

# INDIA FINTECH PUBLIC MARKETS REPORT, 2025

policybazaar.com  
HAR FAMILY HOGI INSURED

paytm

Zaggle

digit

MobiKwik



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# India's Internet Boom: 1.2 Bn+ Users By 2030

	2024	2030	Absolute Growth (%)
Smartphone Users	1 Bn+	1.5 Bn+	50%
Internet Users	886 Mn+	1.2 Bn+	35%
Urban Internet Users	397 Mn+	546 Mn+	38%
Rural Internet Users	488 Mn+	708 Mn+	45%
Internet Penetration (Active Users)	58%		
5G Enabled Indian Cities/Towns		7.7K+	
Urban Internet Penetration (Active Users)	77%		
Number Of Male Internet Users		470 Mn+	
Cost Of 1 GB Internet Data	\$0.16		
Number Of Female Internet Users		416 Mn+	

Source: KANTAR, IAMAI, Inc42 Analysis  
Note: The numbers for 2030 are estimated



# The State Of Indian Startup Economy

## Third-Largest

Startup Ecosystem Globally,  
Measured By The Number Of  
Startups & Unicorns

**70K+**

Total Number Of Tech  
Startups Launched

**\$165 Bn+**

Total Funding Raised By  
Indian Startups Since 2014

**126**

Total Number  
Of Unicorns

**\$650 Bn+**

Combined Valuation  
Of Indian Startups

**150**

Total Number Of  
Soonicorns

**1.6 Mn+**

Total Number Of  
Direct Jobs Created

**9.5K+**

Total Number Of  
Active Investors

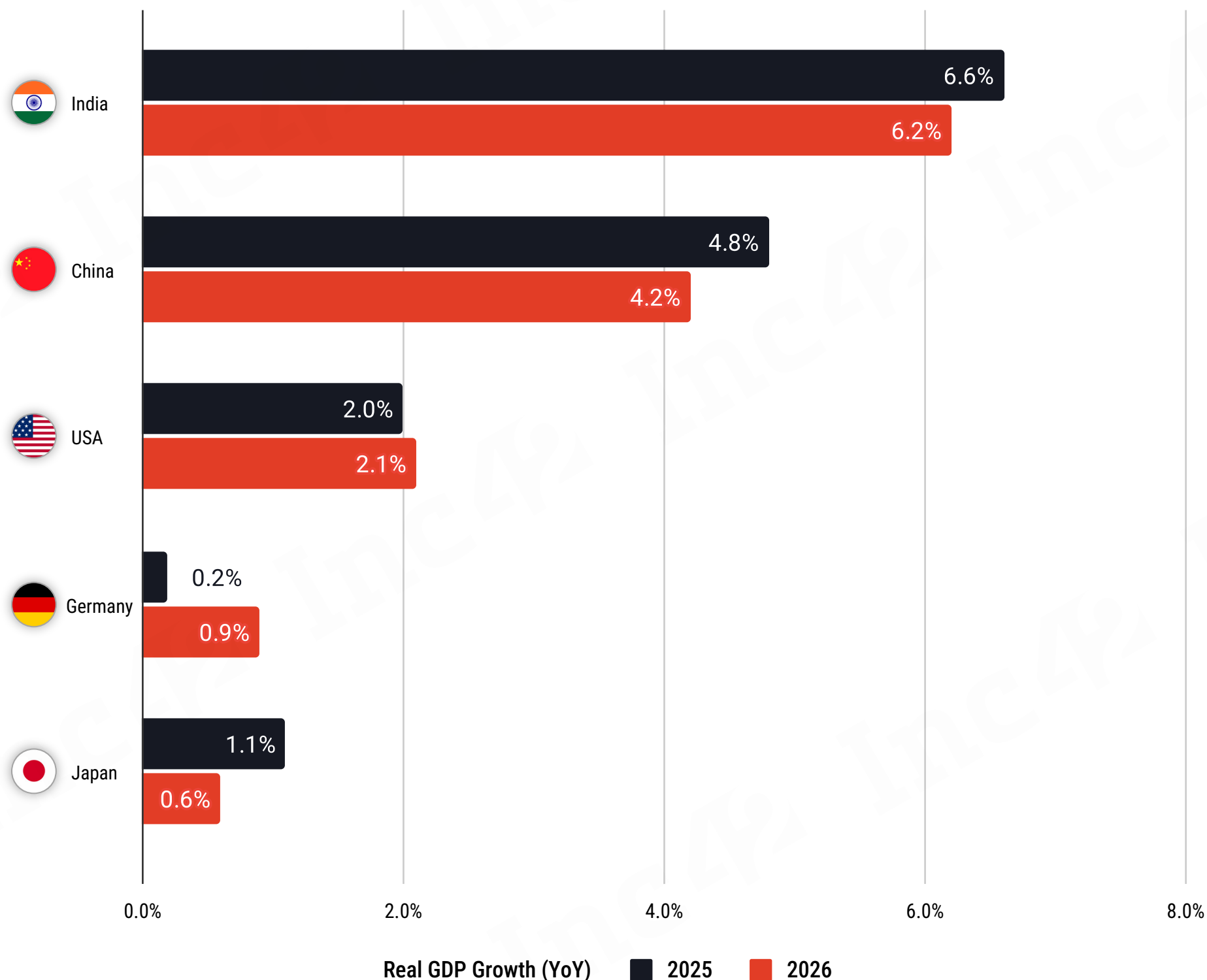
**50+**

Total Number Of Listed New  
Age Tech Companies



# India To Remain The World's Fastest-Growing Economy In 2026

India is expected to remain the fastest-growing economy among the top five economies next year in terms of annual real GDP growth

