

INTRODUCTION TO P2P LENDING PLATFORMS

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Attentio Corporate Services

Agenda

- Introduction to P2P lending Platforms
- Players in the ecosystem
- Purpose of Loan
- Regulatory Framework
- Process of P2P
- Players in Industry
- Pros & Cons
- Practical challenges
- Summing up & Conclusion

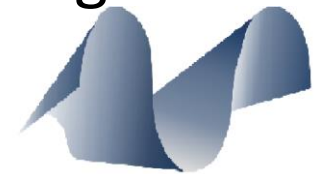


What are P2P lending platforms?

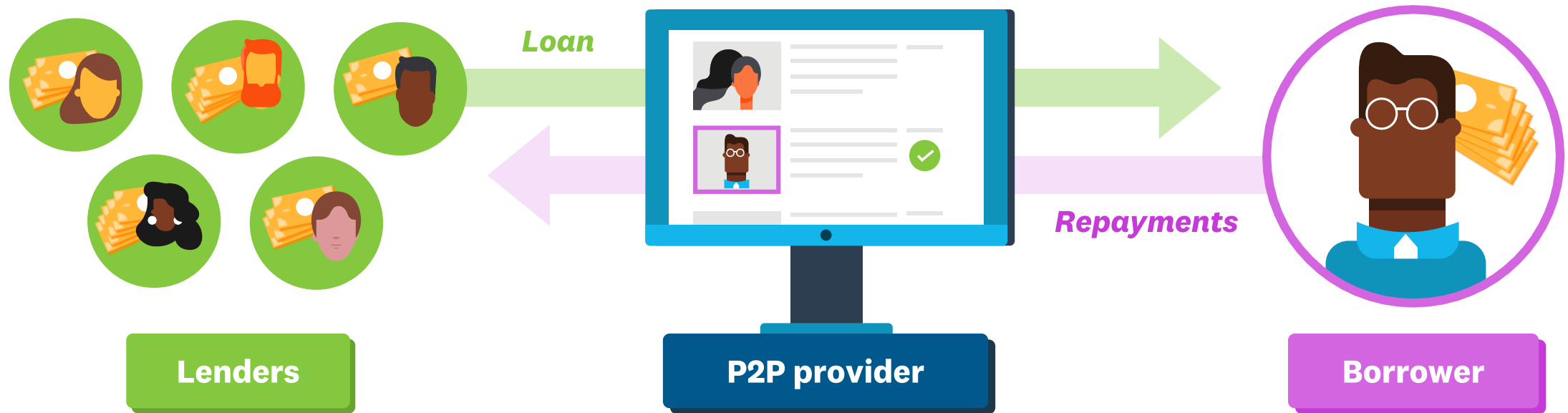
Peer to Peer lending as name suggest is a formal or informal lending between individuals. It has existed for centuries in business and personal fronts.

P2P Lending platform is an online place for lending money to individuals or businesses through technology that match lenders with borrowers.

P2P Lending platform uses cutting-edge technology to connect borrowers looking for quick capital injection to lenders looking to earn high returns.



