Personal Loan for Salaried Individual

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Objectives and Overview of our Product

Objective of the Presentation

- Provide an overview of the personal loan web application.
- Highlight key features, user journey, and market opportunities.
- Discuss the development roadmap and strategic goals.

Brief Overview of the Product

- Our web application simplifies the loan application process for salaried individuals, offering personalized loan options and quick approvals.
- Key features include eligibility checks, document uploads, and instant approvals and a personalized user first dashboard all designed to enhance user experience and satisfaction.
- The platform aims to increase accessibility and speed, providing a seamless experience for users from application to approval.

Objectives and Overview of our Product

Objective of the Presentation	Brief Overview of the Product
• Provide an overview of the personal loan web application.	Our web application simplifies the loan application process for salaried individuals, offering personalized loan options and quick approvals.
• Highlight key features, user journey (Front End), Technology stack, API's, Web Hosting Architecture, and market opportunities.	Key features include eligibility checks, document uploads, and instant approvals and a personalized user first dashboard all designed and developed to enhance user experience and satisfaction.
• Discuss the development roadmap and strategic goals.	The platform aims to increase accessibility and speed, providing a seamless experience for users from application to approval.

Market Size and Market Opportunities

Current Market Size of Personal Loans for Salaried Individuals:

- **Market Size**: The personal loan market in India for salaried individuals is substantial, with estimated market size projected to reach around **USD 620 billion by 2032**.
- **Growth Rate**: It is growing at a **CAGR** of approximately **32.5%** during the forecast period **2023 - 2032** due to increasing demand for credit among salaried individuals.

Refer: https://www.marketresearchfuture.com/reports/personal-loans-market-12020#:~:text=Personal%20Loans%20Market%20Size%20was,period%20(2023%20%2D%202032).

Market Opportunities:

- **Digital Transformation**: Leveraging technology to offer seamless online experiences.
- **Personalized Offers**: Utilizing data analytics to create customized loan offers.
- **Expanding Reach**: Targeting underserved markets with digital onboarding.
- **Partnerships**: Collaborating with **employers** and **fintech** companies to expand offerings.
- **Financial Education**: Offering free educational resources to improve financial literacy.
- **Gamification :** Create a gamified version to solve simple quiz through learning from the resources and offer **badges** and **exciting offers** in subsidiary products/ services to maintain success metrics like customer engagement, retention rate, traffic etc.

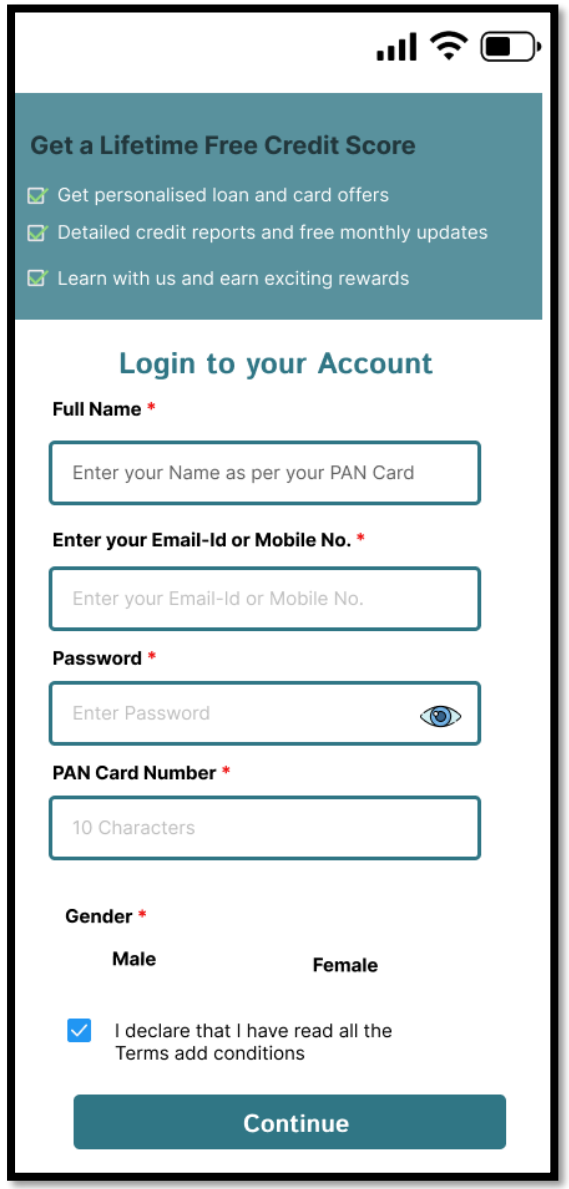
Vision Statement for Personal Loan Web Application

"To empower salaried individuals with a seamless, transparent, and personalized lending experience, enabling them to achieve their financial goals with ease and confidence through innovative technology, customer-centric solutions and a user first approach."

Key Goals and Objectives

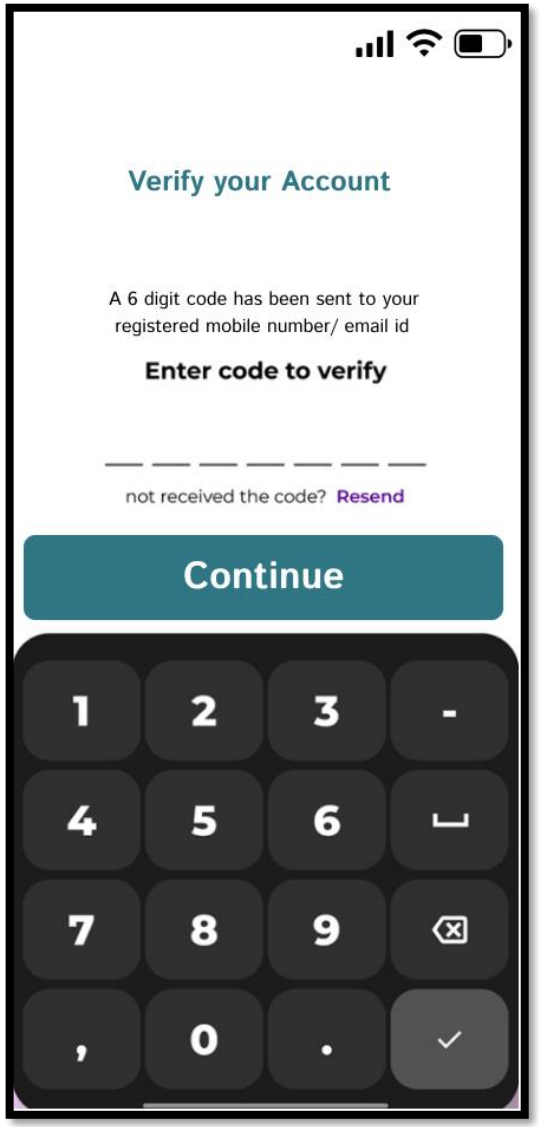
Goals	Objectives
Increase User Adoption and Engagement	Achieve 10,000 registered users within the first six months of launch by a user-friendly onboarding process.
Streamline Loan Approval Process by using relevant tech and API's	Reduce avg. loan approval time to under 24 hours by the end of the first quarter post-launch.
Enhance Customer Satisfaction and Trust	Achieve a Customer Satisfaction Score (CSAT) of 90% or higher within the first year by providing Provide clear, transparent information about loan t&c and have open communication channels for customer support.
Expand Market Reach	Target additional geographical regions within the next 12 months by developing localized marketing strategies and understanding regional financial needs and regulations.
Optimize Conversion Rates	Increase the conversion rate from application to approval by 15% within the first year by using data analytics to refine the eligibility criteria and based on user profile provide personal loan.
Improve Operational Efficiency	Reduce operational costs related to loan processing by 20% within the first year by optimizing routine tasks such as document verification and EMI calculation to minimize manual effort and errors.

