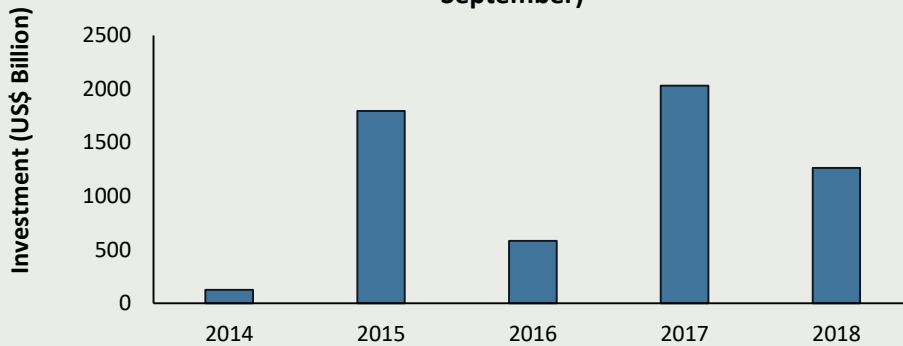


Fintech Industry in India

- Fintech stands for Financial Technology. The central concept is about the adoption of technology in the financial services industry. The computerization started in Indian banking system back in 80s and the use of internet began in 90s . ICICI Bank was the first bank to start it in 1998.
- Core Banking Solutions** for centralised management of banks with innumerable branches across the country and globe, **Magnetic Ink Character Recognition (MICR)** for cheque clearing system, Card (Credit, Debit etc.) based secure payments for any types of transaction, **RTGS (Real Time Gross Settlement)** or **NEFT (National Electronic Funds Transfer)** for money transfer within a short time span, **ATM (Automated Teller Machines)** for withdrawal of money anytime, Internet and Mobile banking services for the customers for handling account and transaction related activities from anywhere, online loan processing etc. are a few examples of digital revolution in the banking sector.
- However, the emergence of fintech industry happened prominently in the post 2010 period in India with the establishment of innumerable fintech companies and with their multiple technologically advanced features for serving the financial industry including the banking sector and their broad ranging customers. **Mobile wallet, payment banking, peer to peer lending service, investment and personal finance management** etc. are the few examples of such services.

What is the Status of Fintech Industry in India?

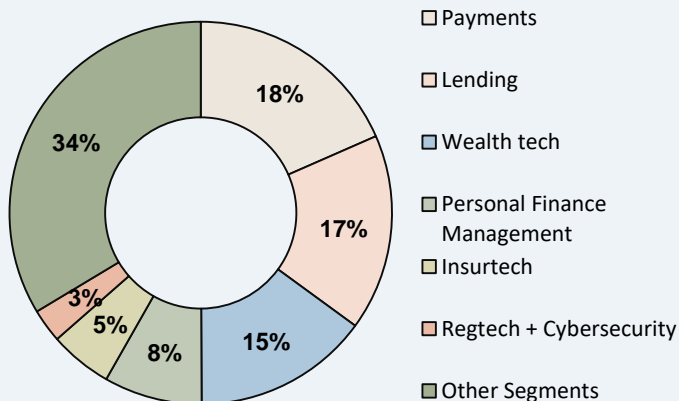
Fintech Venture Investment in India, 2014 to 2018 (Till September)



- The venture capital investment in the fintech start ups in India has increased at a CAGR of **78.05%** between 2014 to 2018.
- According to a report India holds 2nd position at the global level for having more than 2000 fintech start-ups just after the United States.

42% of the Indian fintech companies are concentrated in Bengaluru and Mumbai followed by New Delhi, Gurugram and Hyderabad.

Fintech Start ups by Segments in India till 2018



Some of the Renowned Indian Fintech Companies:

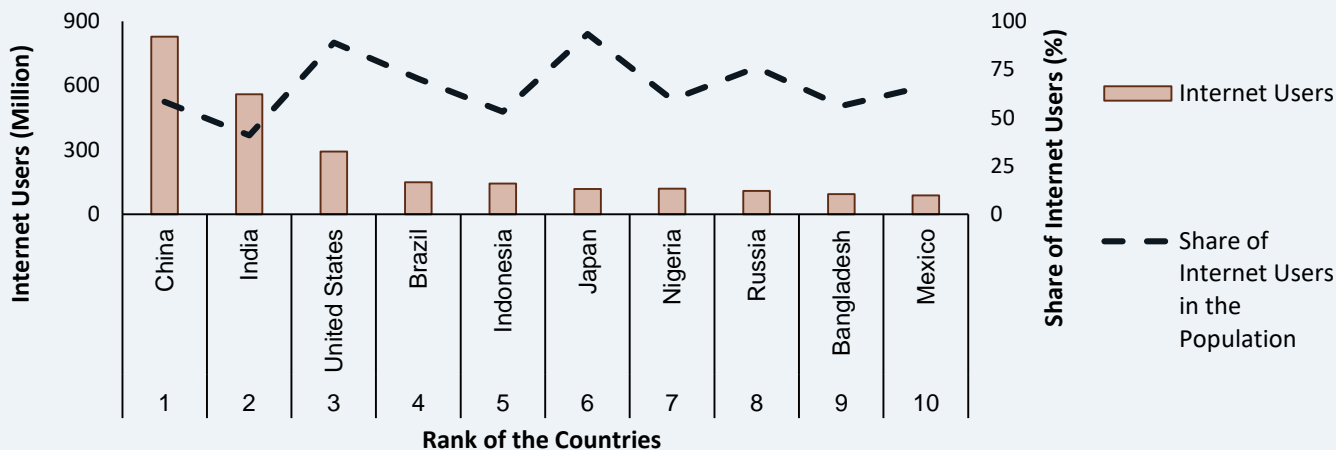
Sl. No.	Companies	Established on
1	MobiKwik	2009
2	Paytm	2010
3	Paisabazaar	2011
4	LendingKart	2014
5	PhonePe	2015
6	Shubh Loans	2016