A typical P2P Platform

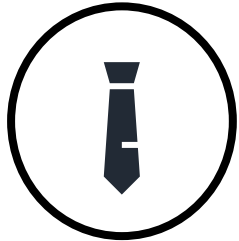


P2P Platform Players

LENDERS



PEERS



BUSINESS
PEOPLE



SMALL
INVESTORS

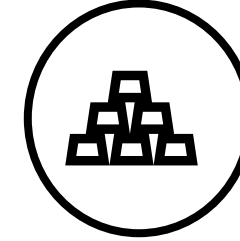


PLATFORM

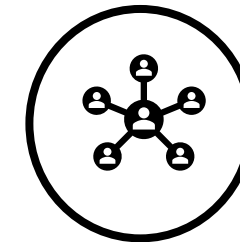
BORROWERS



INDIVIDUALS



LOAN POOLING



MICRO FINANCE



Possible purposes of P2P Loan



Higher Education



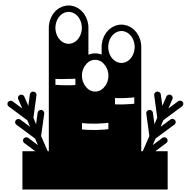
Business Purposes



Wedding



Renovation / Refurbishing



Vacation



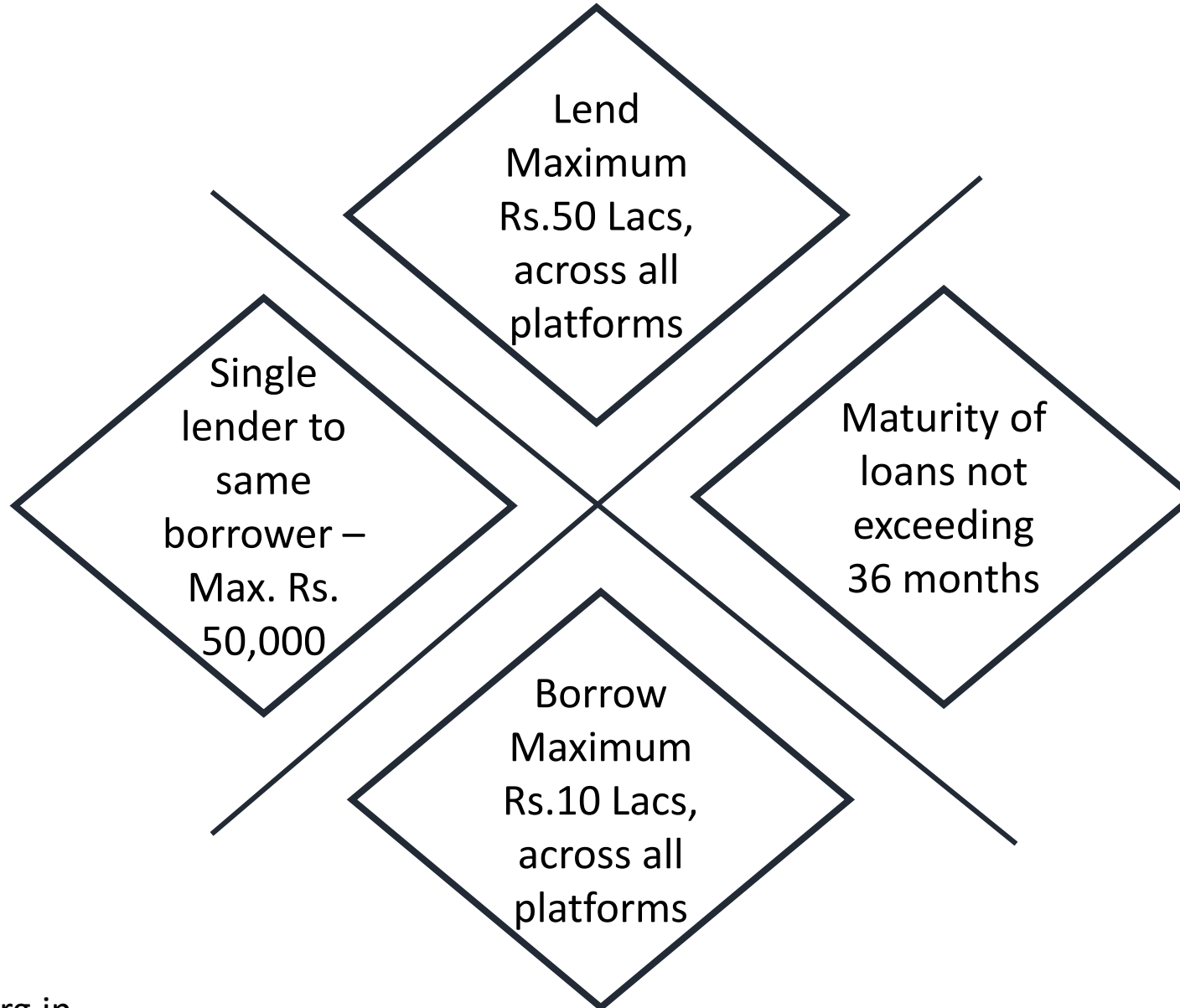
Medical Emergencies



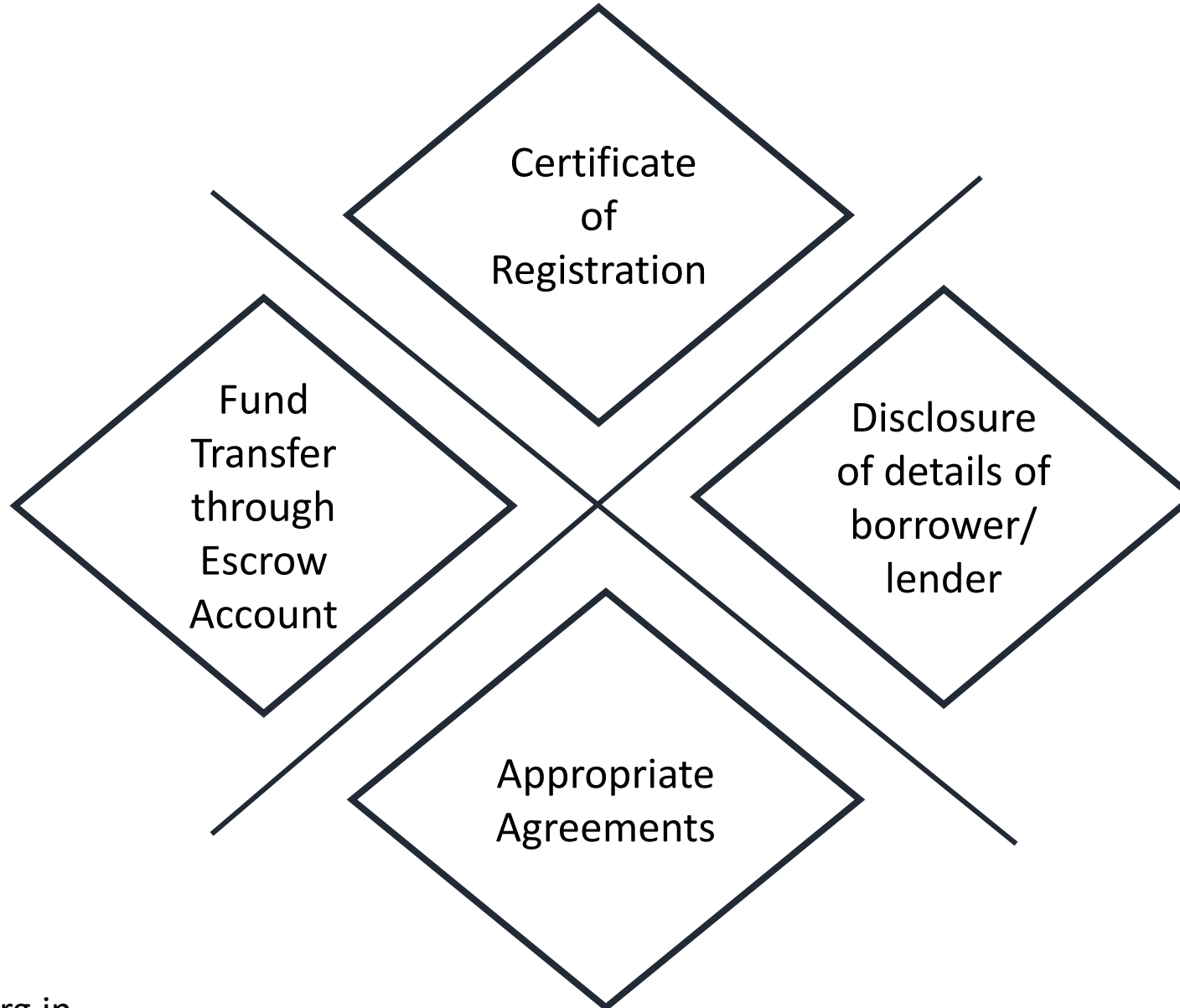
Personal Loans



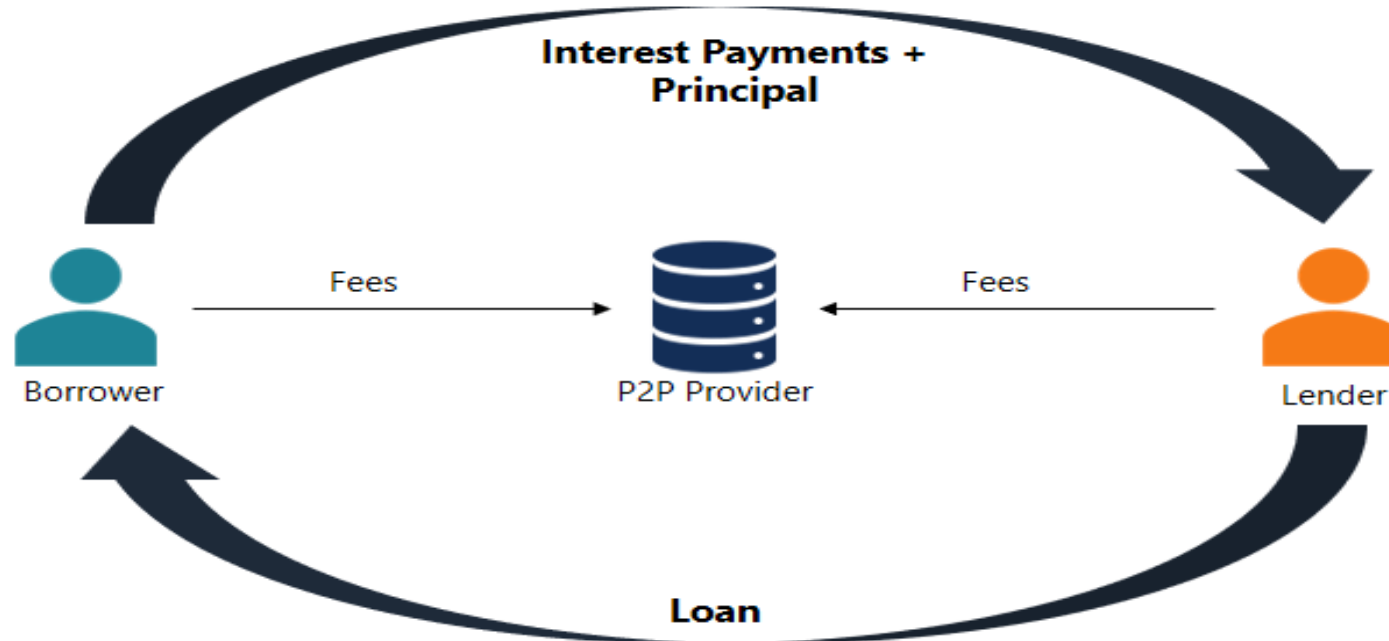
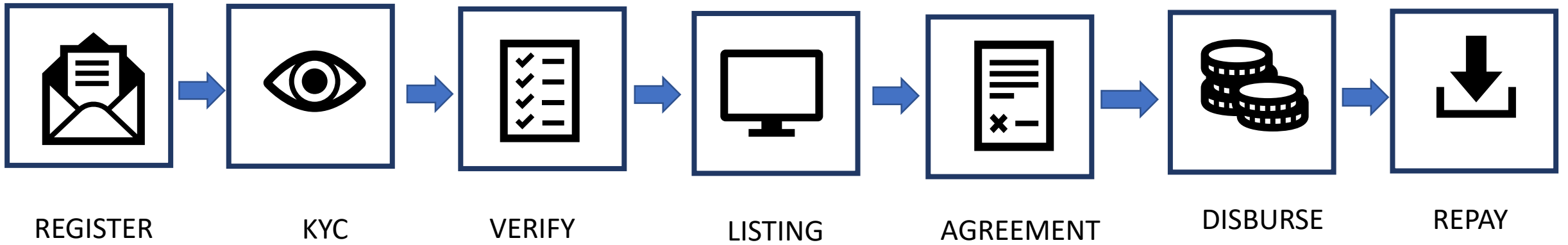
RBI Prudential Norms for NBFC-P2P