Wireframes describing High Level User Journey (Front End)



Step 1:

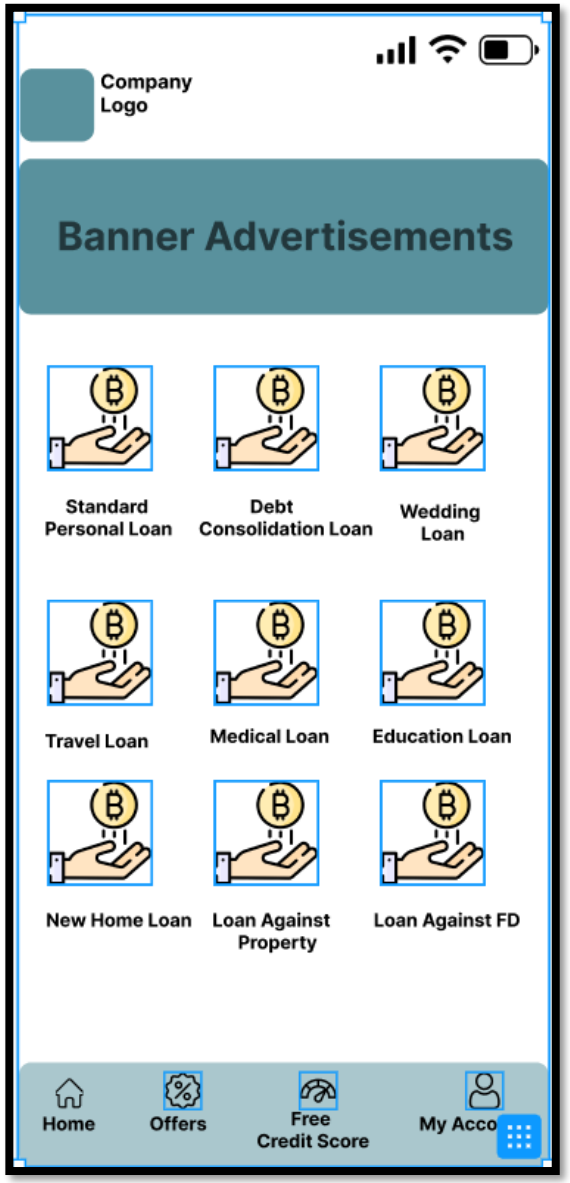
User opens the app
Fills all the required details such as
Full Name (As that on PAN Card)
Email Id or Mobile Number
Creates New Password PAN Card Number
Selects Gender:
Male/ Female
Accepts the terms and conditions and clicks on "Continue"



Step 2:

In order to verify the login details a unique **OTP** is sent by system which the user then receives on his email address/ mobile numbe,
User then fills the Verification Code and clicks on
"Continue".

If not received user can click on Resend CTA



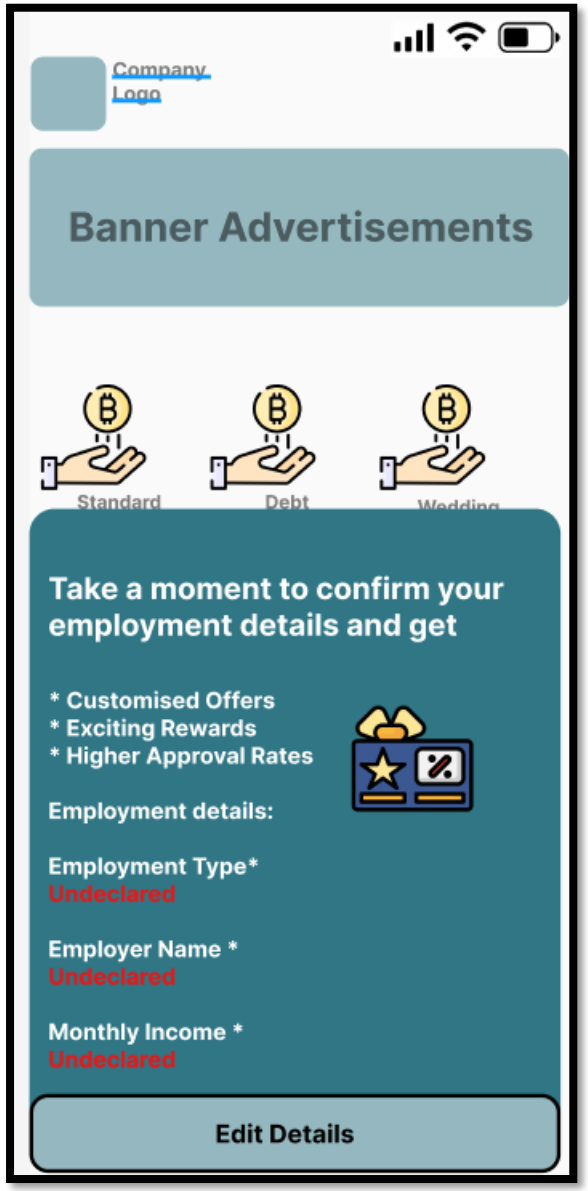
Step 3:

Once the user has successfully logged into app,

1.Profile information gets automatically fetched in his my account section.

2.After login successfully user can see Promotional/ advertisement banners
(which also acts as a CTA to go to the product listing page under the banner)

3.User can see options to chose from for the type of loan that he wants to apply for. He can simply click on the icon of the desired Personal Loan Of his choice to move ahead.

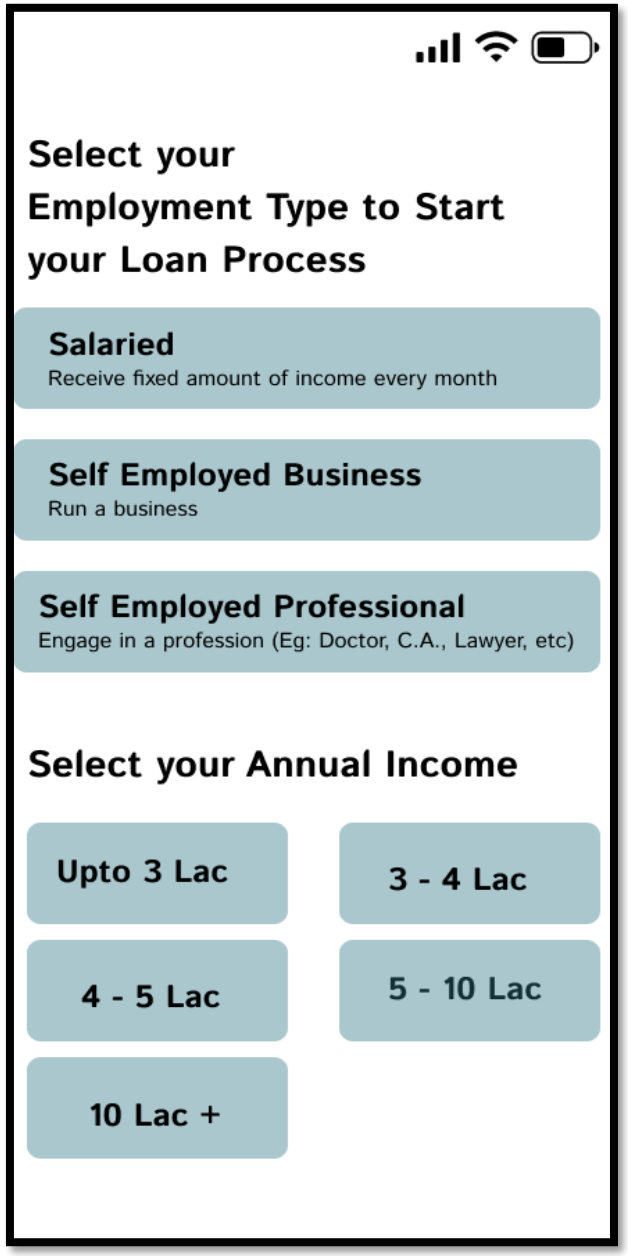


Step 4:

Once clicked on any CTA of users choice he is encouraged to fill the required information which will make the loan application process **fast** and hassle free and also assures:

Customized offers
Exciting rewards

To continue user can click on **“Edit Details”** button



Step 5:

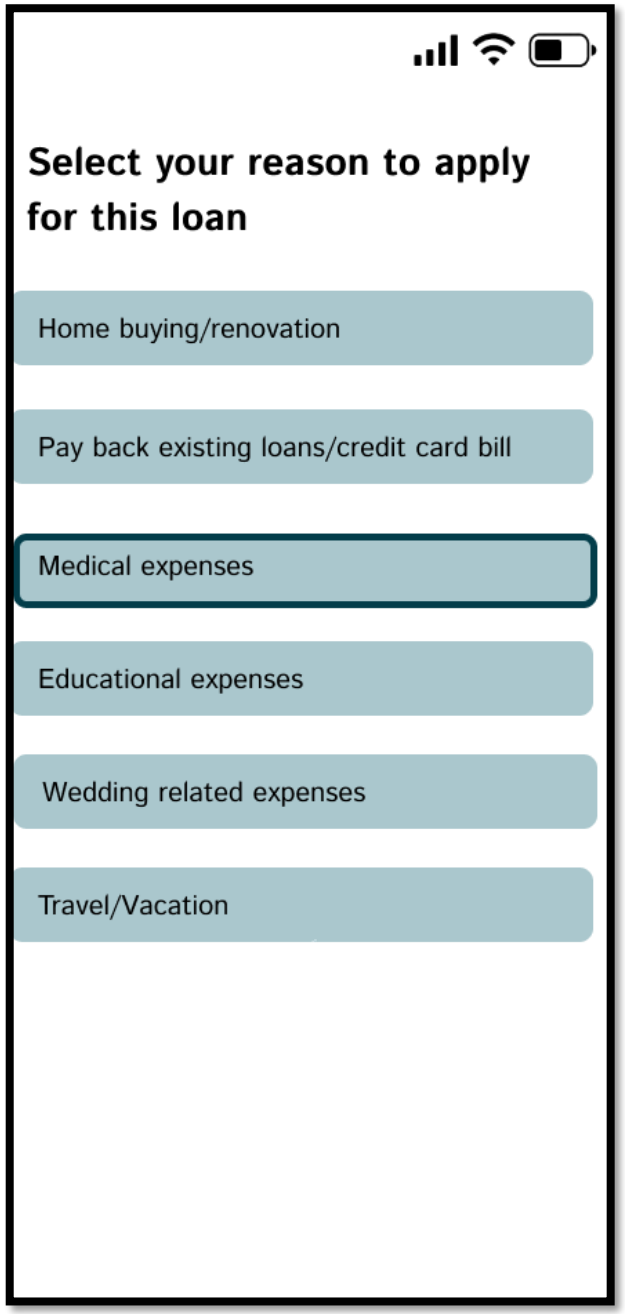
After clicked on **“Edit Details”,** User has to select option out of the given like weather user is Salaried, has business, or is self employed

Also user needs to select the range of his annual income out of the given options

Step 6:

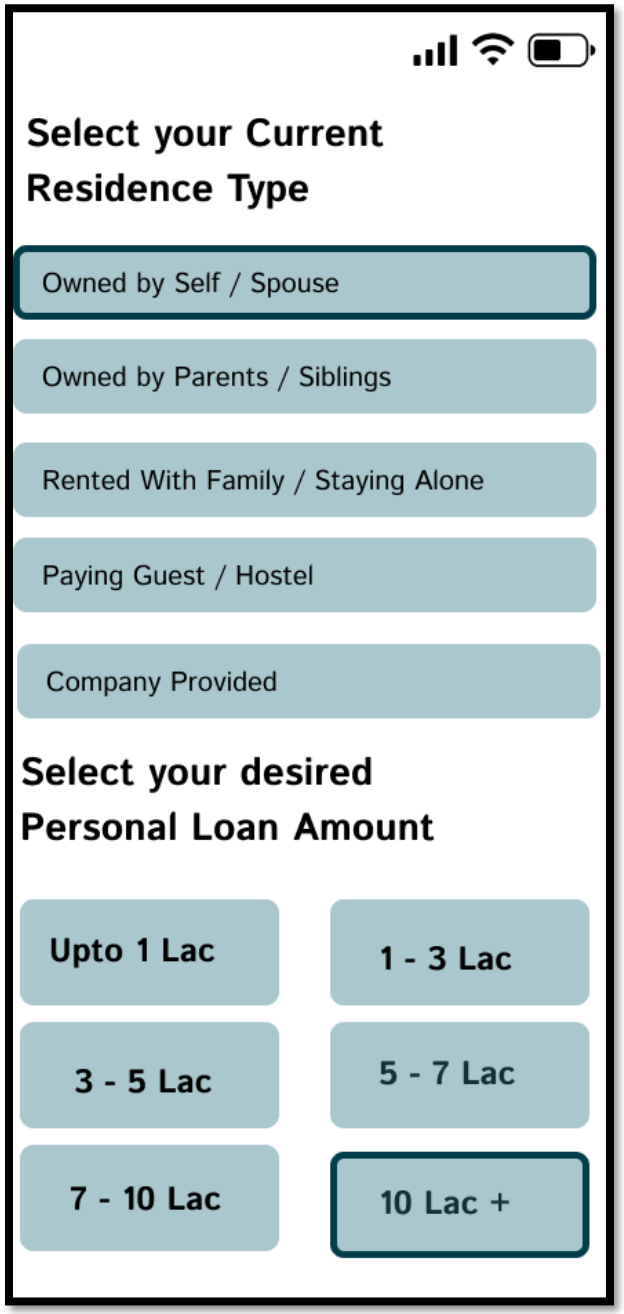
On the next screen user has to provide his Employer/ Company name which then he can select from the drop down tray

Also user need to select the city he is currently living in.



Step 7:

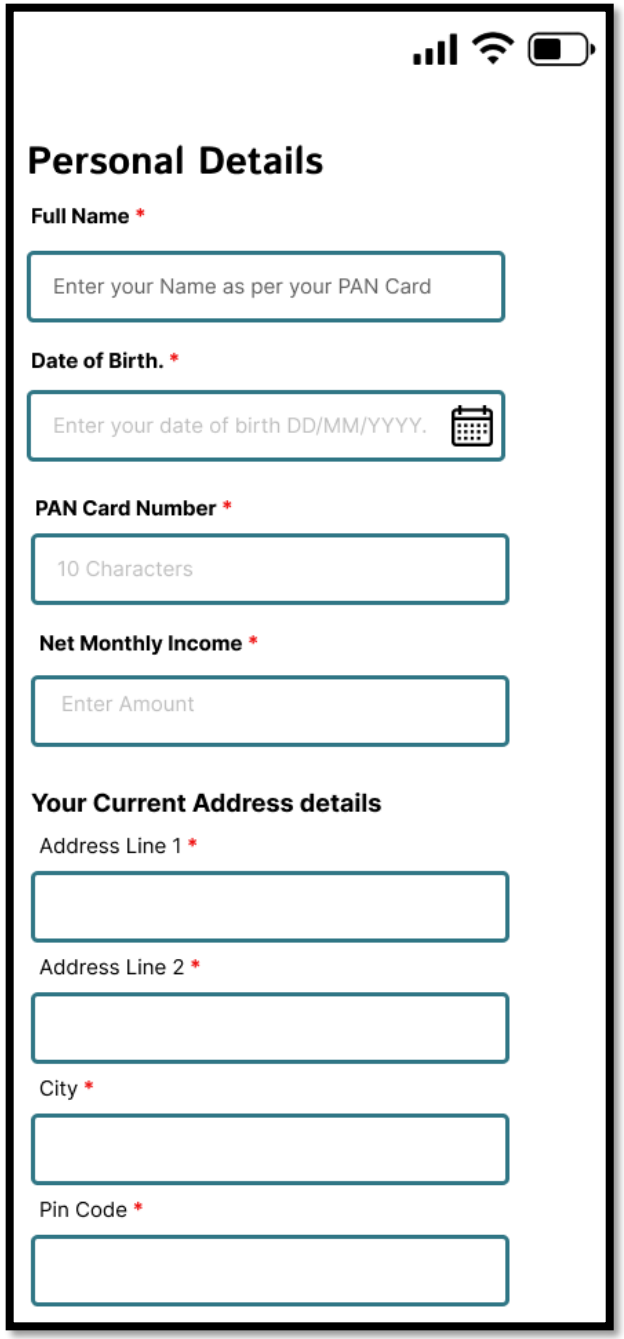
Out of the given options
User needs to select his reason to apply for the loan for cross verification and record purpose and also to provide with the best competitive offerings so that user can move ahead with ease.