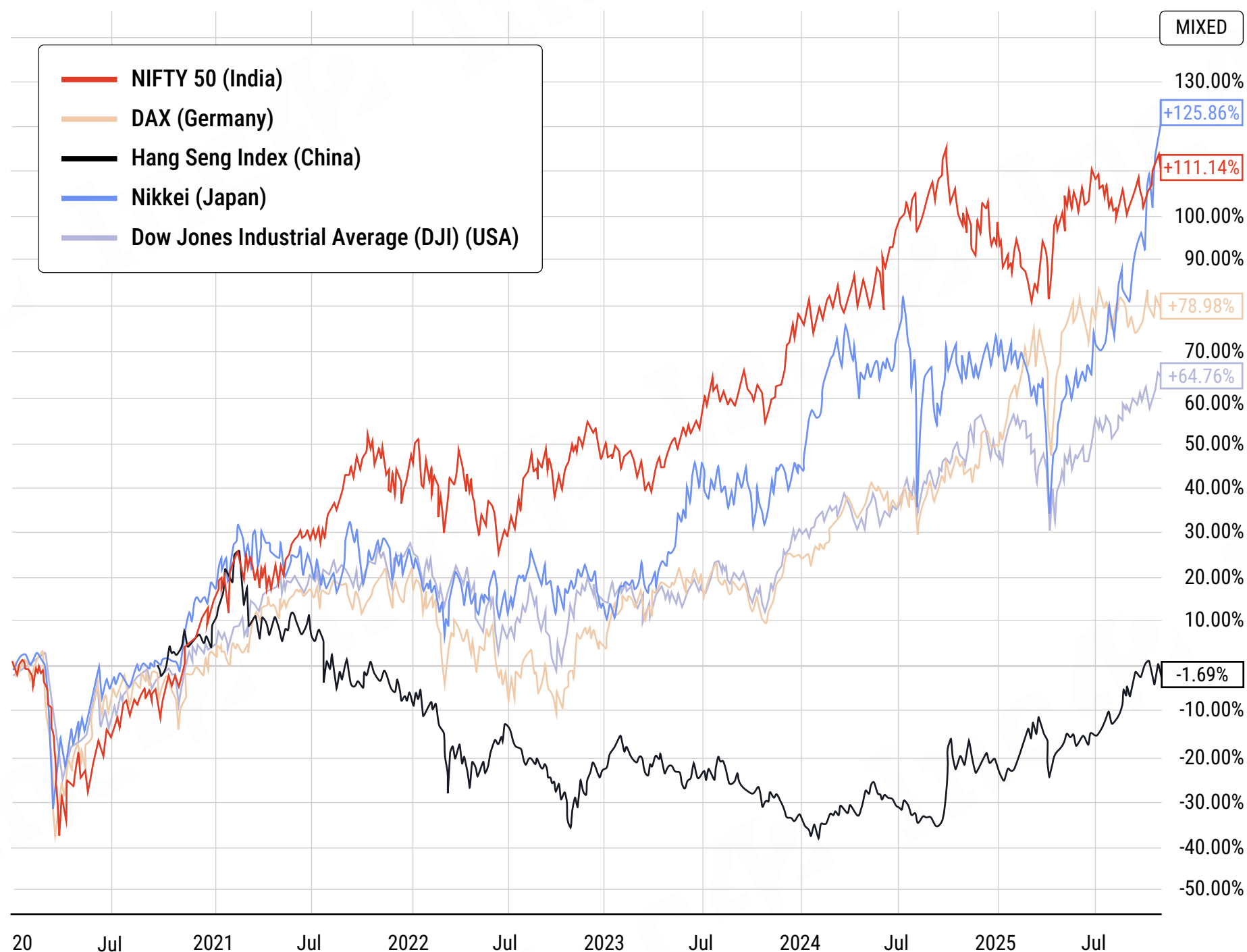


Source: Inc42 Analysis, IMF



# India Outperforms China In Stock Market Returns

Since mid-2021, Indian equities have delivered stronger daily returns than Chinese markets, reflecting sustained investor confidence and economic momentum



