



EIGHT IDEAS FOR FINTECH IN INDIA 2024



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Idea #1

Go offline to build trust with Indian consumers

Trust in India is best built offline, with human presence.

In this transition from “tech” to more “fin” offerings, the next generation of fintech in India could counterintuitively benefit by going further offline and building physical presence to gain consumers’ trust.

Offline “Trust Centers” by financial institutions



SBI Bank

22.4K



HDFC Bank

8.0K



Paytm

34mm



PhonePe

37mm

Idea #2

Launch novel financial and SaaS products for real estate

Participants in India's real estate value chain have so far been reluctant to adopt technology or innovative financial products in a meaningful way.

There are signs that this is changing rapidly, along with the rapid growth of the sector.



India's real estate market

\$200bn → **\$1tn**
2021 2030



Home loans outstanding

\$271bn **22% CAGR**
2021 2021 - 2026

Idea #3

Design new savings and investment products

Three big trends are fuelling demand for new retail savings and investment products in India:

- rising affluence
- increased education and awareness
- demand for products across yield and risk appetite



Mutual Fund AuM

\$600bn

(+21% YoY)



Bank Deposits

\$2.3tn

(+13.5% YoY)



Capital Markets

17%

household participation

Idea #4

Innovate credit products to be accessed at points of consumption

Consumer's needs and habits are evolving rapidly, especially post-pandemic. The changing ways in which Indian consumers access credit and shop are creating new startup opportunities.

Credit lines are being accessed at the point of consumption.

Onboarding flows and form factors will be reimagined.



Credit cards
outstanding

95mm

(+2% MoM)



Annual spends
on credit cards

\$256bn

(+38% YoY)



Daily spends on
credit on UPI

\$15mm

(+150%, May-Oct '23)

Idea #5

Leverage Digital public infrastructure to streamline customer experiences

Digital Public Infrastructure (DPI)- including via the Open Network for Digital Commerce (ONDC) and the Account Aggregator (AA) ecosystem - is paving the way to streamline and improve product experience and access in financial services.

DPI acceleration will push teams to innovate on distribution, technology, brand, and value proposition.



Accounts
linked on AA

8+mm



Consent
requests made

10+mm



Loans
disbursed

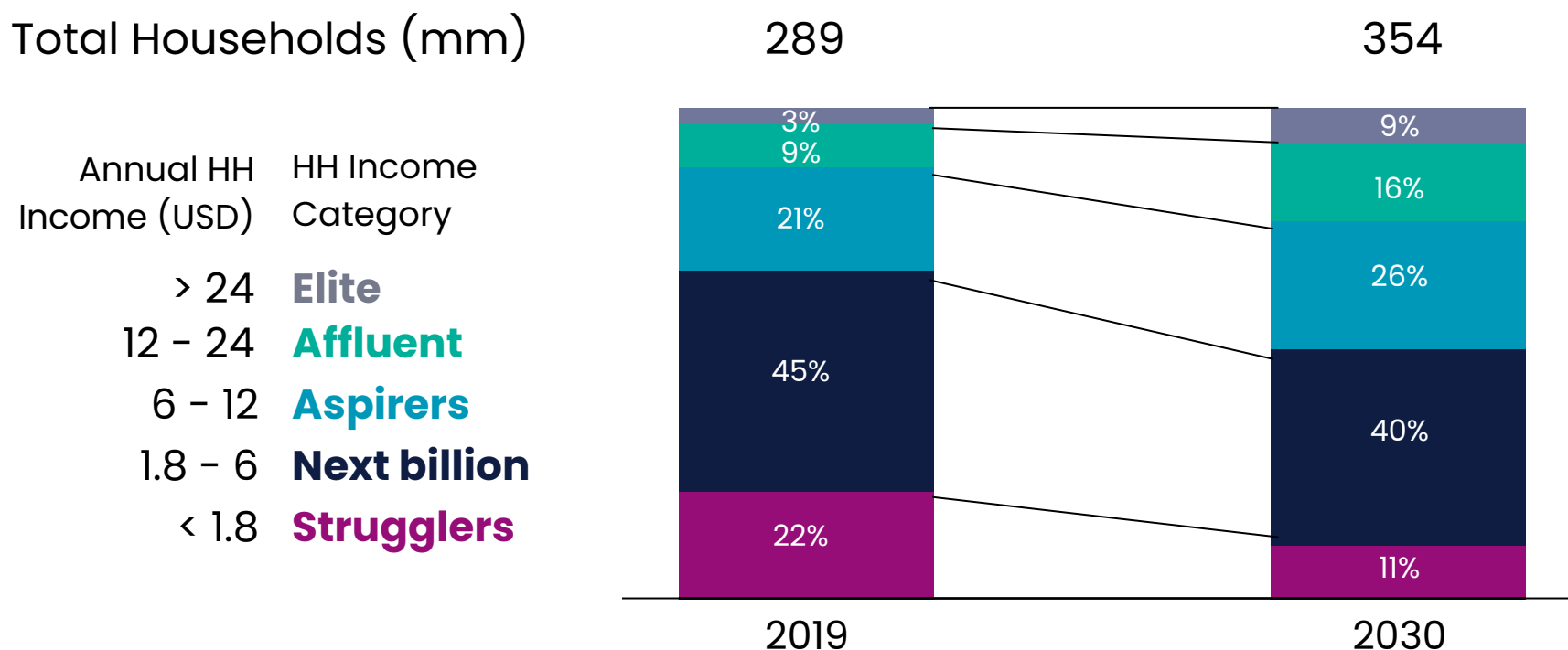
\$750mm

Idea #6

Innovate for rising affluence to grow revenues per customer

Migration from rural to urban areas, more household members joining the workforce, and growing income levels are contributing to rising affluence of Indian households.

Increased affluence results in consumers accessing and relying on financial products and digital experiences to improve their livelihoods.



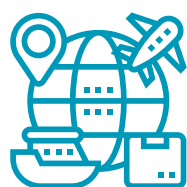
Idea #7

Contextualize financial products for industry verticals

There are several key non-financial industries that depend on financial products to scale and sustain.

Many of them present >\$1Bn in potential yearly revenue, creating opportunities to capture revenue along the value chains and build tailored financial products with profitable unit economics.

Current industry size



Logistics

\$250 Bn



Education

\$180 Bn



Healthcare

\$372 Bn

Idea #8

Build GenAI tooling and infrastructure

There is massive potential to transform multiple areas of the financial services industry using generative AI. It is a clear fintech opportunity.

Large firms will find it challenging to roll out GenAI-powered products at scale and this will be an opportunity for startups to build infrastructure tooling and products that incorporate GenAI.



Global spending on AI in banking

\$22bn → **\$60bn**
2023 2027



Value added by GenAI to banking

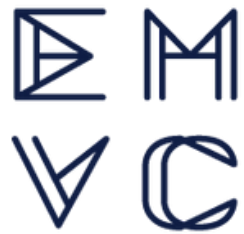
\$200–340bn **9–15%**
if use cases are fully of operating
implemented profits

Fintech has the potential to improve billions of lives.

The most resilient, high-impact, and successful companies often emerge during rocky times.

2024 will be for builders and their bold ideas.





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VENTURES

Happy Holidays



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