Step 8:

On the next screen user has to provide his **Current residence type** which he can select from the given options

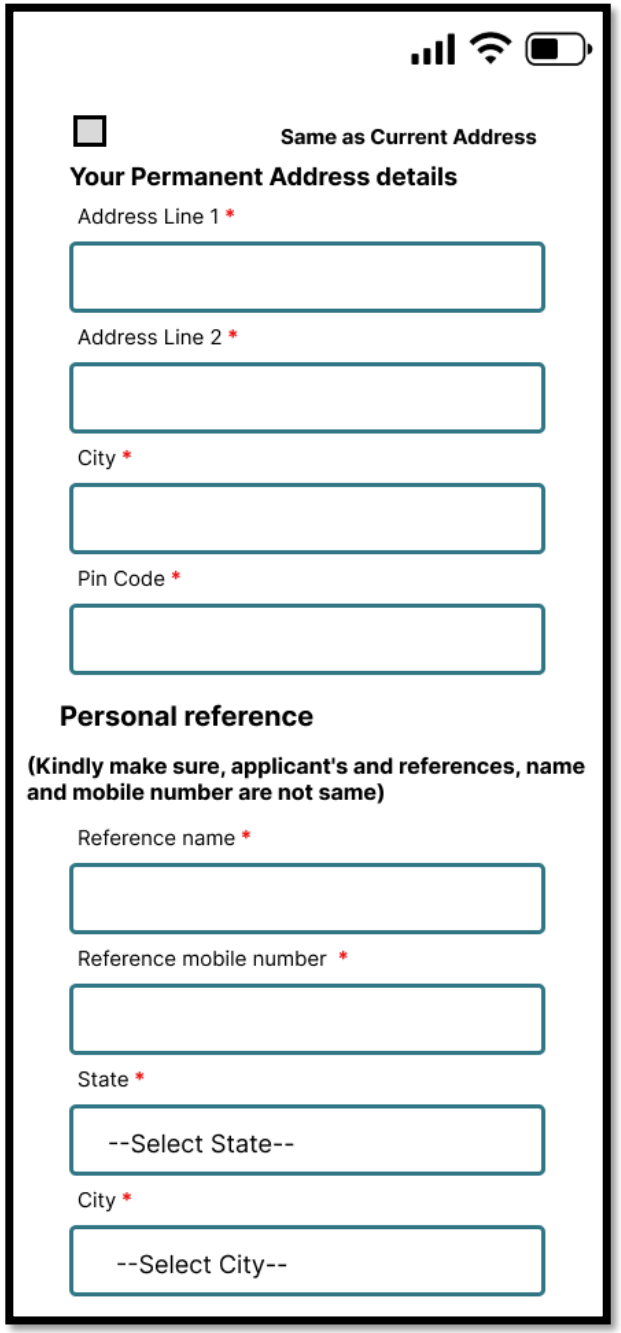
Also user need to select the **Personal loan amount** from the given options.



Step 9:

After the relevant selection of all the previous options to make the loan application process more fast, user is further prompted to fill all the other required details such as:

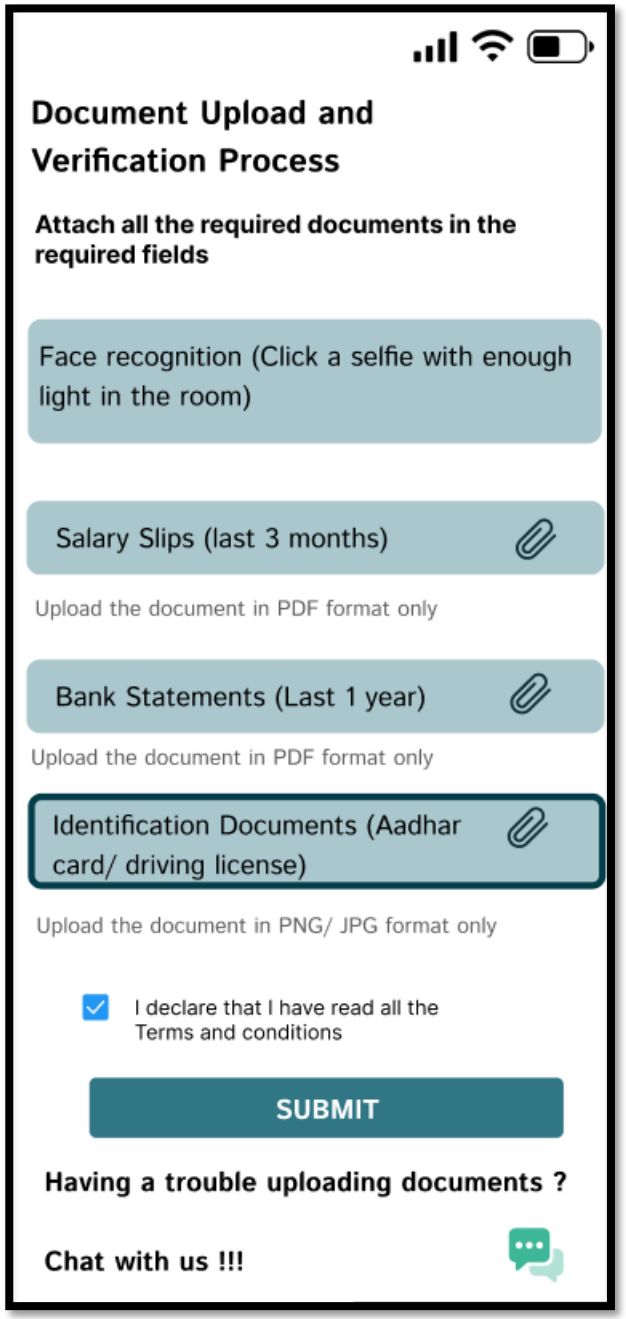
PAN Card number
Date of birth
Current address in detail with **City** and **Pin Code**



Step 10:

User then needs to confirm his permanent address which if same he can click on the **“Check box”,** else can provide the information in the relevant fields.

User also has to provide **reference information** for security and cross verification purpose, here he cannot put the details of himself.



Step 11:

Document Upload by User

Users will be required to upload several documents to complete their loan application. These documents typically include:

- **Face Recognition:** Use facial recognition to match the user's selfie (taken during the application process) with the photo on their government-issued ID.
- **Salary Slips:** Proof of regular income and employment.
- **Bank Statements:** Evidence of financial stability and transaction history.
- **Identification Documents:** Government-issued ID proofs such as a passport, driver's license, or Aadhar card (in India) to verify identity.

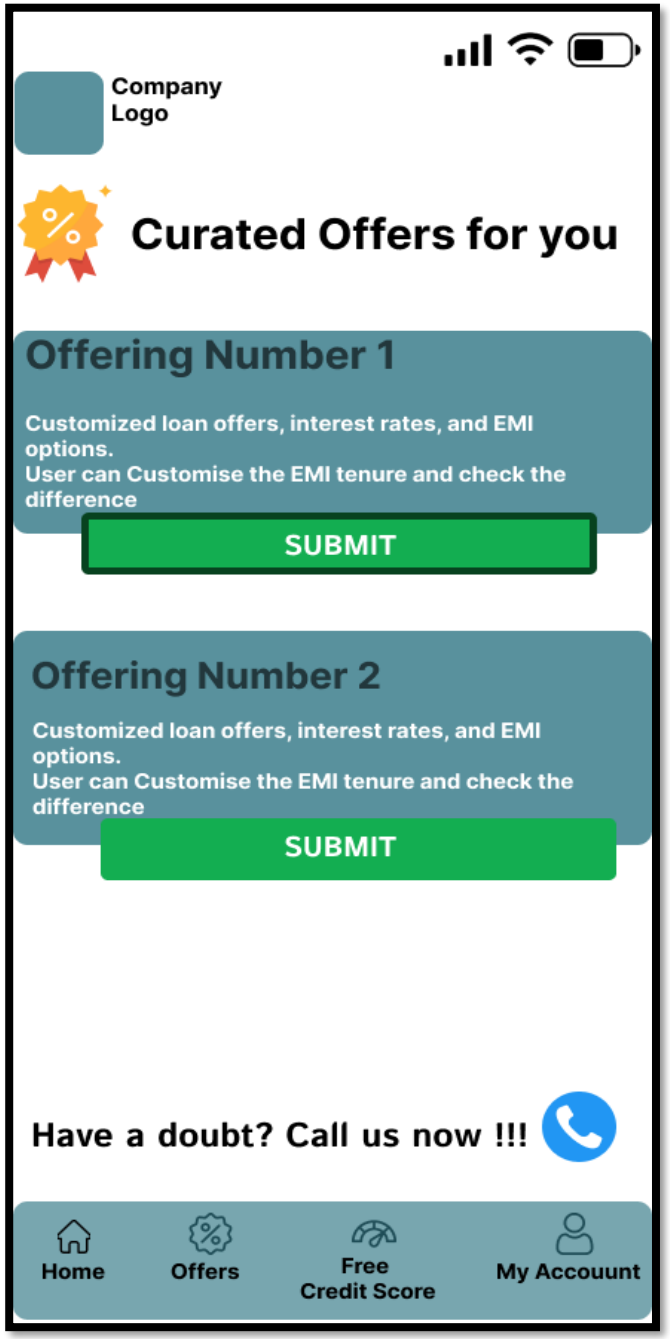
User Interface (UI) Elements:

- **Drag-and-Drop or Upload Button:** Allows users to select documents from their device.

  Self declaration that the user has understood all the required terms and conditions and is **okay** to go ahead.

  Submit button to move ahead with the application process.

User can get in touch with the customer care team (chat box) if he has any issue uploading the documents.



