security, password protection will also be provided. The associated data will also be queried through MySQL, with standard query templates being provided for ease of use to the customers. The entire code can be accessed at <http://github.com/ShikharJ/LedgerMan>.

References

- [1] Dan Kadlec.
Why We Want-But Can't Have-Personal Finance in Schools.
Time, October 2013.
- [2] Friedrich Schwandt.
FinTech Report 2018 - Personal Finance.
Statista, March 2018.

Unique Application

As of November 2018, there is **no other** financial management portal in the active industry or open source that combines the features of peer-to-peer money management and low cost investment opportunities.

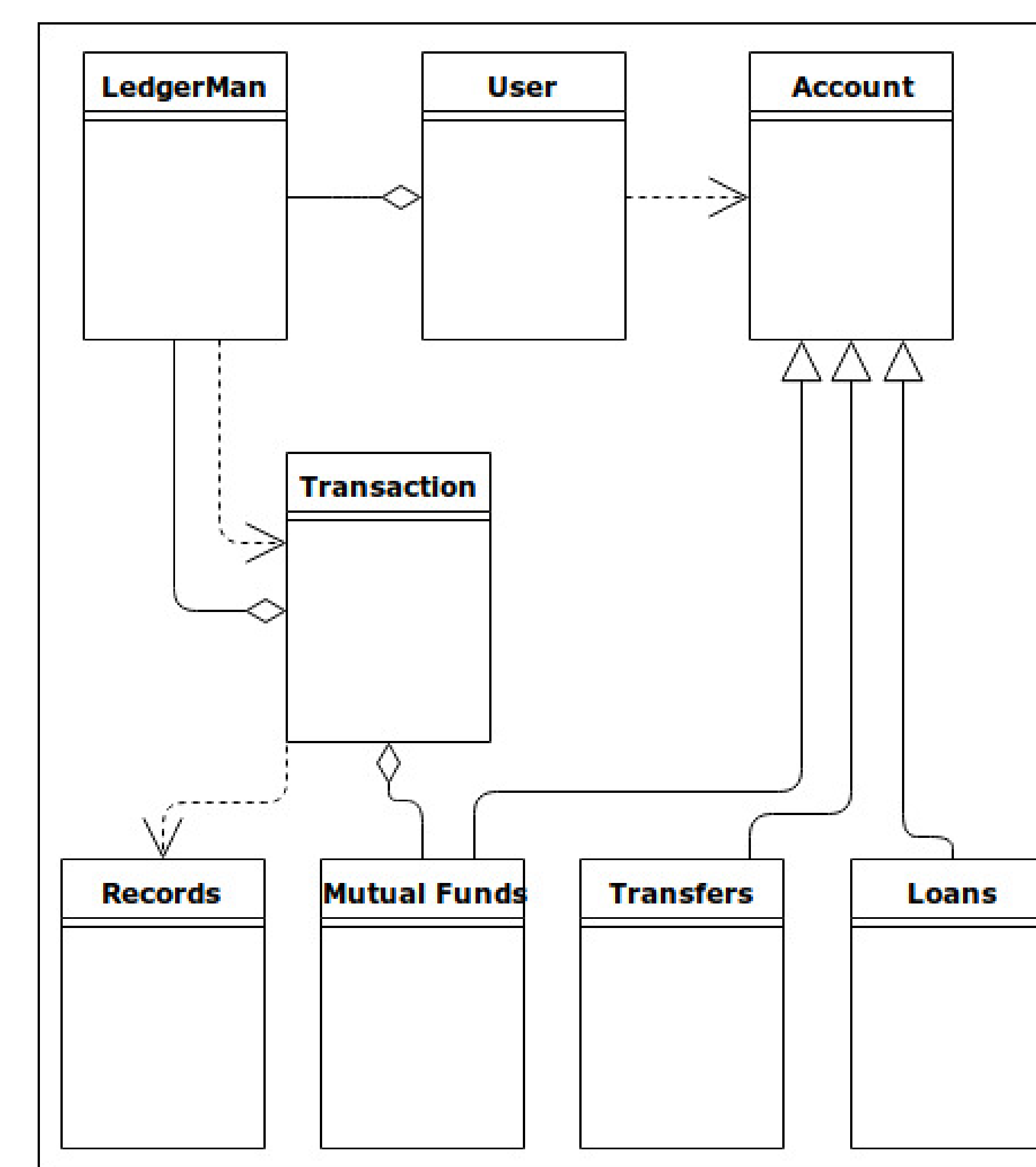
Application to the Society

Before a specialty in personal finance was developed, various disciplines which are closely related to it were taught in various colleges as part of home economics for over a century.

