

APPNA BANK LOAN APP - Project Documentation

Presented by Akash Bauri Team

Abstract

APPNA BANK is an AI-powered microloan and investment platform that serves India's financially underserved segments, including gig workers, students, and small business owners. It offers:

- Instant AI-based loan approvals
- AI/ML-powered credit scoring and fraud detection
- Investment advisory tools via Gullak AI and stock suggestions

The product is feasible to build in the next 2-3 years, designed for long-term relevance, and offers direct monetization via loan interest, advisory subscriptions, and commissions.

Feasibility

AI-based microloan apps are already in the market (e.g., Slice, mPokket). Technologies like Aadhaar verification, AI/ML credit scoring, and secure APIs are well-established. Development is realistic with current tech stacks and regulatory support (RBI digital lending framework). Multi-language user education modules are easily deployable.

Verdict: APPNA BANK can be fully developed and launched in the short term.

Viability

Financial inclusion will remain a national priority. AI-driven credit systems and digital lending will continue to evolve and dominate. Demand for financial literacy and micro-investment tools is expected to increase among Gen Z and rural populations. Regulatory alignment ensures long-term survivability.

Verdict: The product is sustainable and scalable in the long term with room for AI enhancements and new market expansions.

APPNA BANK LOAN APP - Project Documentation

Monetization

Revenue Streams:

- Interest (starting 20%) from loans
- Penalties from late payments
- Subscription-based premium advisory
- 10% commission on successful investments via Gullak and stock tools

Verdict: Monetization is direct, diversified, and scalable.

Problem Statement

Lack of microloan access for users without credit history. Traditional banking delays and complexity. No personalized or regionalized investment guidance for first-time users.

Target Audience

Users: Small vendors, gig workers, college students, informal sector employees.

Pain Point: Quick access to small loans and simple investment guidance.

Market Size: 14% of Indians used instant loan apps in the last two years.

Competitive Advantage

APPNA BANK offers a complete solution compared to Slice/mPokket:

- AI/ML Credit Scoring:	Feature	APPNA BANK LOAN APP	Slice / mPokket
- Investment Advisory:	AI/ML Credit Scoring	✔ Yes	⚠ Partial/Traditional
- Multi-Language Support:	Investment Advisory	✔ Gullak + Stocks	✖ No advisory
- Grace Period:	Multi-Language Support	✔ 4 Languages	✖ Limited
- Financial Education:	One-Week Interest-Free Grace	✔ Yes	✖ Often unavailable
	User Financial Education	✔ Built-in Guides	✖ Not available

APPNA BANK LOAN APP - Project Documentation

Key Features

- Loan range: Rs.100-Rs.40,000
- Full KYC via Aadhaar + PAN
- Dynamic interest rates
- Gullak + Stock advisory
- Multilingual support
- One-week no-penalty grace period

Business Model

- 20% annual interest on loans
- 40% interest post grace period
- Subscription fees for premium tools
- 10% commission from investment returns

Security & Compliance

- End-to-end encryption
- GDPR + IT Act compliance
- RBI digital lending framework
- SEBI-aligned stock advisory

Why APPNA BANK Is Better

Compared to Slice and mPokket, APPNA BANK is:

- More inclusive
- Smarter with AI decisions
- User-educational

APPNA BANK LOAN APP - Project Documentation

- Transparent with interest and penalties

Market Insight

- 14% of Indian adults used instant loan apps
- Slice has 4M users, targeting 150M
- mPokket: 1.5 Cr+ users
- The demand confirms scalability

Conclusion

APPNA BANK is:

- Feasible (2-3 years)
- Viable (20-30 years)
- Directly monetizable

It's not just a fintech product-it's a future-ready financial companion.