Step 12:

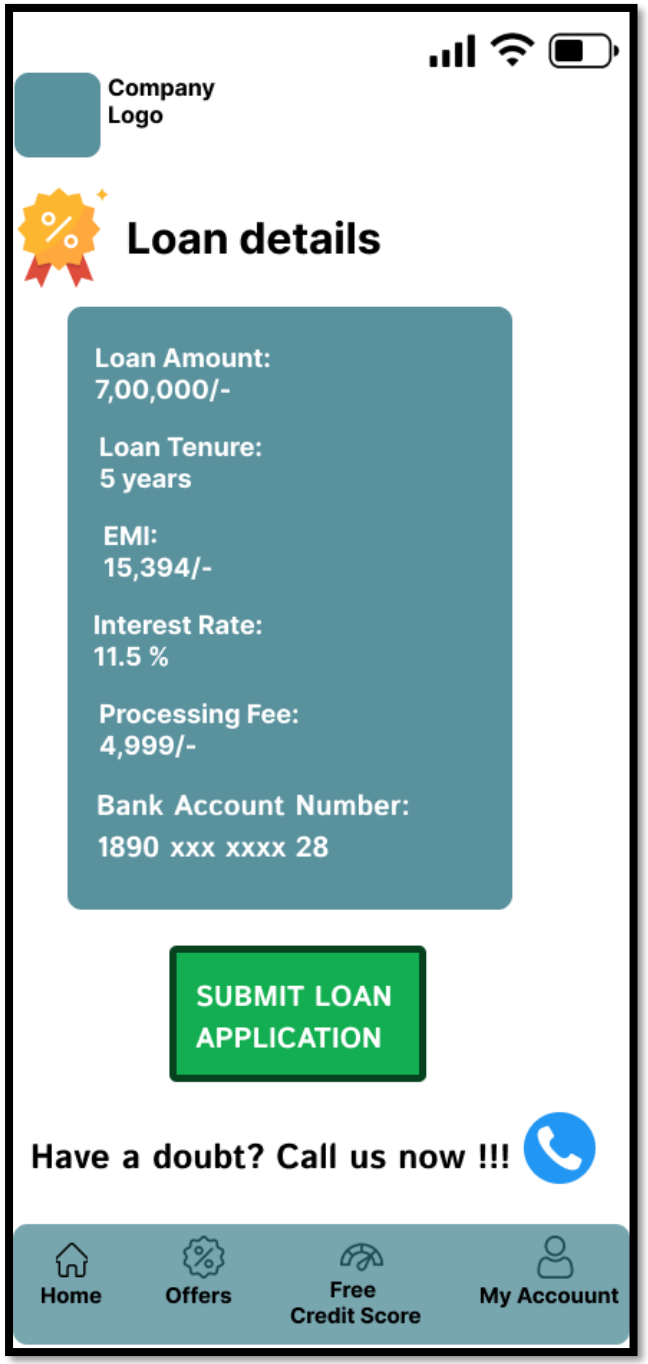
Based on the factors like :

Personal and Employment Information
Credit Score
Bank Statements and Financial Documents, the system uses Credit Scoring Algorithms and categorizes users into different risk tiers (e.g., low, medium, high) based on their credit score and financial behavior.

The system calculates the maximum loan amount the user is eligible for based on their credit score, DTI ratio, and risk tier.

Here if the user is opting for any other product in the personal loan category such as home loan, education loan the company also checks on the mortgage that can be taken as a security for the company.

If user has any doubt in selecting the best offer he can connect with Customer Care assistance and can also modify the factors such as:
Loan tenure
Monthly EMI expected
Total Amount required as loan as explained ahead.



Step 13:

Loan Details Screen:

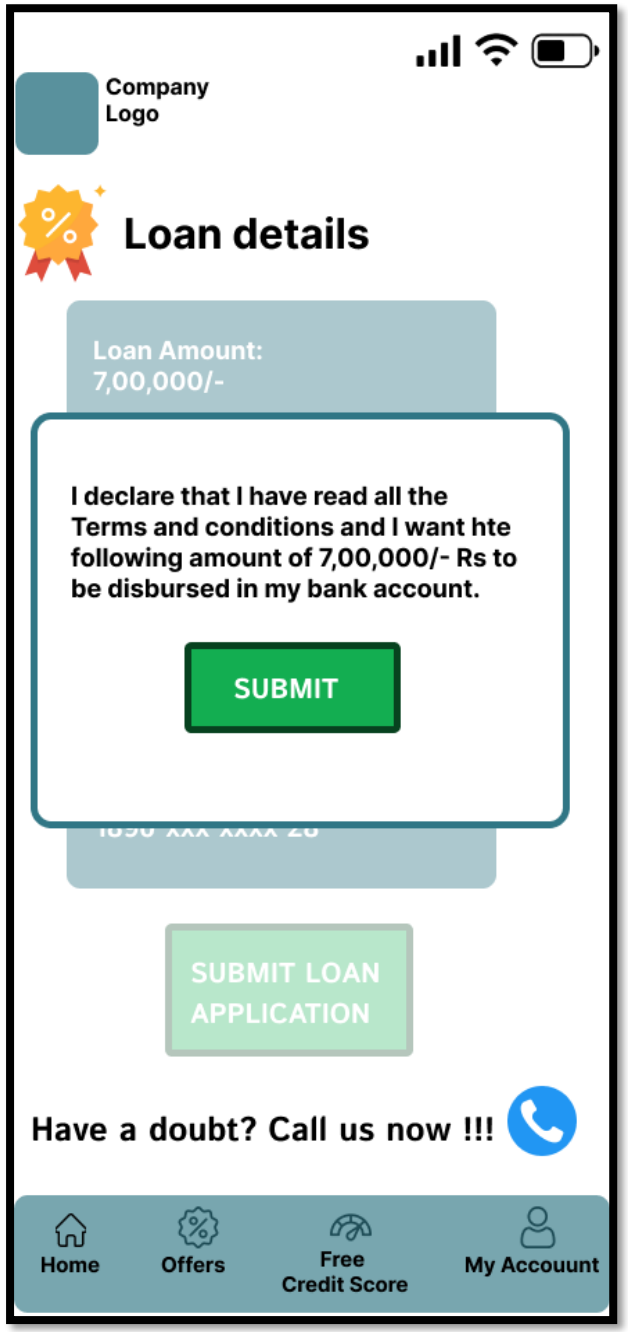
The app displays a dedicated screen showing the personalized loan offers. Each offer is shown with its key parameters:
loan amount, interest rate, tenure, EMI, and total interest payable.

Modify the loan parameters:

The UI may include interactive sliders or dropdowns allowing users to modify the loan amount and tenure within their eligible range, with real-time updates to the EMI and interest rate.

Submit Loan Application for Approval:

Once a loan offer is selected, the user confirms their choice and submits the application for final approval.



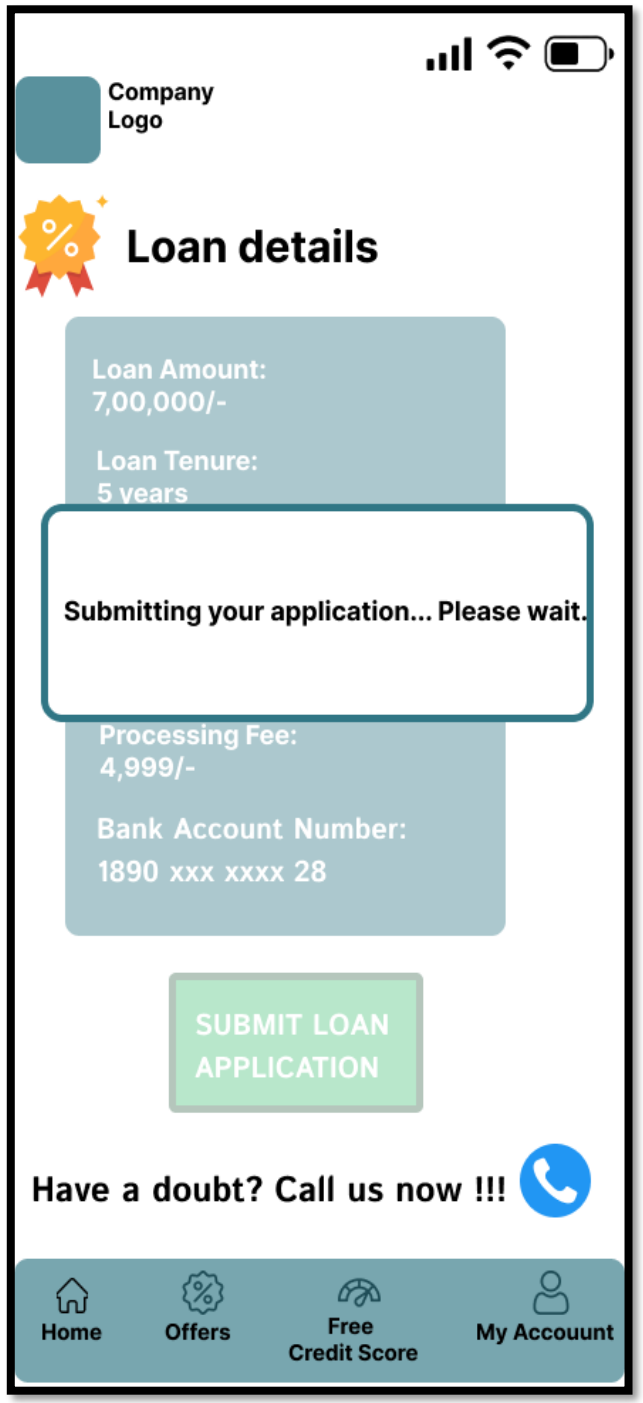
Step 14:

Submit for Approval:

Once a loan offer is selected, the user confirms their choice and submits the application for final approval where in he agrees that he has read all the loan related documents , terms and conditions properly.

This action triggers backend processes to finalize the loan terms and prepare for disbursement.

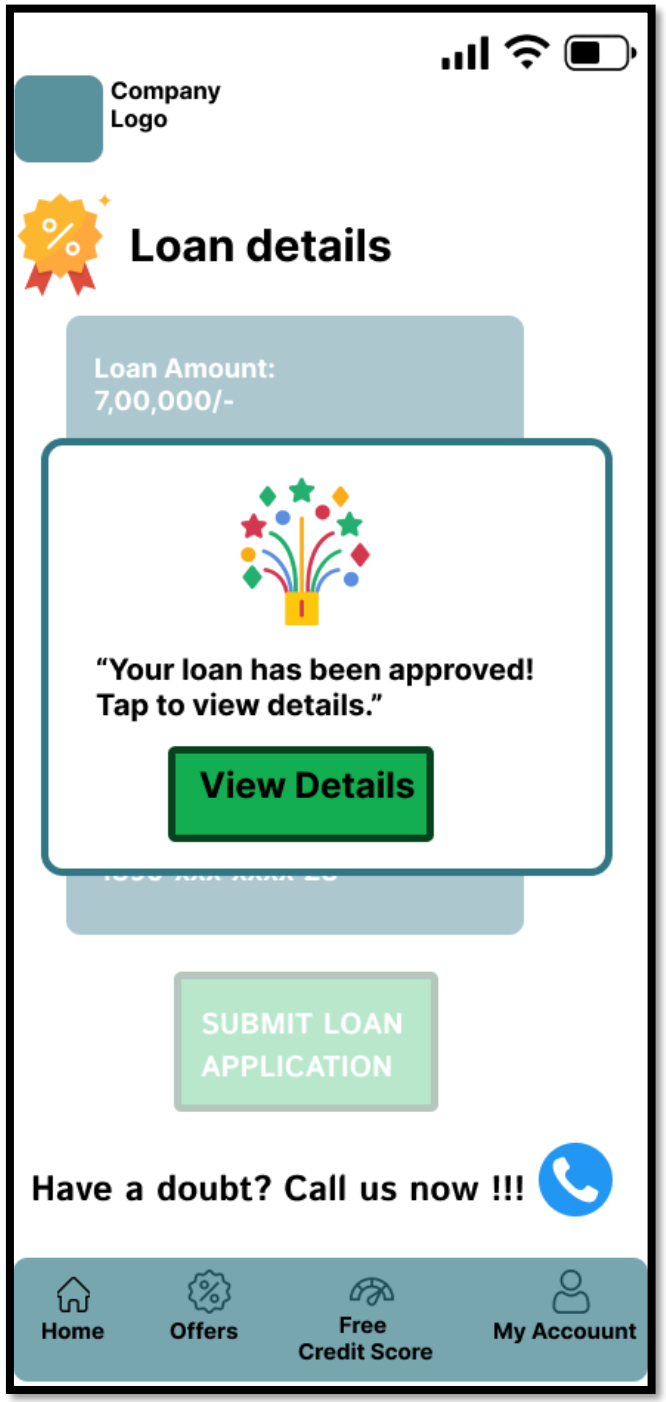
If user has any doubt in selecting the best offer he can connect with Customer Care assistance



Step 15:

Confirmation Popup:
As shown in the previous slide, A popup window appears after the user clicks "Submit Loan Application," asking for final confirmation. This reduces accidental submissions and ensures user intent.

Feedback and Loading Indicator:
Once the user confirms, a loading spinner or progress indicator is displayed, showing that the application is being processed. This should also have a message like "Submitting your application... Please wait."

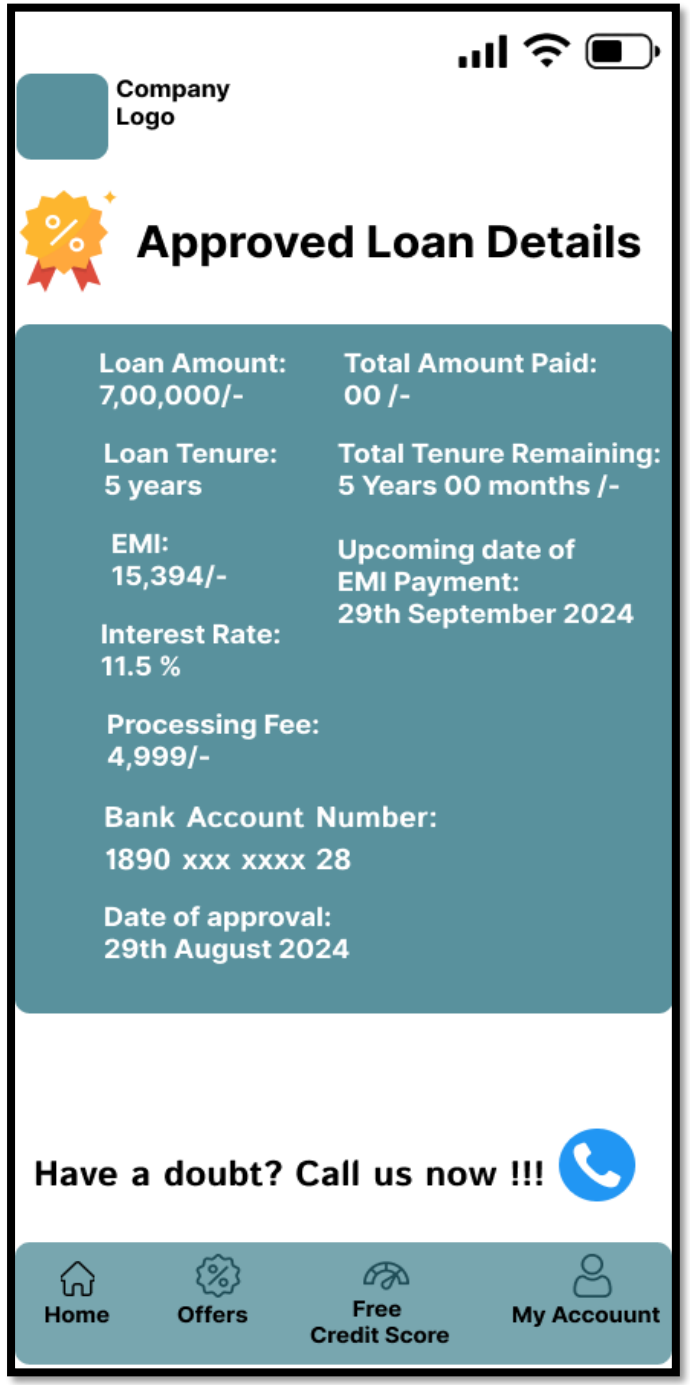


Step 16:

Approval Status Notification:

Push Notification: Once the loan is approved, the user receives a push notification on their mobile device, such as
**"Your loan has been approved!
Tap to view details."**

User can see all the details of the loan that got approved by clicking on
"View Details"
as well as the approval message can be sent over SMS or email address which will carry a link to visit Users Dashboard.



Step 17:

Approved Loan Details (Summary):

A summarized view of the:
Loan amount, tenure, interest rate, and EMI, next payment date, and total outstanding balance, the bank account to which the loan amount will be credited**,** date of approval. This section helps users quickly recall the details of their approved loan

Disbursement Timeline:
Display an estimated timeline for when the loan amount will be credited to the user's account (e.g., "Your loan will be disbursed within the next 24 hours").