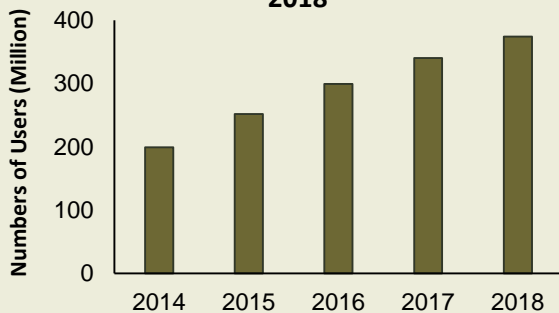
What led to expansion of Fintech industry in India?

- Being the 2nd largest populated country with more than 1.3 billion people and 42% share of youth in it, a tenacious environment of adopting new technologies, increasing level of per capita income, availability of smartphones in the market at various price ranges for all categories of customers, accessibility of internet at cheaper cost are some of the basic reasons for the emergence of fintech industry in India.

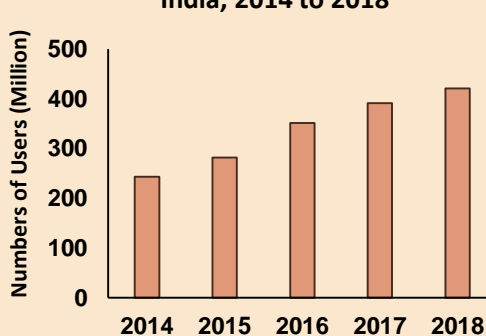
Top 10 Countries for Internet Usage, Global, Till June'2019



Smartphone Users, India, 2015 to 2018



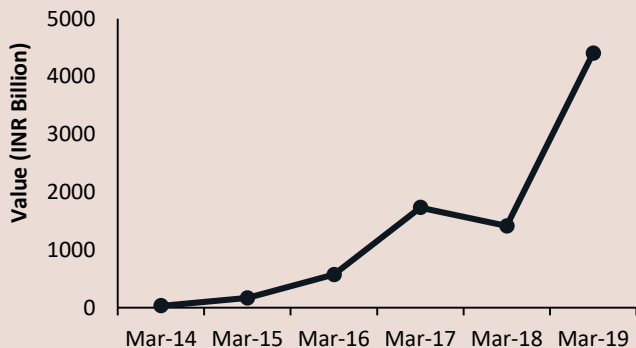
Mobile Phone Internet Users, India, 2014 to 2018



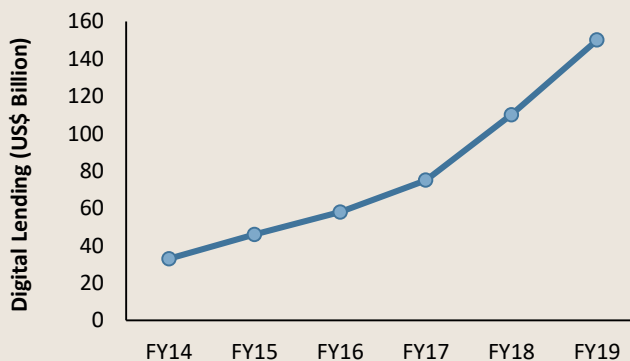
Between 2014 to 2018, the smartphone users and the mobile phone internet users have increased at CAGR of **17.06%** and **14.72%** respectively in India.

Not only in the numbers, but the huge growth of internet usage actually have made the consumers more prone towards the fintech transactions. Glimpses of that tendency can be understood from the following charts:

Mobile Banking Transaction, March'14 to Mar'19



Digital Lending, India, FY14 to FY19



Between Mar'14 to Mar'19, the mobile banking transaction process has increased at a CAGR of **164.39%** and between FY14 to FY19 the digital lending has increased at a CAGR of **35.37%**. As discussed previously being a part of fintech revolution, both type of monetary deals has taken a huge jump in the last few years.