Financial Equation

$$\text{Total Revenue} = (U \times L \times r \times (1 - d)) + (U \times L \times P \times d) + (U \times S) + (U \times C)$$

Where:

U = Users

L = Avg. loan/user

r = Interest rate

d = Default rate

P = Penalty rate

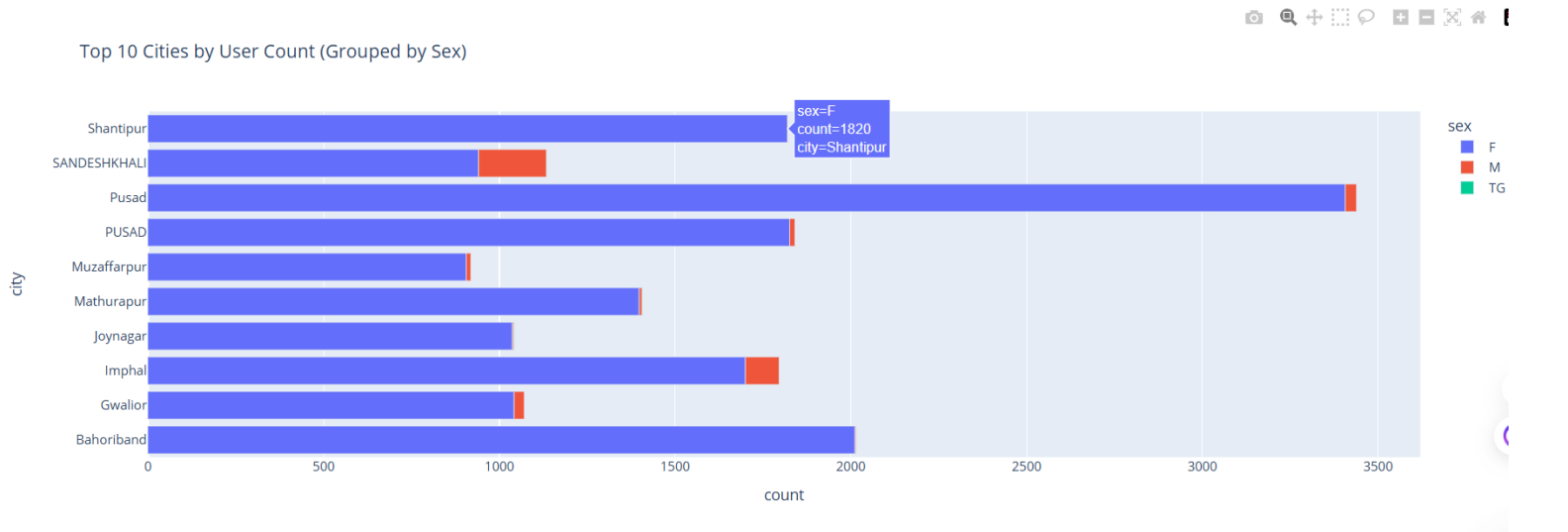
APPNA BANK LOAN APP - Project Documentation