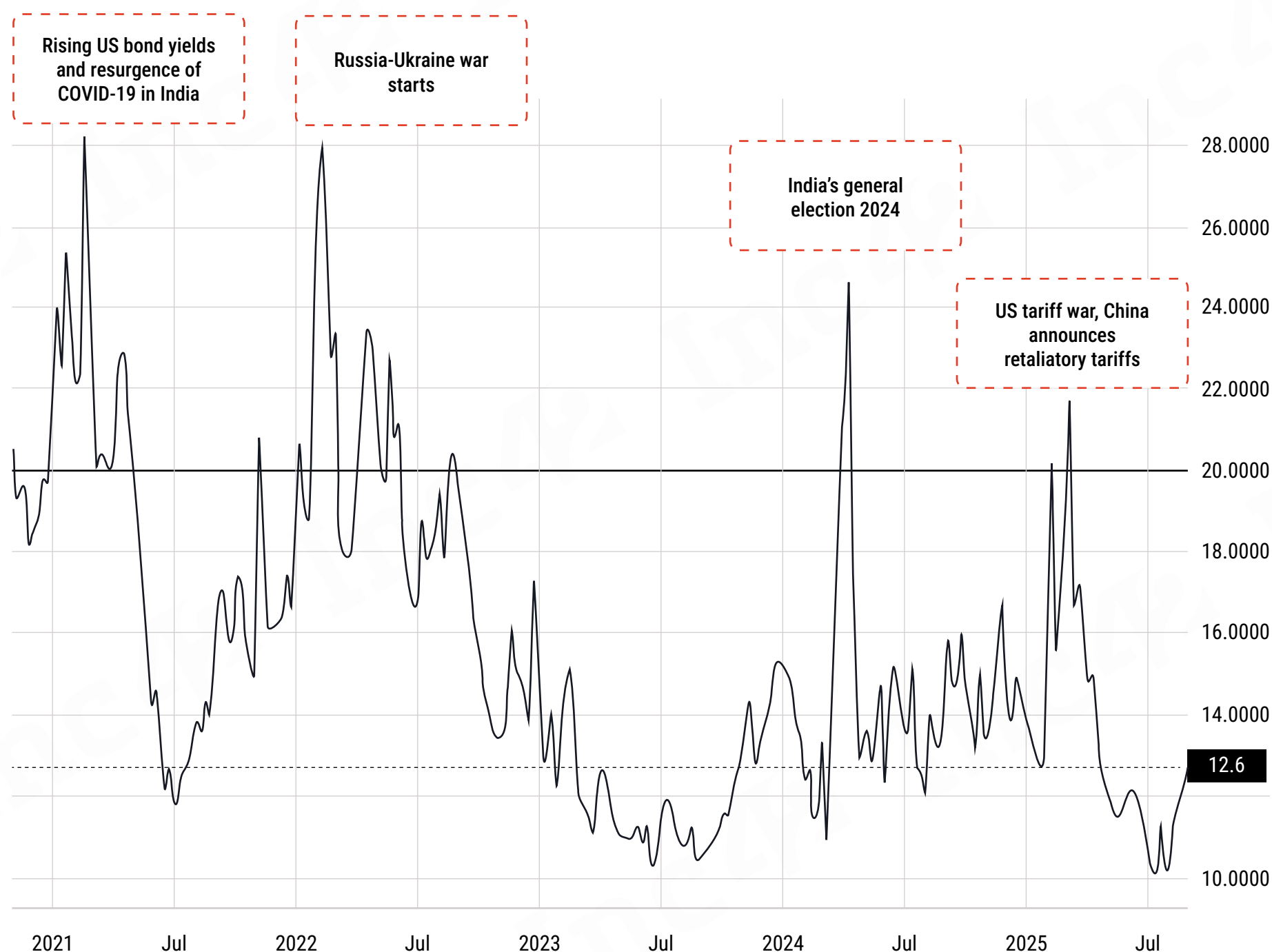
Source: Inc42 Analysis, TradingView

Note: This slide covers the period from January 2020 to October 31, 2025



# Indian Stock Market Volatility Eases As Global Uncertainty Recedes

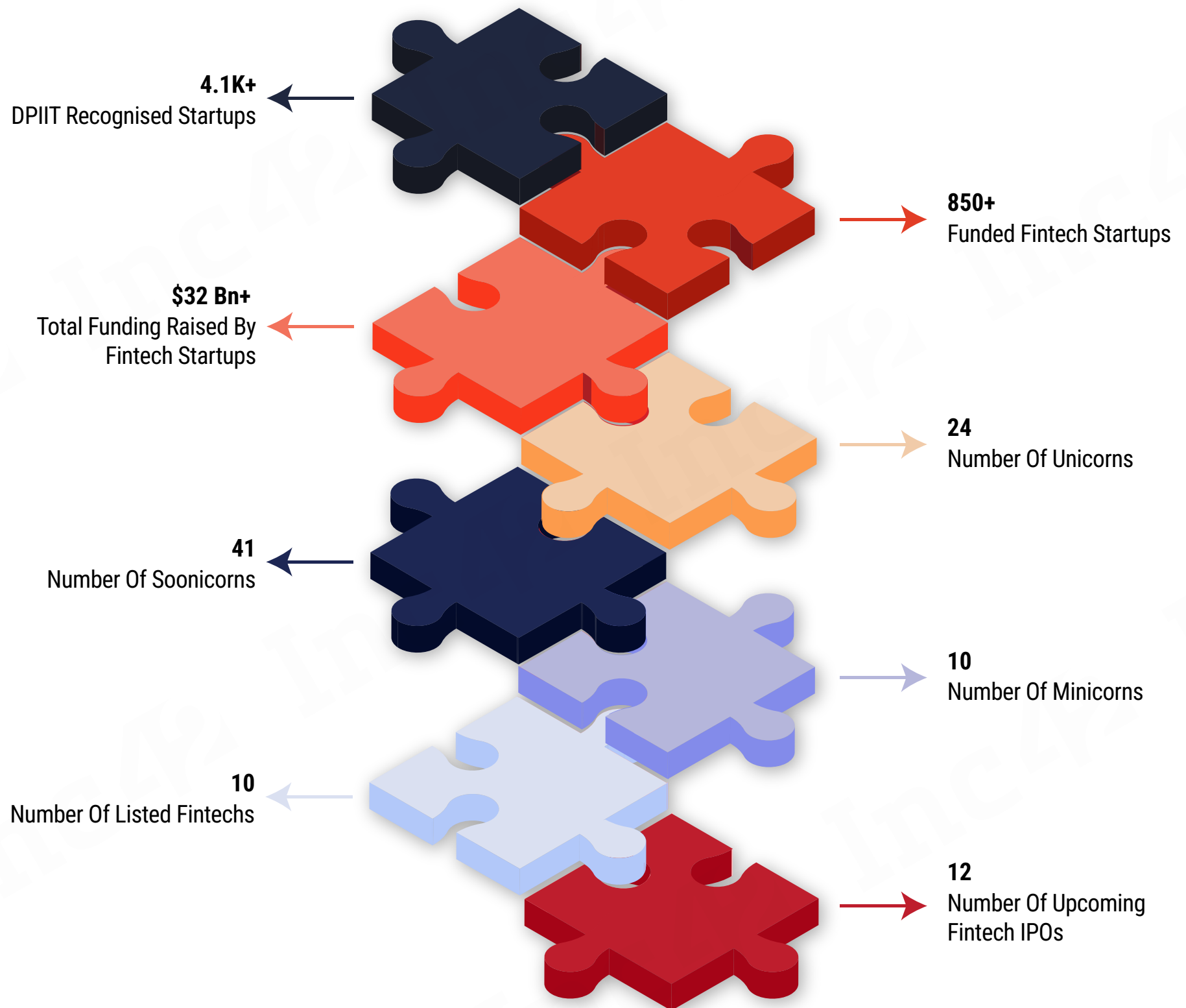
The Indian Volatility Index (VIX) shows reduced short-term market volatility, with values staying below 20, indicating stability amid easing macro headwinds



Source: Inc42 Analysis, TradingView

Note: This slide covers the period from November 2020 to October 31, 2025

# India's Fintech Landscape





# India's Fintech Landscape

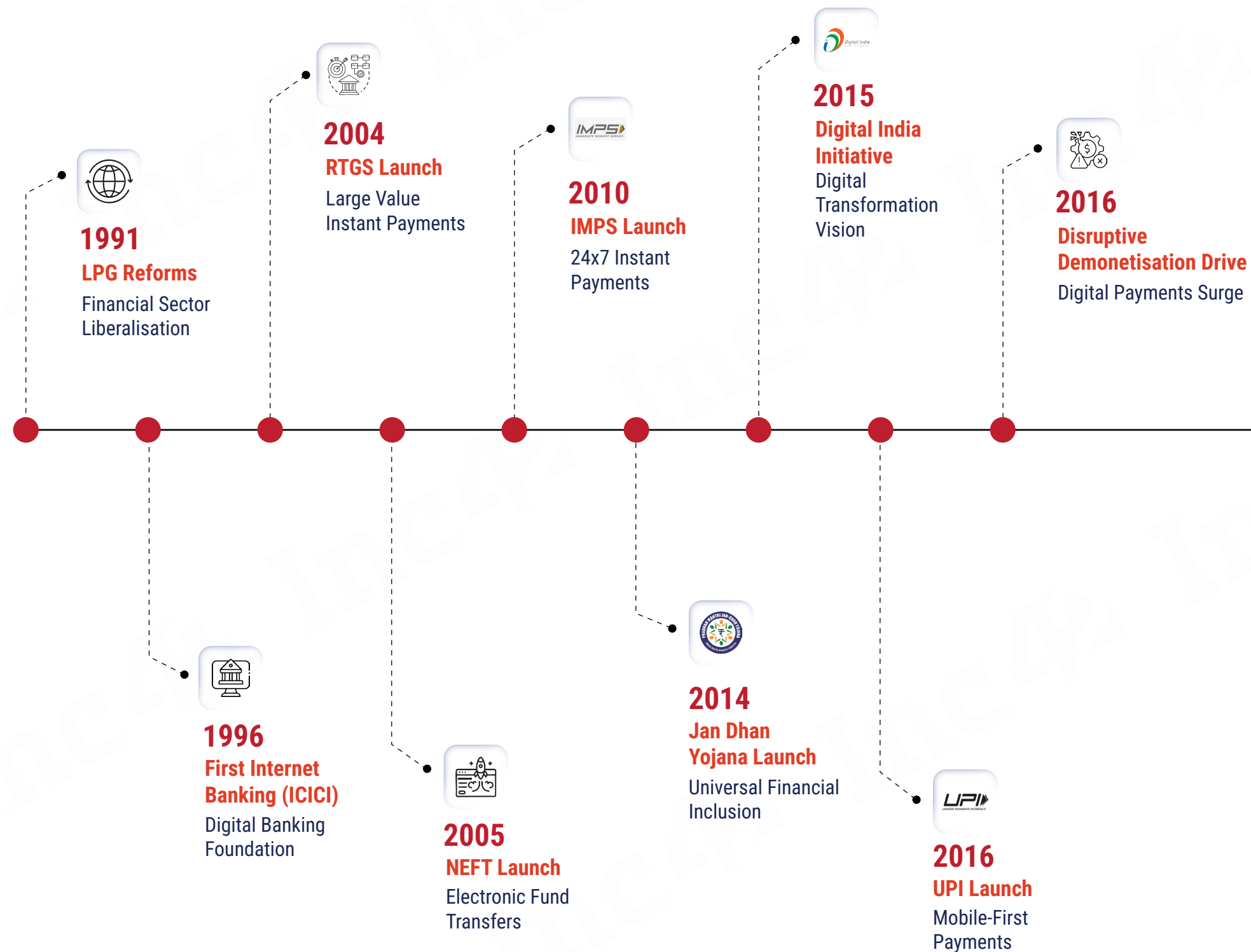
Unicorns: (Valuation \$1 Bn or above)									
									