Push Notification:
Once the funds are disbursed, a push notification is sent to the user's mobile device, such as "Your loan amount has been credited to your account."

To sum the overall lending journey (ideal flow) for a Salaried individual

1. **Log in:** User logs in successfully into the system by providing all the required information and verifying the device and user availability.

2. **User selecting the product:** According to the need of the user from the provided loan products such as Personal loan, Education Loan, Marriage loan, Home loan user selects the product of his need.

3. **Filling the details:** User fills all the required details to get verified and cross checked by all the securities and authorities as asked in the app either through selection of certain given field or filling certain details.

4. **Eligibility Check**: Basic eligibility is checked based on salary details, bank statement.

5. **Document Submission and Verification**: User uploads required documents and uploads the biometrics; backend services verify authenticity.

6. **Credit Scoring**: The system fetches the credit score using an external API.

7. **Application Submission**: User applies for a loan online.

8. **Loan Offer Generation**: Based on credit score and other factors, personalized loan offers are generated.

9. **User Confirmation**: User selects a loan offer and agrees to terms.

10. **Final Approval**: Loan application goes through final checks and approvals.

11. **Fund Disbursement and EMI Setup and Repayment Tracking** : Funds are transferred to the user's account and EMI schedule is set up, and repayments are tracked.

User Story and Acceptance Criteria

User Story for Loan Eligibility Check

- **Story**: "As a user, I want to check my loan eligibility so that I can know if I qualify for a personal loan."
- **Acceptance Criteria**:
  - The user should be able to input their salary and employment details.
  - The system should provide an eligibility status based on the user's data.
  - If the user is ineligible, the system should provide reasons and suggest next steps.

- **User Story for Document Upload**:
- **Story**: "As a user, I want to upload my documents easily so that I can complete my loan application without hassle."
- **Acceptance Criteria**:
  - The user should be able to upload multiple documents in various formats (PDF, JPEG, PNG).
  - The system should validate the document format and size in real-time.
  - App should ask permission before uploading biometric (Access to Camera), Access to files, Access to Pictures for security purpose.
  - If a document fails validation, the user should receive a clear error message and instructions to rectify the issue.
  - User should get assistance through chat bot/ other troubleshooting mechanism/ Customer Support

- **User Story for Loan Offer Selection**:
- **Story**: "As a user, I want to see personalized loan offers based on my eligibility so that I can choose the best option for my needs."
- **Acceptance Criteria**:
  - The system should display at least three loan offers with different terms (interest rate, tenure, amount).
  - The user should be able to compare offers and select one.
  - Upon selection, the system should provide a confirmation message and details of the next steps.
  - The user should have a transparency around each of the parameter mentioned in the Detailed Loan Summary

Technology Stack and API's

Frontend Technologies:

- **HTML/JavaScript**: Basic structure, styling, and interaction.
- **React.js/Angular**: For building a dynamic, single-page application (SPA) experience.
- **Redux/MobX (if using React)**: State management for efficient handling of user data and application state.

Backend Technologies:

- **Node.js**: For server-side logic, handling API requests, and managing server-side tasks.
- **Python** : As an alternative backend stack for more complex business logic and API management.

Databases:

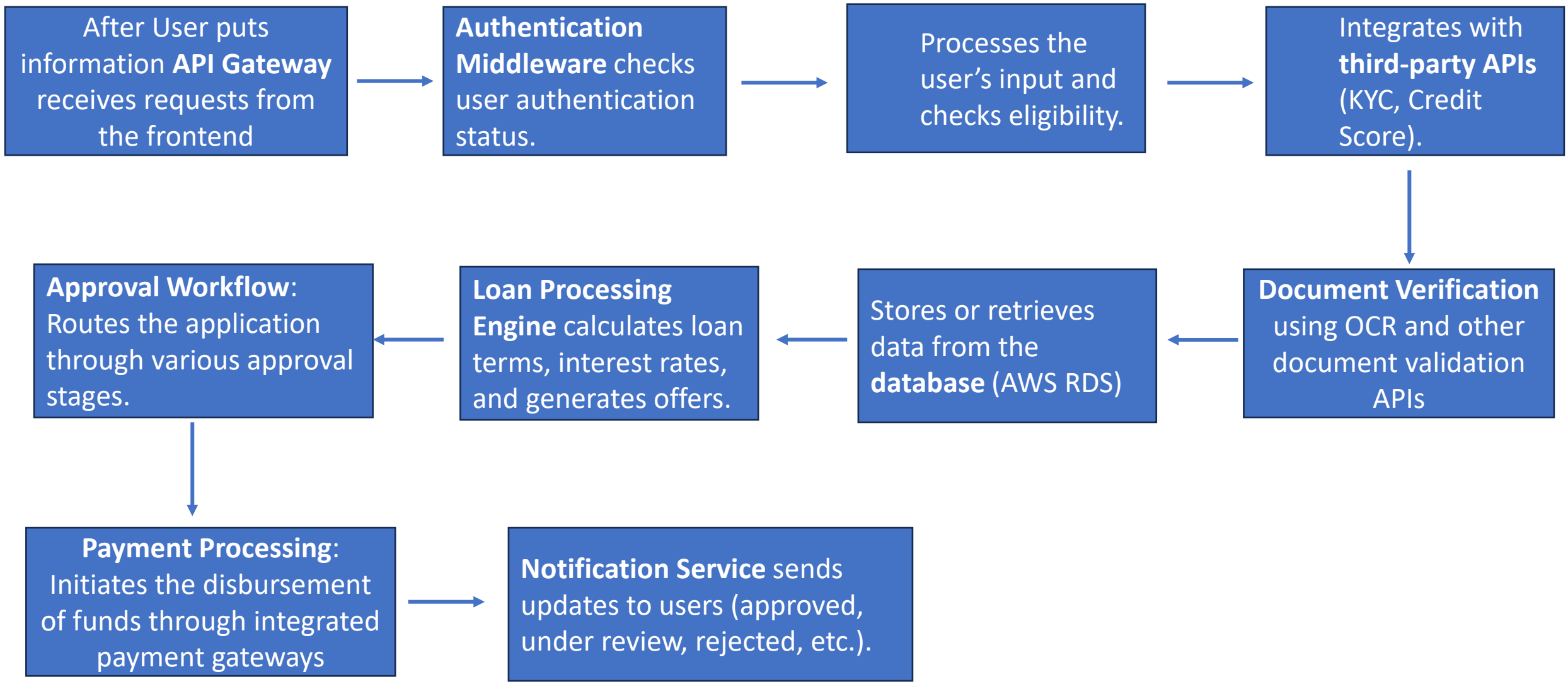
  - **SQL (PostgreSQL, MySQL)** for transactional data (user information, loan details).
  - **NoSQL (MongoDB, DynamoDB)** for unstructured data (logs, user interactions).

Authentication: OAuth 2.0 / JWT (JSON Web Tokens) for secure authentication and session management.

APIs Required:

- **KYC (Know Your Customer) APIs**: For identity verification and fraud prevention.
- **Credit Score APIs**: To fetch the credit scores of applicants from bureaus like CIBIL or Experian.
- **Bank Statement APIs**: To analyse the user's financial stability and salary credits.
- **Loan Processing APIs**: For managing the loan application, approval, and disbursement process.
- **Payment Gateway APIs**: To handle disbursement and EMI payments.
- **SMS/Email APIs**: For notifications and communication with the users.

Backend Steps



Web Hosting and Architecture

Amazon Web Services (AWS)	Structural Diagram Around AWS
AWS EC2: For scalable compute instances to run backend services.	**Frontend Layer:** 1. Hosted on **AWS S3** as a static website with **CloudFront** CDN for faster delivery. 2. **AWS Route 53** for DNS management.
AWS S3: For storing documents like user uploads.	**Backend Layer:** 1. **AWS EC2** or **AWS Elastic Beanstalk** for hosting the Node.js/Python backend servers. 2. **AWS API Gateway** for managing APIs and routing requests to appropriate backend services. 3. **AWS Lambda** for serverless execution of lightweight functions (e.g., sending confirmation emails).
AWS RDS: Managed database service for SQL databases.	**Data Layer:** 1. **AWS RDS** for SQL databases. 2. **Amazon DynamoDB** for NoSQL databases. 3. **AWS S3** for document storage.
AWS Lambda: For serverless processing, especially for background verification tasks.	**Security and Monitoring:** 1. **AWS IAM** for managing roles and permissions. 2. **AWS CloudWatch** for monitoring application logs and metrics
AWS CloudFront: For content delivery network (CDN) to reduce latency.	**Analytics:** 1. **AWS Redshift** or **AWS Athena** for data warehousing and analytics.
AWS IAM: For managing access and permissions securely.	