S = Subscription/user/year

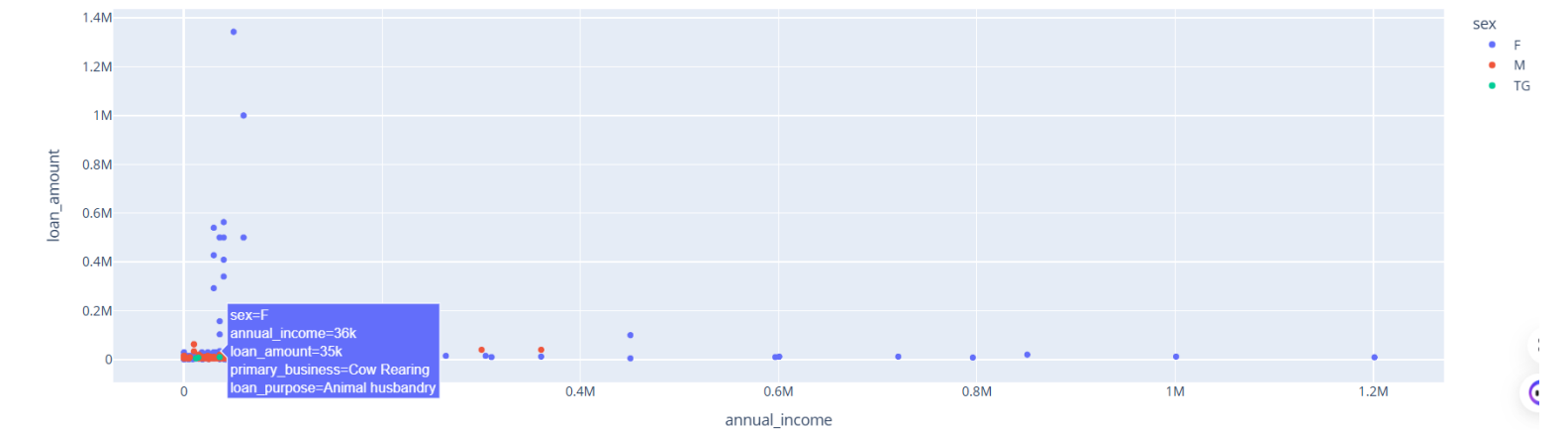
C = Commission/user/year

Example (1 year):

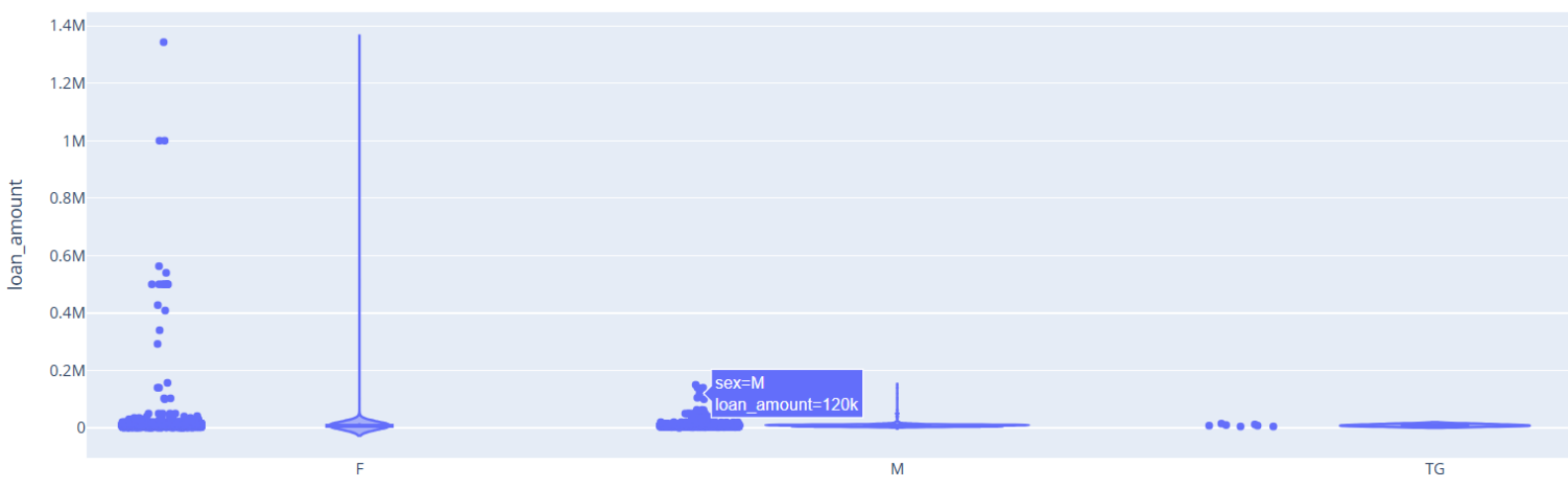
= Rs.270 million (Rs.27 Crore) with 1 lakh users.