									

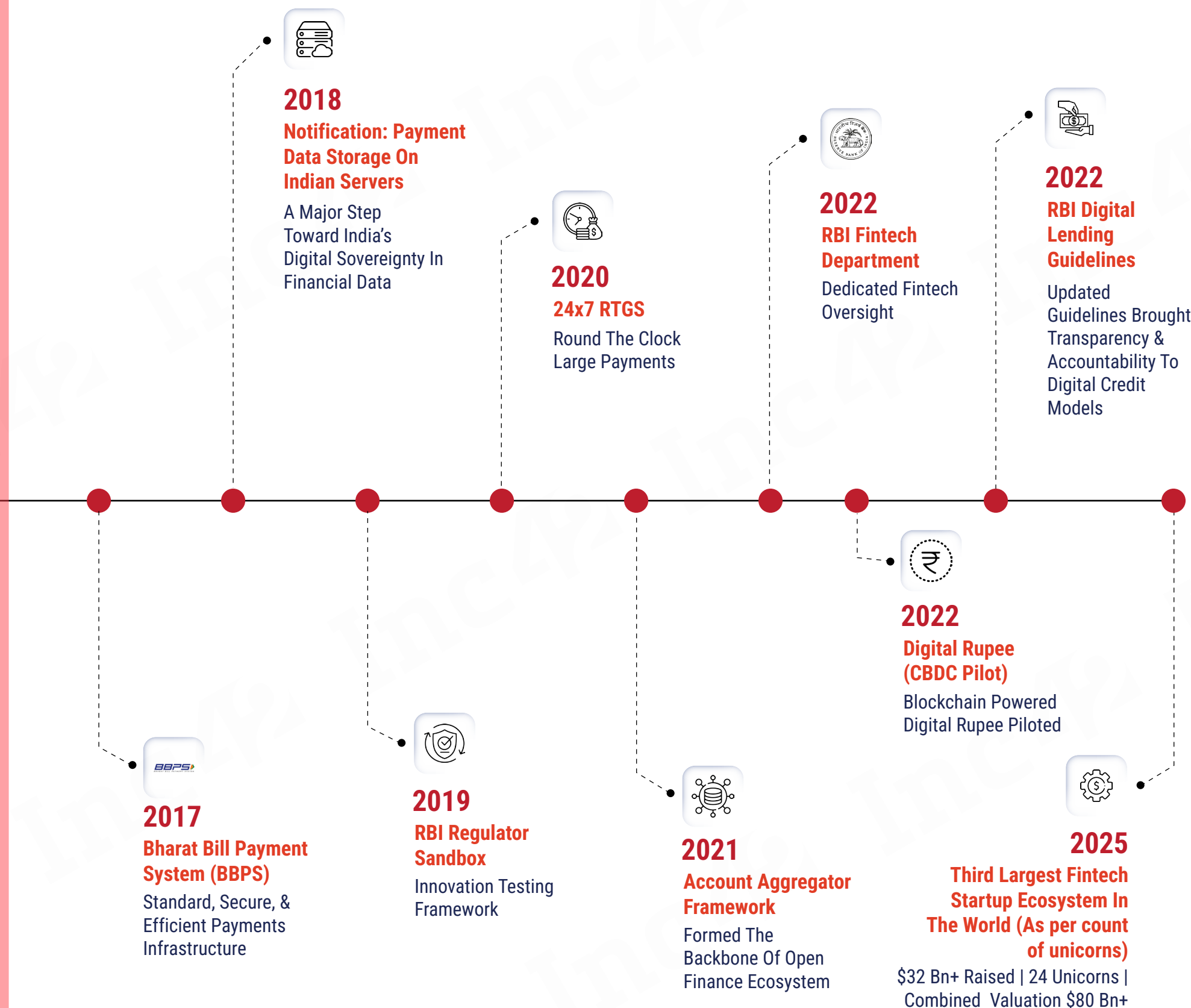
Soonicorns: (Valuation between \$200 Mn to \$999 Mn)									
									
									
									
									
									

Minicorns: (Valuation between \$100 Mn to \$200 Mn)									
									

# India's Fintech Evolution Journey

India's fintech story has evolved from payments to full-stack financial ecosystems, and each regulatory shift – UPI, Account Aggregator, and Digital Lending Guidelines – has unlocked new business models





Source: Inc42 Analysis, Secondary Sources

Note: This infographic highlights some key ecosystem milestones – not an exhaustive list