According to a survey done by Harris Interactive, **99%** of the adults agreed that personal finance should be taught in schools [1]. The following points emphasize the importance of personal finance industry in India [2]:

- Total transaction value in the personal finance segment amounts to **US \$863m** in 2018.
- Total transaction value is expected to show an annual growth rate (CAGR 2018-2022) of **25.1%** resulting in the total amount of **US \$2,113m**.
- The market's largest segment is P2P money transfers with a total transaction value of **US \$839m** in 2018.

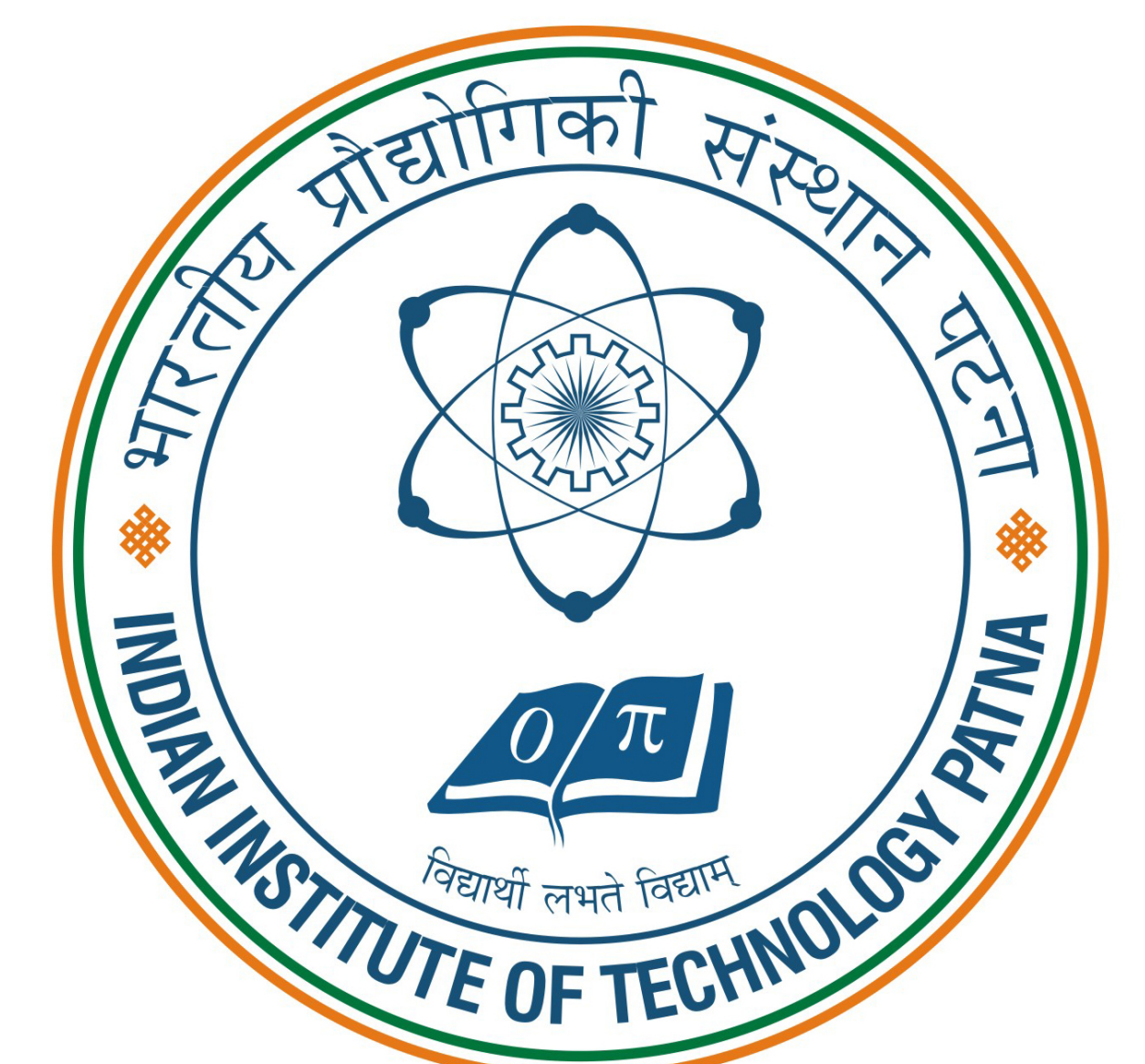
Database Design



UML Schema

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