Team Structure and Key roles

Digital Roles:

Product Manager: Defines product vision, manages backlog, and ensures alignment with business goals.

UX/UI Designer: Designs the user interface and ensures a seamless user experience.

Frontend Developer: Implements the user interface using React/Angular/Vue.js.

Backend Developer: Develops server-side logic, integrates APIs, and manages databases.

Data Analyst: Analyzes user data to optimize loan offers and user experience.

Quality Assurance (QA) Tester: Tests the application for bugs and usability issues.

DevOps Engineer: Manages deployment, infrastructure, and ensures application stability.

In-Person Roles:

Relationship Manager: Assists users with loan applications and provides personalized service in understanding how our company provides better offers and services than the competitive one.

Credit Officer: Reviews loan applications and assesses risk, also helps in finding ethical yet alternative ways to process the loan application.

Verification Agent: Conducts background checks and verifies documents, especially in cases of Home Loan, Loan Against Property, Education Loan.

Customer Support Executive: Handles customer inquiries and support.

Team Structure and Key roles: Roles of Different Departments

Sales:
Role: Responsible for actively promoting personal loans to potential customers through direct channels such as phone calls, emails, or in-person meetings.
Key Activities: Outreach to potential leads, explaining loan products, closing deals, and following up with prospects.

Marketing:
Role: Develops strategies and campaigns to attract new users to the web application and retain existing customers. Utilizes digital marketing tools such as social media, SEO, and email marketing to reach target audiences.
Key Activities: Creating content, running ad campaigns, analyzing market trends, and managing online reputation.

Operations:
Role: Ensures that the loan application and approval processes run smoothly and efficiently. This includes managing the workflow from application submission to loan disbursement.
Key Activities: Overseeing document verification, coordinating with various departments, ensuring compliance with operational guidelines, and handling logistics.

Customer Care:
Role: Provides ongoing support to users throughout the loan application, approval, and repayment processes. Addresses customer inquiries, resolves issues, and ensures a positive experience.
Key Activities: Responding to customer queries via phone, chat, or email; providing guidance on application steps; resolving complaints; and offering post-loan support.

Risk Management:
Role: Assesses the credit risk of applicants to ensure they meet the criteria for loan approval. Works to minimize the risk of loan defaults and ensures adherence to financial regulations and company policies.
Key Activities: Analyzing applicant credit histories, assessing loan repayment ability, setting risk thresholds, and monitoring loan performance.

IT and Security:
Role: Maintains the security and stability of the web application and its infrastructure. Ensures the system is secure from cyber threats and complies with data protection regulations.
Key Activities: Managing servers and databases, implementing security measures like encryption, monitoring for security breaches, and ensuring uptime and performance of the web application.

Project Roadmap and Timeline using Scrum Framework (Estimation)

Discovery and Planning Phase (Sprints 1-2)

Sprint 1: Market Research, Requirement Gathering, and Product Vision

- Conduct market research to understand user needs, competitors, and market opportunities.
- Define business and technical requirements for the web application.
- Develop a product vision statement and set high-level goals and objectives.
- Identify key stakeholders and gather input for the product vision.
- Create initial user stories and add them to the product backlog.
- **Sprint Review:** Present findings, product vision, and initial user stories to stakeholders.

Sprint 2: User Journey Mapping and Technical Planning

- Map out the high-level user journey from onboarding to loan disbursement.
- Create wireframes for key screens: registration, loan application, document upload, loan offer, etc.
- Define the technical architecture, including front-end and back-end technologies, database structures, and APIs needed.
- Prepare the AWS architecture diagram, detailing how the application will be hosted and scaled.
- **Sprint Review:** Present user journey maps, wireframes, and technical architecture to stakeholders.

Project Roadmap and Timeline using Scrum Framework (Estimation)

Design and Development Phase (Sprints 3-7)

Sprint 3: UI/UX Design and Prototype Development

- Develop the user interface (UI) and user experience (UX) designs for the web application.
- Create interactive prototypes for user testing.
- Conduct user testing sessions to gather feedback.
- **Sprint Review:** Present UI/UX designs and gather feedback from stakeholders.

Sprint 4-5: Backend Development and API Integration

Sprint 4:

- Start backend development focusing on core modules (e.g., user authentication, document upload, initial API integrations).
- Integrate third-party APIs for credit scoring and KYC verification.
- Begin setting up data encryption and security protocols.
- **Sprint Review:** Demonstrate completed backend modules and initial API integrations.

Sprint 5:

- Continue backend development focusing on loan application processing and offer generation.
- Integrate APIs for payment processing and loan management.
- **Sprint Review:** Present backend development progress and integrated APIs.

Project Roadmap and Timeline using Scrum Framework (Estimation)

Sprint 6-7: Frontend Development and Integration

Sprint 6:

- Develop frontend components based on UI/UX designs.
- Implement responsive design for cross-device usability.
- Begin integrating frontend with backend services and APIs.
- **Sprint Review:** Demonstrate initial frontend components and integrations.

Sprint 7:

- Complete frontend development and finalize integration with backend services.
- Ensure the application is fully functional with all core features.

Sprint Review: Present a working version of the web application with all core functionalities.

Testing and QA Phase (Sprints 8-9)

Sprint 8: Integration and User Acceptance Testing (UAT)

- Conduct integration testing to ensure all components (frontend, backend, APIs) work seamlessly.
- Perform User Acceptance Testing (UAT) with a select group of users.
- Gather feedback on the application's functionality, usability, and overall experience.
- **Sprint Review:** Present testing results and UAT feedback to stakeholders.

Sprint 9: Performance and Security Testing

- Conduct performance testing to ensure the application can handle expected user load.
- Perform security testing to identify and fix vulnerabilities.
- Make necessary refinements based on testing feedback.
- **Sprint Review:** Share performance and security test results, and discuss any final adjustments needed.

Project Roadmap and Timeline using Scrum Framework (Estimation)

Launch Preparation and Deployment Phase (Sprints 10-11)

Sprint 10: Final Refinements and Deployment Preparation

- Make final refinements based on UAT and testing feedback.
- Fix any remaining critical bugs and ensure the application is launch-ready.
- Prepare the production environment on AWS or another chosen hosting service.
- Configure monitoring and alerting tools for post-launch stability.
- **Sprint Review:** Present final refinements and launch readiness status.

Sprint 11: Launch and Early Feedback

- Deploy the web application to the production environment.
- Perform a soft launch to monitor application performance and resolve any immediate issues.
- Start gathering early user feedback for further improvements.
- **Sprint Review:** Discuss launch outcomes and plan for post-launch support and iteration.

Post-Launch Phase (Ongoing Sprints)

Sprint 12 and beyond: Post-Launch Support and Iterations

- Monitor user feedback and application performance.
- Provide ongoing support for any post-launch issues.
- Plan and prioritize new features and updates based on user feedback and market demand.
- **Sprint Reviews:** Continuously review feedback and progress, plan for the next set of features or improvements.

Project Roadmap and Timeline using Scrum Framework (Estimation)

1. Loan Gamification and Rewards System:

•**Concept:** Introduce a gamification element to the loan process where users earn rewards, points, or cashback for timely repayments, completing financial education modules, or even referring friends.

•**Execution:** Develop a points system where users can unlock different levels (e.g., Bronze, Silver, Gold) based on their engagement and repayment behavior. Each level unlocks better loan terms, lower interest rates, or additional rewards. Additional Rewards can be: Giving exciting coupons and offers over Bajaj Partnered Companies.

Impact: Gamification can make the loan process more engaging and enjoyable for users, incentivizing good financial behavior, increasing repayment rates, and fostering a community feel around your product.

2. Hyper-Personalized Loan Offers Using AI and Machine Learning:

•**Concept:** Utilize advanced AI and machine learning algorithms to create hyper-personalized loan offers that are tailored to the unique financial behaviors, spending patterns, and life events of each individual user.

•**Execution:** Leverage data from users' transaction histories, salary patterns, and even external data sources like social media and lifestyle data (with proper consent and data privacy measures in place). This allows the creation of dynamic loan offers that change based on the customer's real-time financial situation.

•**Impact:** This level of personalization can significantly enhance user experience, increase conversion rates, and build long-term customer loyalty by offering exactly what each customer needs when they need it.

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