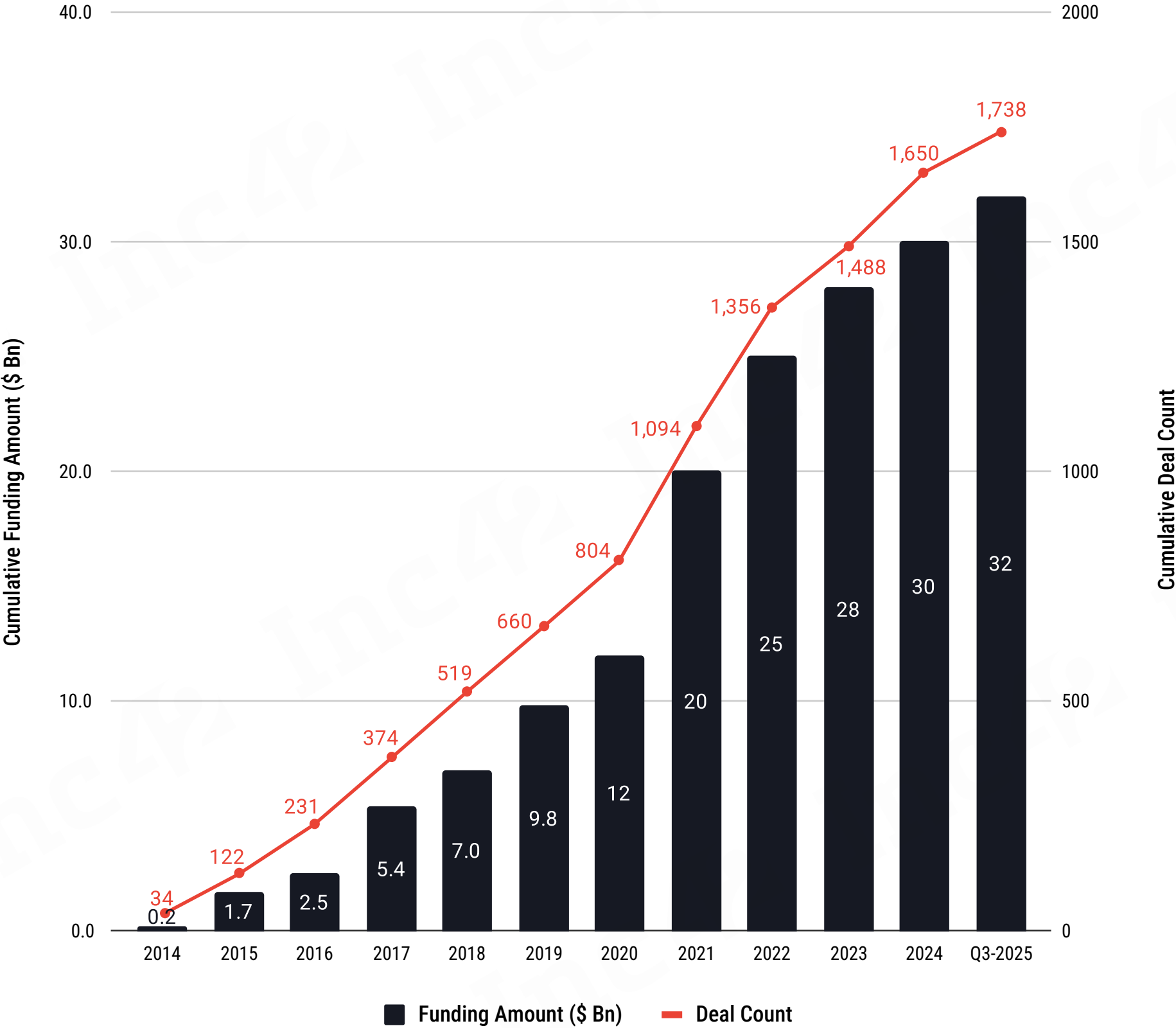


# Global Fintech Startup Ecosystem Comparison

Metrics	 India	 USA	 China
 <b>Market Size (2030)</b>	\$2.1 Tn+	\$7.7 Tn+	\$9.9 Tn+
 <b>Startup Funding</b>	\$32 Bn+	\$650 Bn+	\$160 Bn+
 <b>Total Unicorns</b>	24	120	11
 <b>Digital Payment Users</b>	405 Mn+	250-300 Mn+	900 Mn+
 <b>Financial Inclusion</b>	89.02%	97%	89.4%
 <b>Digital Sovereignty Score (0 to 10)</b>	7.7/10	7.5/10	9.1/10
 <b>Credit Card Accounts</b>	108 Mn+	636 Mn+	820 Mn+

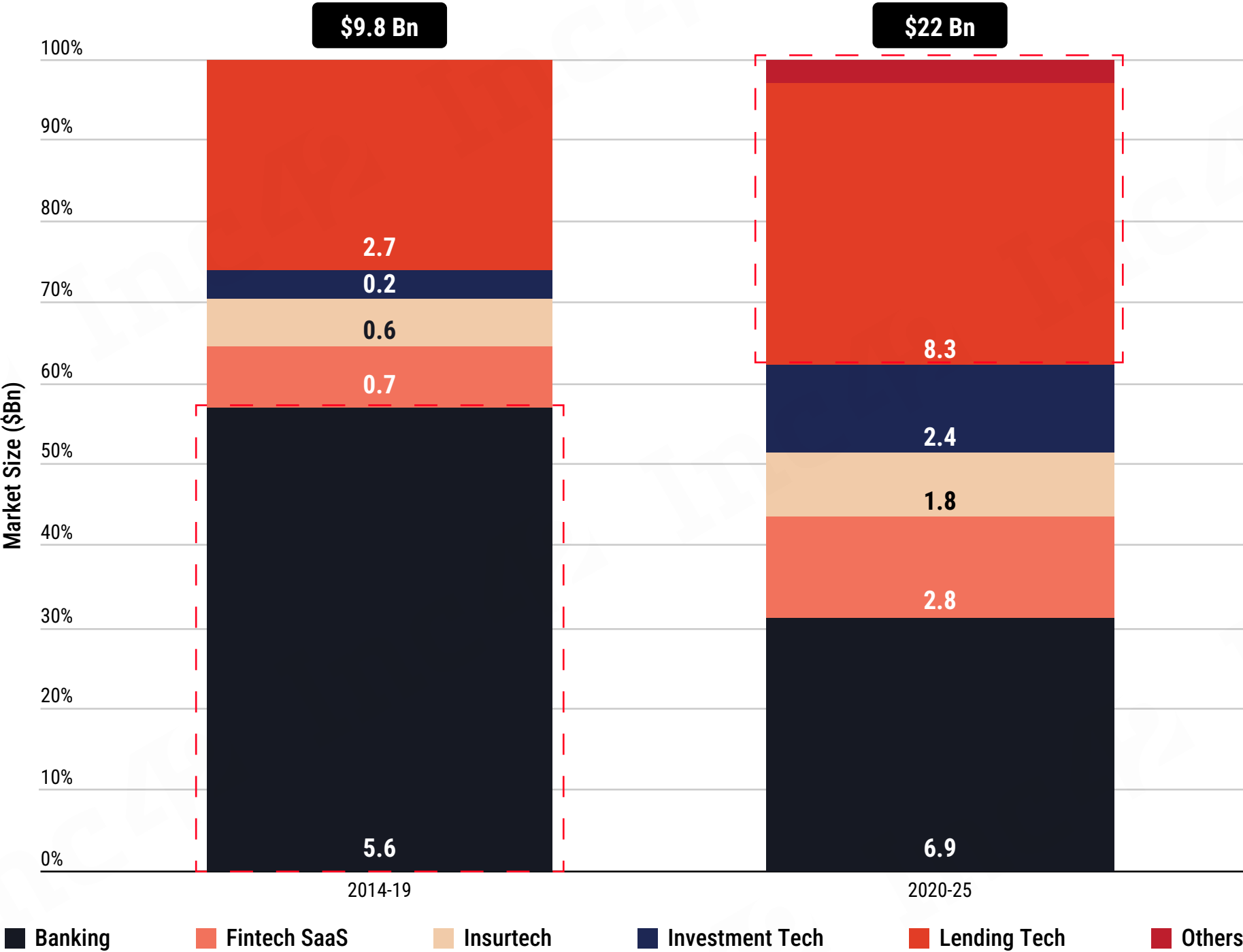
Source: Inc42 Analysis, CB Insights, DPIIT, Secondary Sources  
Note: In the US, individuals hold multiple credit cards, hence active cards exceed the total population  
Funding data is for the period between 2014 and Q3 2025 | Market size figures indicate Total Addressable Market (TAM) | Rankings reflect national approaches to digital infrastructure control, data governance, and fintech sovereignty

# India's Fintech Startups Surpass \$32 Bn In Investments



Source: Inc42 Analysis  
Note: Funding data is for the period between 2014 and Q3 2025