Other Master Directions for NBFC-P2P



PROCESS IN P2P



MAJOR P2P OPERATORS



COMPLETE LIST OF P2P NBFC's on 31 Oct 2019

S No	Name of the Company	RBI Regional Office	City	State	Email
1	Etyacol Technologies Private Limited	Bengaluru	Bangalore	Karnataka	dhiren@cashkumar.com
2	Micrograam Marketplace Private Limited	Bengaluru	Bangalore	Karnataka	rangan.varadan@micrograam.com
3	Rang De P2P Financial Services Private Limited	Bengaluru	Bangalore	Karnataka	finance@rangde.org
4	Monexo Fintech Private Limited	Chennai	Chennai	Tamilnadu	
5	Dipamkara Web Ventures Private Limited	Hyderabad	Hyderabad	Telangana	shankar@i-lend.in
6	Fincsquare Fintech Private Limited	Hyderabad	Hyderabad	Telangana	
7	Luharia Technologies Pvt Ltd	Hyderabad	Hyderabad	Telangana	kkjain@anytimeloan.in
8	SRS Fintechlabs Private Limited	Hyderabad	Hyderabad	Telangana	subbu@oxyloans.com
9	RNVP Technology Private Limited	Kanpur	Ghaziabad	Uttar Pradesh	funding@i2ifunding.com
10	Bigwin Infotech Private Limited	Mumbai	Mumbai	Maharashtra	rajivranjan@bigwininfotech.com
11	Bridge Fintech Solutions Private Limited	Mumbai	Mumbai	Maharashtra	amit@finzy.com
12	Fair Vinimay Services Pvt Limited	Mumbai	Mumbai	Maharashtra	Rajesh@indiamoneymart.com
13	Fintelligence Data Science Private Limited	Mumbai	Mumbai	Maharashtra	teamfintelligence@rupeecircle.com
14	Innofin Solutions Private Limited	Mumbai	Mumbai	Maharashtra	cs@lendenclub.com
15	NDX P2P Private Limited	Mumbai	Mumbai		Gautam029@gmail.com
16	Ohmy Technologies Private Limited	Mumbai	Mumbai	Maharashtra	pramod.akhramka@omlp2p.com
17	Visionary Financepeer Private Limited	Mumbai	Mumbai	Maharashtra	support@financepeer.com
18	Antworks P2P Financing Private Limited	New Delhi	Faridabad	Haryana	rm@antworksmoney.com
19	Fairassets Technologies India Private Limited	New Delhi	Gurgaon	Haryana	Rajatgandhi@gmail.com
20	Transactree Technologies Private Limited	New Delhi	New Delhi	Delhi	bhuvan@lendbox.in

