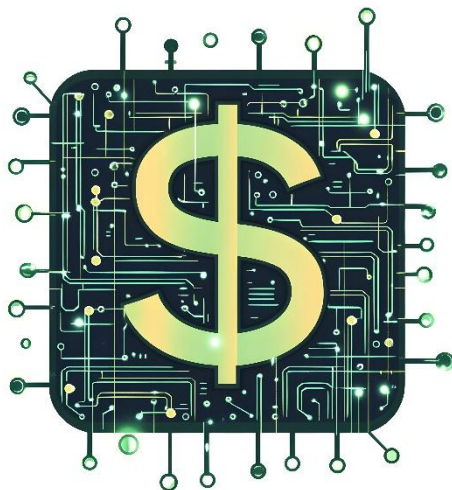


Shravan Shetty, Managing Director, Primus Partners

Published in Economic Times
May 05, 2025 | 12:26 PM IST

Fintech revolution 2.0 is expected to unfold in India in the next 10 years: MobiKwik's Upasana Taku



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Synopsis

India is a very large opportunity, the entrepreneur says, anticipating high growth in the fintech sector in the next 10-20 years.

A new wave of companies will emerge to jumpstart the fintech revolution 2.0 in India over the next 10 years, said Upasana Taku, Co-founder of fintech major MobiKwik. India is a very large market that offers significant growth opportunities over the next 10-20 years, Taku said. "Less than half of the population have access to digital payments, and fewer than 10% have access to credit.

Addressing these gaps will require more than simply reaching out to the existing banks, financial institutions, and fintech companies, she said. "It is not just going to the current crop of banks, financial institutions and fintech companies that will address the gaps. A whole next level of companies is getting formed now as we speak," she said while talking to *ET Digital* on the sidelines of the 14th edition of TiE Delhi-NCR's India Internet Day 2025.

Founded in 2009, MobiKwik offers a range of services, including payments, digital credit, investments, and insurance products, catering to 172 million users and more than 4.5 million merchants.

Digital payments have now reached approximately 500 million Indians. Taku, citing industry reports, expects this number to double to at least 850-900 million who will be transacting digitally using apps. "But if you see in financial services or in fintech, payments is the least common denominator. Everything else is lesser in terms of inclusion. Credit has reached less than 100 million, and the numbers are even smaller for insurance and wealth," she added.

Taku emphasised that more efforts are required in this space. "It needs to be seen if, for example, a woman sitting in Jhajjar or a small town in the northeast has access to a bank account, digital payments, credit or insurance. Currently, that is not the case."

Many small businesses don't have access to capital necessary for growth, she said. "Whether they are online MSMEs or physical stores, life is not so easy for them. Traditional banks can only serve them once they reach a certain scale. But until they reach that scale, it's hard for them," she explained.

"If it is a physical store, we give them a QR code. If they want to collect payments via cards, then we also give them an EDC, which is a card machine. Firstly, we enable them to collect payments. Once we have enough insight into their collection data, whether it is a physical MSME or an online-based MSME, then we can also start offering them merchant loans or working capital loans," she said, adding that working capital loans for MSMEs offer an extremely large growth opportunity. "India is a country of more self-employed people than salaried. And the self-employed are these MSMEs."

Shravan Shetty, MD of Primus Partners India, concurred, noting that fintech solutions have increased the efficiency of MSMEs, with digital payments playing a critical role in enhancing working capital. "They provide quick access to short-term capital, helping them grow. Besides this, innovative financial products help MSMEs better manage their businesses in terms of lending, insurance, and capital management," he highlighted.

Shetty said the fintech sector has been critical in leveraging the digital public infrastructure to come up with innovative solutions, which have helped increase digital penetration.

At the Global Fintech Fest 2024 in Mumbai, Prime Minister Narendra Modi had said that "India's UPI has become a major example of fintech in the world" and that it had enabled 27X7 banking services in every village and city in all weather conditions. Noting the changes brought in by the fintech industry in the country, the Prime Minister also said that it has not only transformed the technological front of Bharat but also made a widespread social impact by closing the gap between urban and rural India together.