# Indian Fintech Funding Shifts: From Banking To Lending Tech

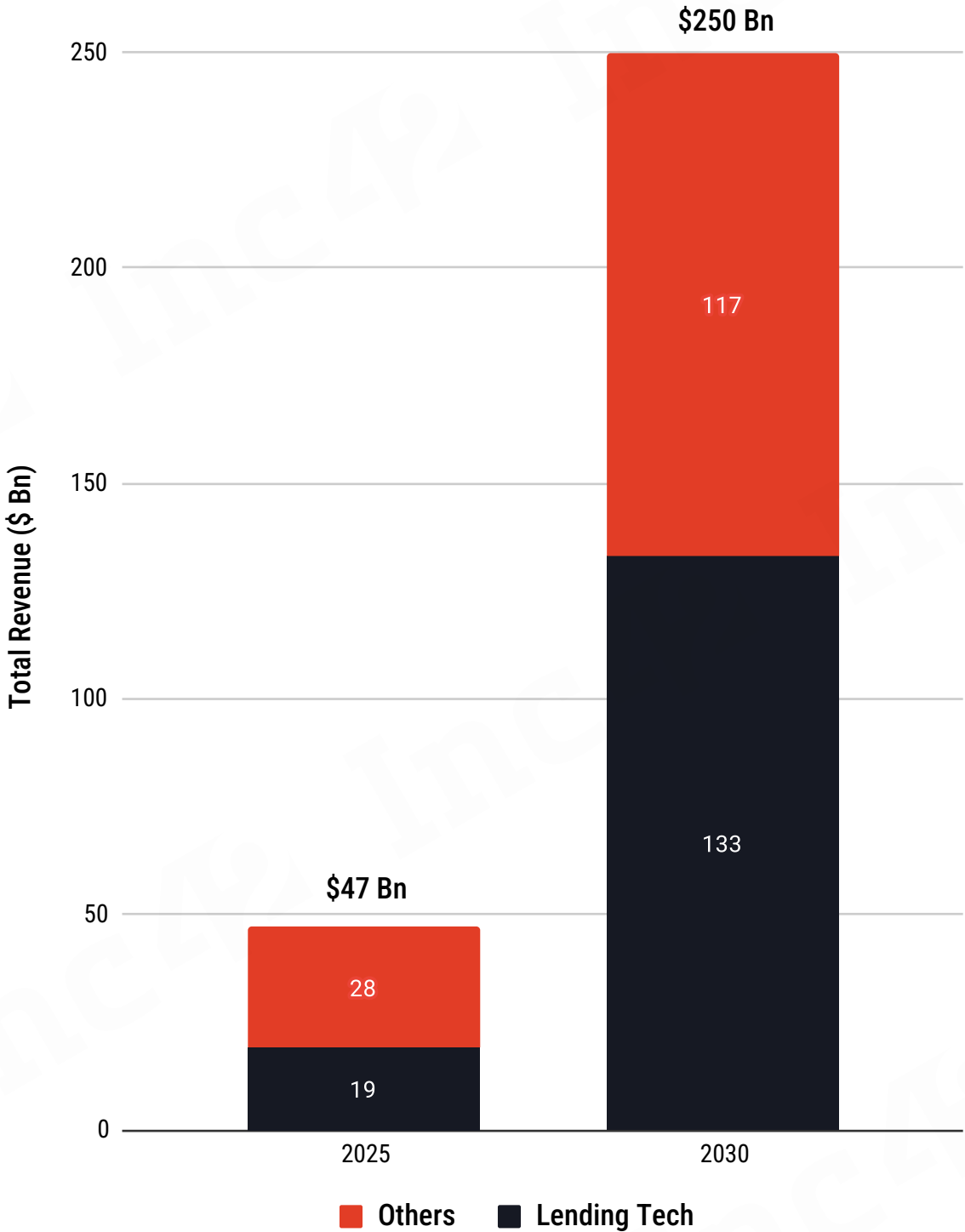


- ★ Lending tech accounted for 37% of total fintech funding between 2020 and Q3 2025, compared with 27% during 2014–2019.
- ★ Between 2014 and 2019 period, the banking sector dominated with 57% of total investments.
- ★ Lending is expected to generate more than 53% of India's fintech revenue by 2030, contributing \$133 Bn within a \$250 Bn market.

Source: Inc42 Analysis  
Note: Funding data is for the period between 2014 and Q3 2025



# India's Fintech Industry Eyes \$250 Bn Revenue By 2030, With Lending Tech Set To Capture More Than Half



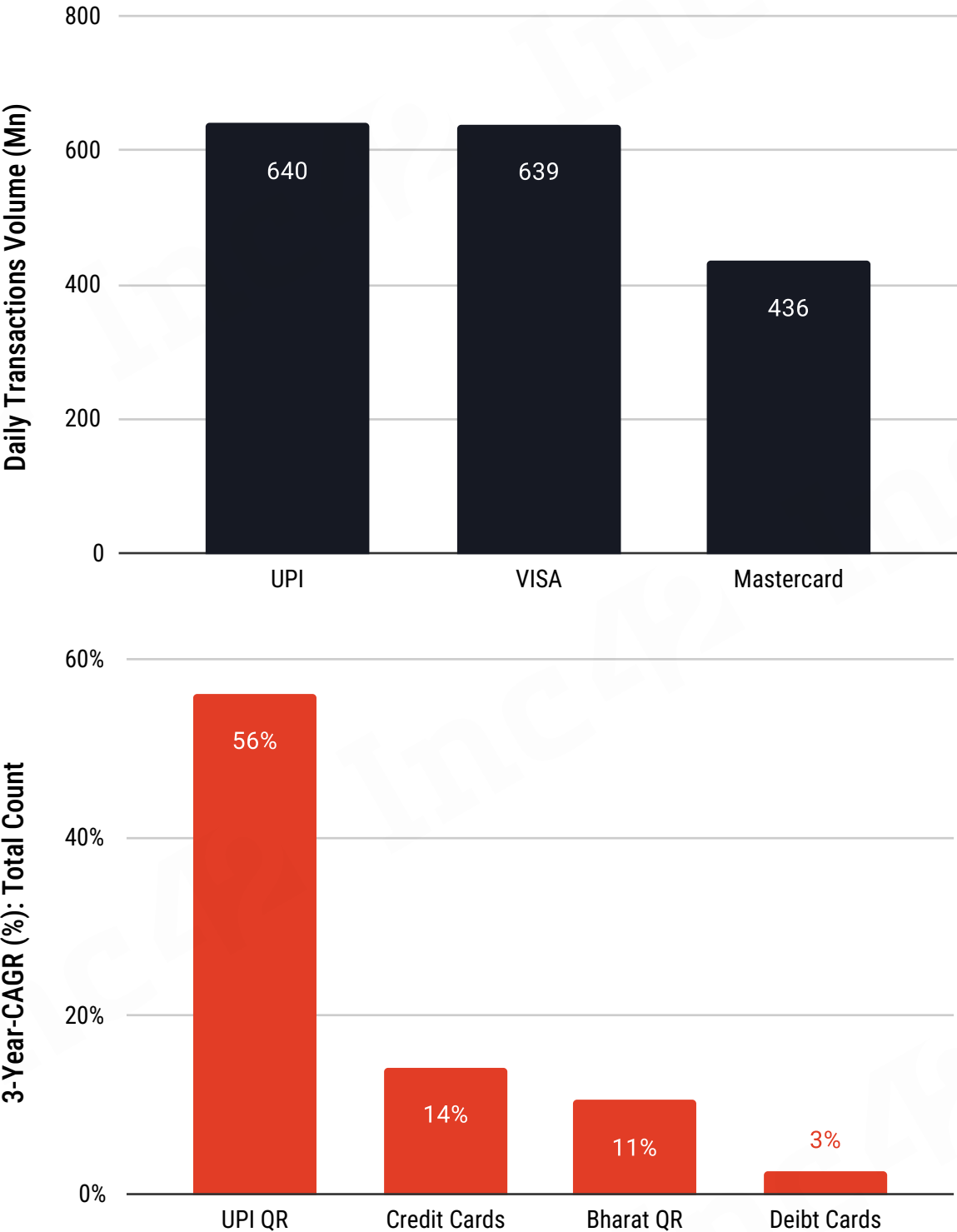
- ★ In 2025, digital lending is estimated to contribute around 40% of India's total fintech revenue. By 2030, this share is projected to exceed 53%, with the segment expected to surpass \$133 Bn within an overall fintech market of \$250 Bn.
- ★ A key driver of this growth is the integration of artificial intelligence (AI) across lending operations. AI-led credit assessment, risk management, and loan disbursement processes are reducing defaults, speeding up approvals, and enabling more personalised financial products.
- ★ Industry projections indicate that AI adoption in digital lending could unlock significant incremental value, potentially adding billions of dollars to India's fintech ecosystem while strengthening its global competitiveness.