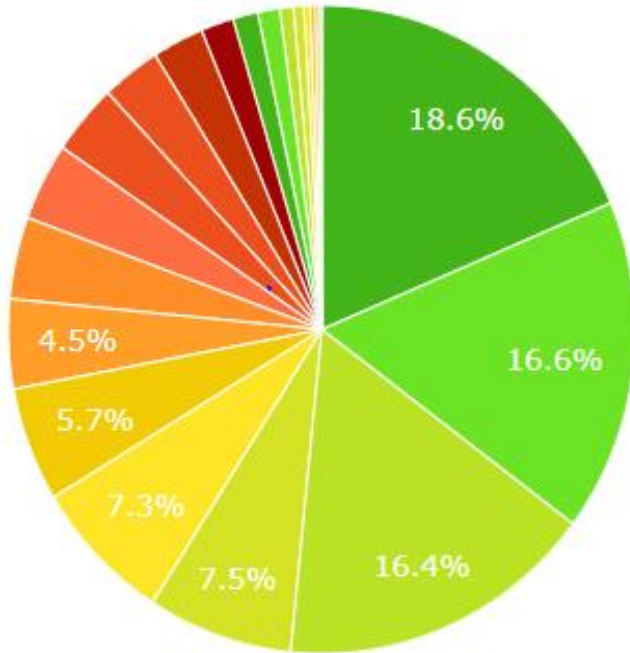
Source: Rbi.org.in



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FAIRCENT

EVERY % COUNTS



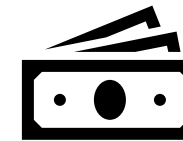
- Personal Loan
- Appliance Purchase
- Business Funding
- Medical
- Family Event
- Business loan
- Education
- Business Working Capital
- Home Improvement
- Home furnishing
- Wedding
- Debt Consolidation
- Travel/Vacation
- Car/2-wheeler Purchase
- Land purchase
- Loan for purchase of two wheeler
- Loan Against Gold
- Consumer Loan
- Loan Against Property
- LOC
- Other