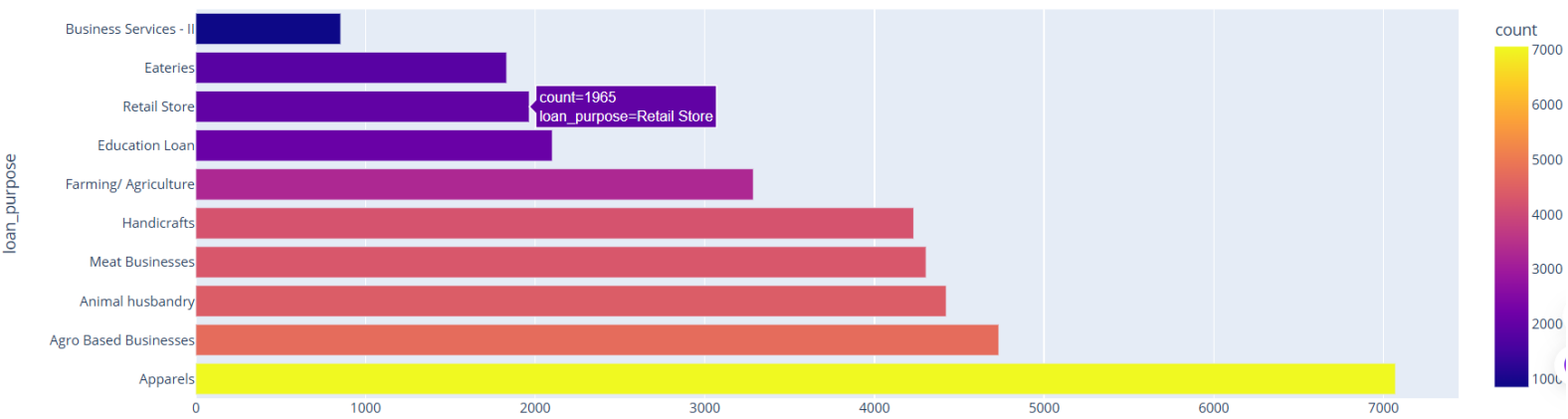
Annual Income vs Loan Amount by Gender



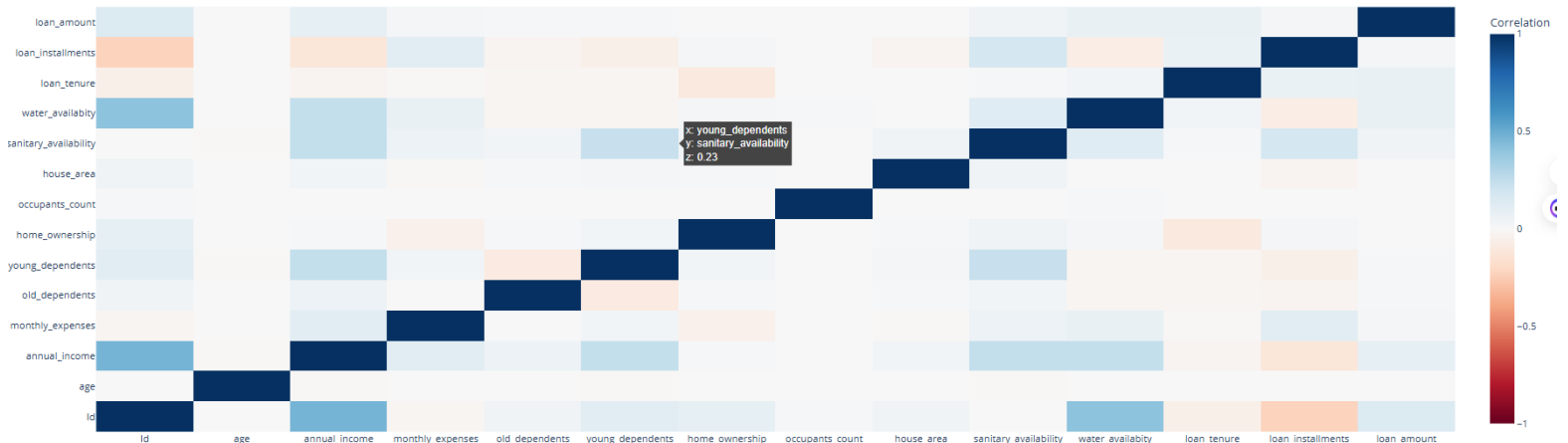
Loan Amount Distribution by Gender



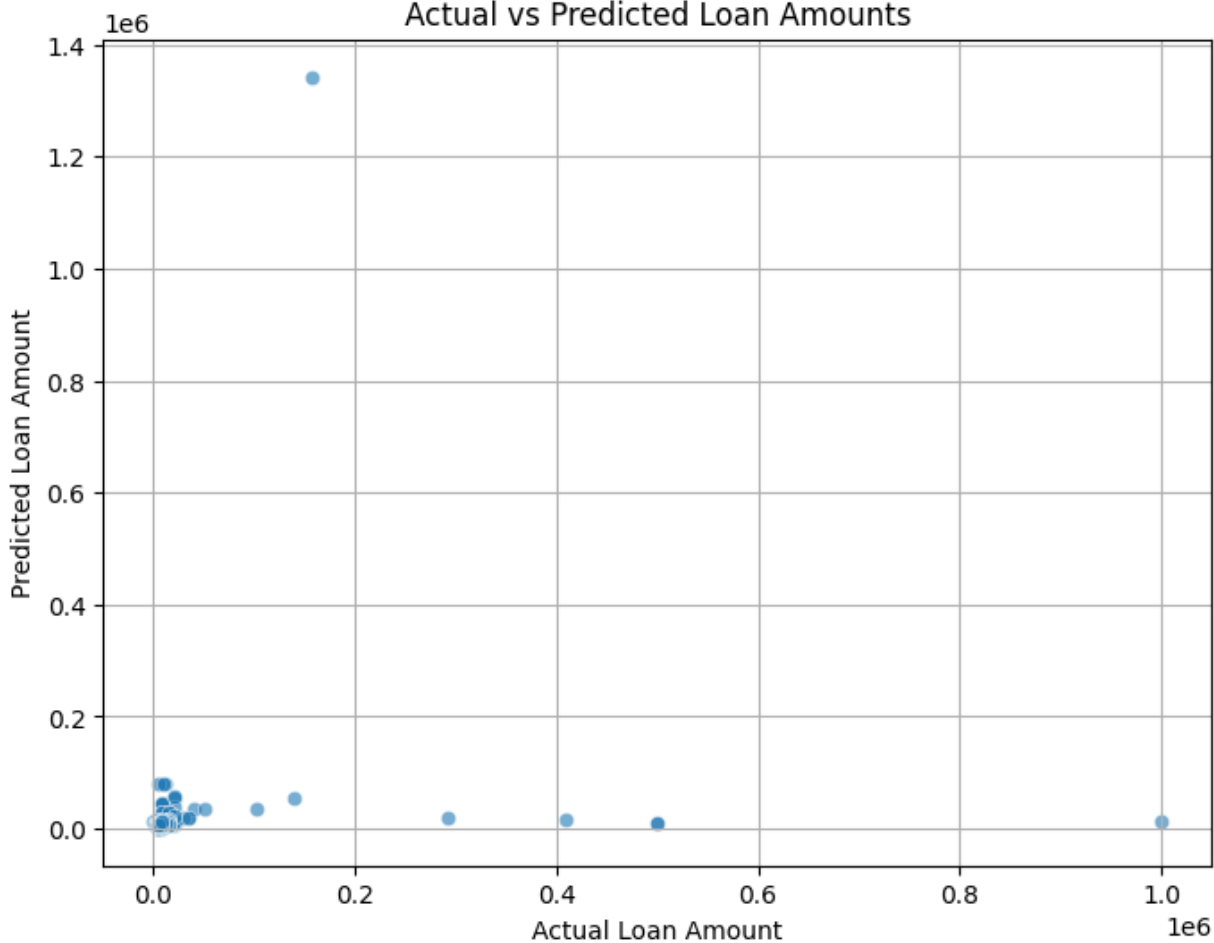
Top 10 Loan Purposes



Correlation Heatmap of Numerical Features



Actual vs Predicted Loan Amounts



PERFORM-DATA ANALYSIS ADN SEGMENTATION

Code link https://colab.research.google.com/drive/16CIPSLLuU_0n283sXV5uu4I57UsSnmEt?usp=sharing

Code link <https://colab.research.google.com/drive/1bm4LSOQYRYAP21HOuzRHeBgD56CW1OsH?usp=sharing>

Demo website page- <https://apna-loan-connect.lovable.app/>

TASK

Team Leader

AKASH BAURI—Documentation + Data Analysis + ppt

Team Member

Aditya Murugan - work on web demo

Sreehari - Documentation study

Suraaj Dipak—work on web demo

"This project is an advancement of the initial project developed by Akash Bauri."