Source: Inc42 Analysis, Secondary Sources  
Note: The total revenue projections include the impact of artificial intelligence on Indian fintech companies' growth, based on estimates by BCG and EY

# Value Chain: Where Fintech Fits In India’s Broader BFSI Landscape

	Stage	Traditional BFSI Role	Fintech Integration & Impact
1	Customer Acquisition & Onboarding	Branch-based KYC, agent-led marketing; but high costs for underserved	Digital eKYC via Aadhaar/Video; AI chatbots for personalisation <b>Impact:</b> Faster onboarding and larger rural/non-urban financial inclusion
2	Product Origination & Underwriting	Manual credit checks, collateral focus; but excludes gig workers/farmers	AI-powered analysis of alternative data (e.g.Transaction history); Open Credit Enablement Network (OCEN) for seamless lending <b>Impact:</b> SMB credit gap closure and greater access to formal credit for general public
3	Distribution & Servicing	Agent networks, call centers; but limited omnichannel access in rural and non-urban regions	Embedded finance via super apps (e.g. UPI in ecommerce); phygital models <b>Impact:</b> Digital distribution channels improved financial efficiency, Embedded finance helped lenders in superior customer acquisitions using corporate partnerships
4	Payments & Transactions	Cheque/branch transfers; but offered low real-time efficiency before UPI	Unified Payments Interface (UPI), Bharat Bill Payment Systems (BBPS), Central Bank Digital Currencies (CBDCs) <b>Impact:</b> Helped drive mobile-first payment adoption in India, positioning the country as a global leader in digital public infrastructure for financial transactions
5	Risk Management & Compliance	Manual rule-based compliance and risk management; but time consuming and labour intensive	AI-powered fraud analytics, RegTech SaaS; API based banking infrastructure <b>Impact:</b> Real time analytics and improved accuracy in fraud detection, cost saving due to lower dependency on manual labour intervention
6	Collections & Recovery	Manual follow-ups; but high NPA in unsecured loans	AI powered customised follow ups and reminders, blockchain tracing; TReDS for supply chain. <b>Impact:</b> Higher recovery rates, accurate predictions regarding potential for loan default, reduced non performing assets (NPAs)

# Unified Payments Interface (UPI) Is World's No.1 Real Time Payment System

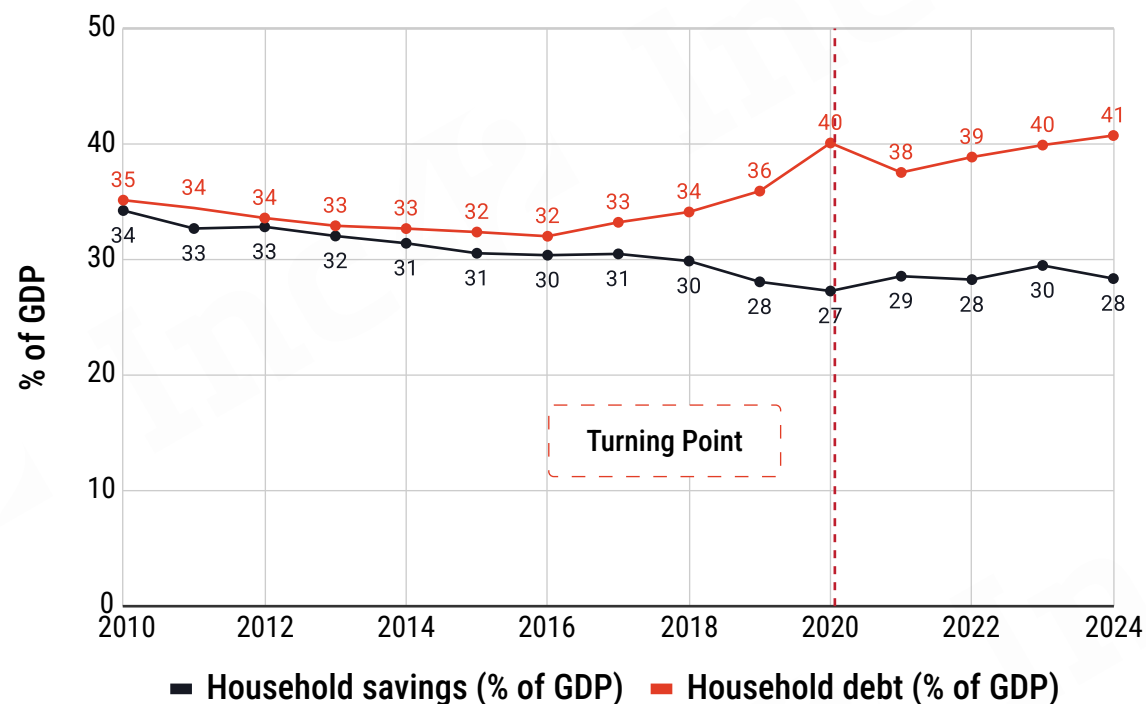


- ★ India's UPI handles more than 640 Mn transactions each day in real-time, establishing it as the largest real-time payment settlement system globally. This statistic highlights the outstanding digital-first public payment infrastructure developed by the government in India since the introduction of UPI in 2016.
- ★ The Unified Payments Interface (UPI) is gaining traction among merchants across India. Currently, more than 65 Mn merchants utilise UPI. Furthermore, the compound annual growth rate (CAGR) for the total number of UPI QR codes outstanding from fiscal years 2022 to 2025 is projected to be 56% greater than the growth rates for debit and credit cards in India. The implementation of zero Merchant Discount Rate (MDR) fees by the Indian government, along with a reduced cost of adoption, has significantly driven the expansion of UPI among merchants in the nation.
- ★ India's UPI has gone global, earning praise from world leaders including French President Macron, EU Commission President von der Leyen, and Germany's Volker Wissing. The IMF hails it as a global model for digital payments, with potential adoption expanding to France, Japan, Singapore, and Qatar.

Source: Inc42 Analysis, RBI, IMF, NPCI  
Note: The daily transaction volume for VISA and Mastercard is sourced from their 2024 annual report. The compound annual growth rate over three years is calculated from fiscal year 2022 to 2025.