Average Tenure
19 to 32 months



Average ROI
12-28%



Rs. 1000/- reg fee



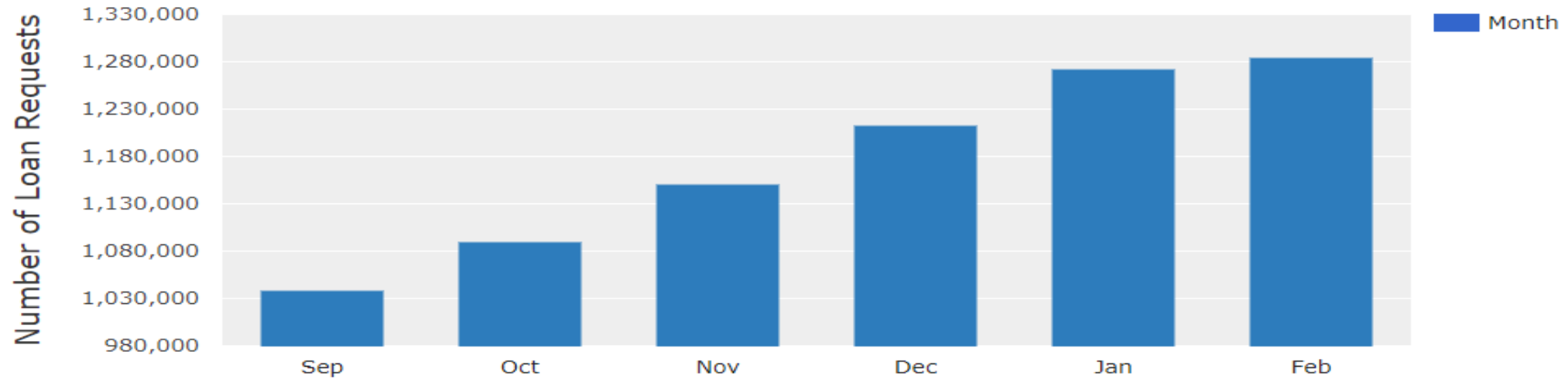
1% loan fees

**Rs. 500-2500
penalty & penal
interest @18%
for defaulting
borrowers**

Till 4th Feb 2020



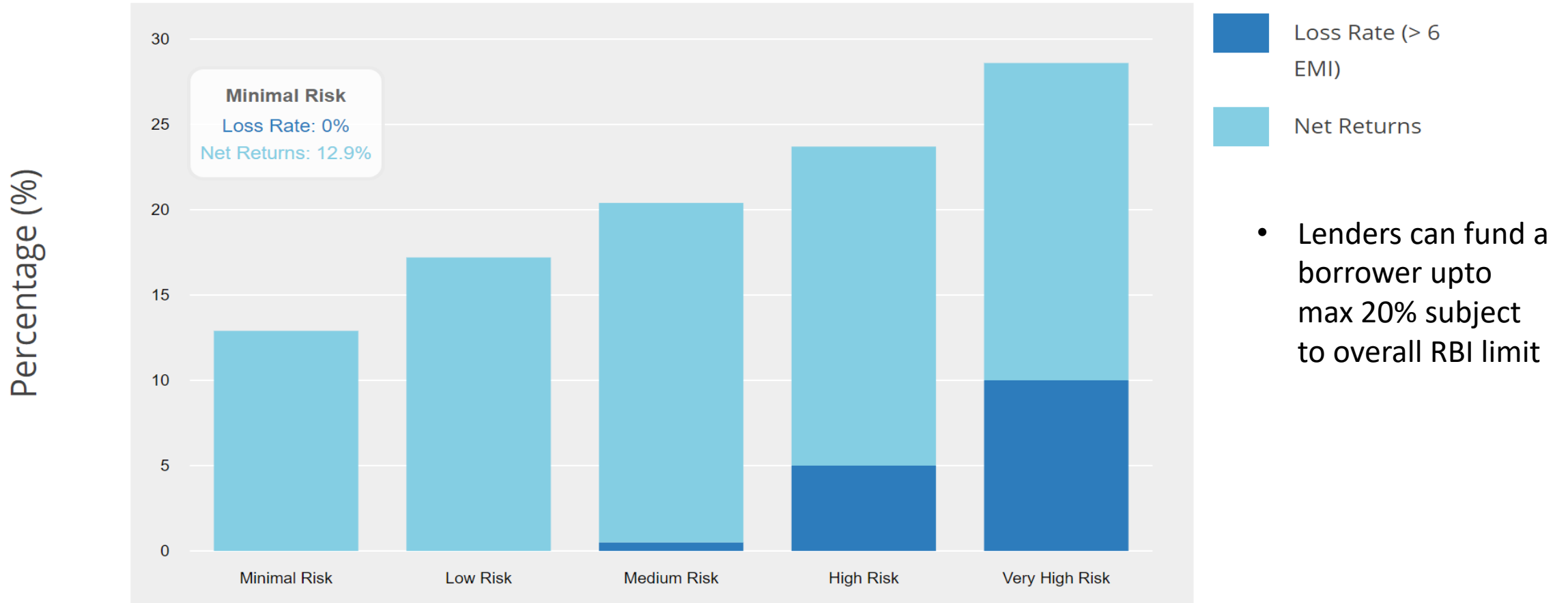
Loan Requests by Month



Lenders
Committed to Lend
₹1,314,510,000

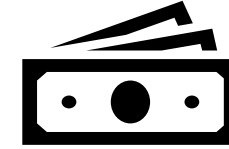
Borrowers
Seeking to borrow
₹1,214,615,795

Investment Returns

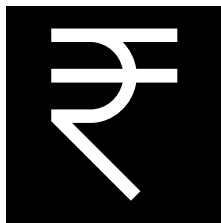




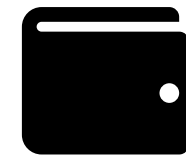
Total Loan Amount Applied by Borrowers
Rs. 816.67 Crores



Total Investment Commitment by Investors
Rs. 116.08 Crores



P2P Loan Interest Rates starting from
12%



Returns for Investors upto
30%

PROS OF P2P LENDING



Easy application and faster loan process



Wide range of Investment (Rs. 500 to Rs. 50,000)



Multi purpose loan



RBI Regulator



Transparent Systems



No collateral



Higher returns to Investors



No Volatility

CONS OF P2P LENDING



No Government protection



High Loan Processing Fees



Small Loan Amount



No Guarantee of Funding



Default can affect future borrowing prospect



Credit Risk for Investors



Practical Challenges – Investor



Like many investment avenues, P2P Lending also involves certain risk for investors. The risk is dependent on the P2P lending platform and their credit policies.

Methods to reduce risk:

- Select platform which assists in loan recovery
- Verify the credit rating process
- Choose borrowers wisely
- Diversify the investment basket
- Stay invested even if some loans go bad



To Sum up..

P2P platforms are an alternate form of investment

Like any discerning investor who diversifies his risk, similarly one needs to diversify portfolio in P2P platform

While there are inherent checks and balances, some loans may go bad

Key is to focus on larger picture i.e. protection of principal and optimisation of returns

With smart strategy, investors can easily earn between 16-25% returns depending on their risk appetite





Thank You

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