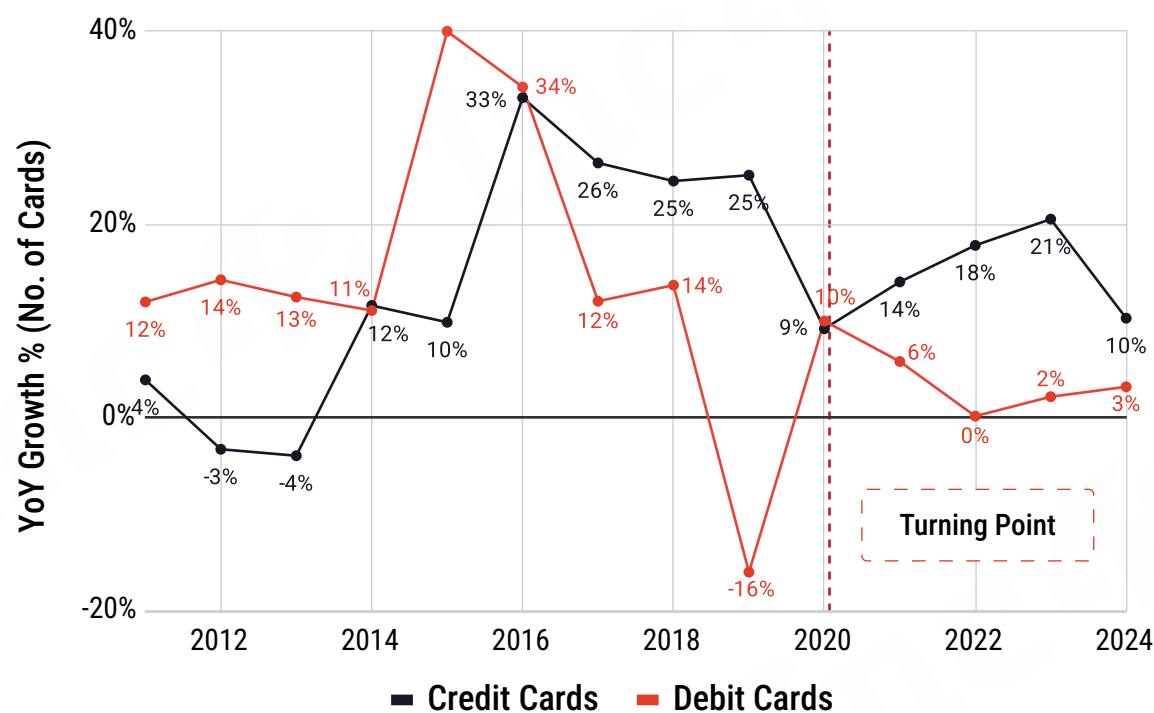
# The Rise Of Credit Culture: How India's Consumer Spending Landscape Is Evolving



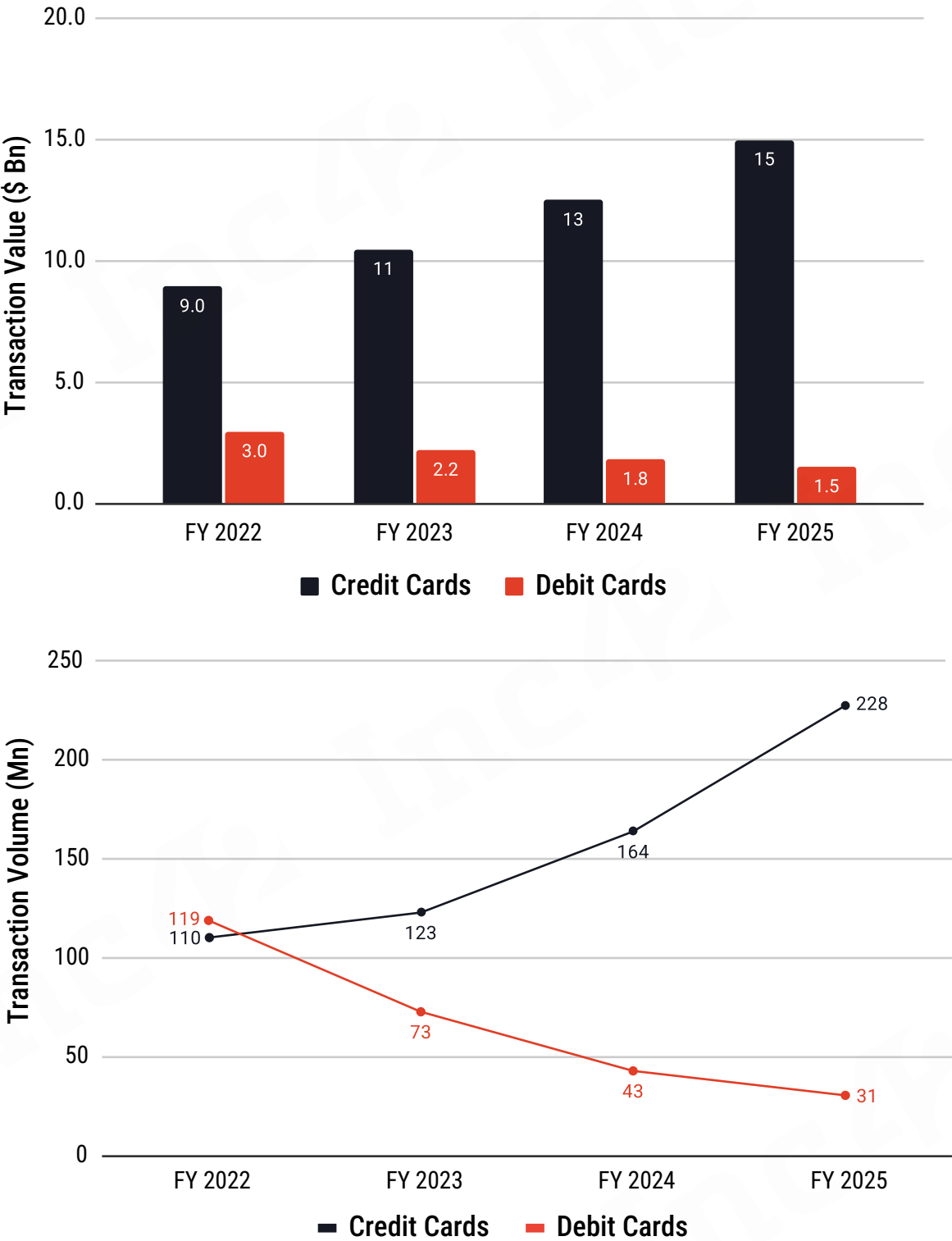
★ Once recognised as a primarily savings-driven consumption economy, Indian household spending has shifted from savings-led to credit-led consumption over the years. This is a major shift which could change the playbook for numerous fintech and ecommerce companies in India.

★ Since 2016, household debt has grown faster than savings as a share of GDP, reflecting rising dependence on credit for lifestyle spendings.

★ Between calendar year 2019 and 2024, the number of credit cards doubled from 55 Mn to 108 Mn (14% CAGR), while debit cards grew modestly from 805 Mn to 991 Mn (4% CAGR). The data highlights India's growing preference for credit over debit.

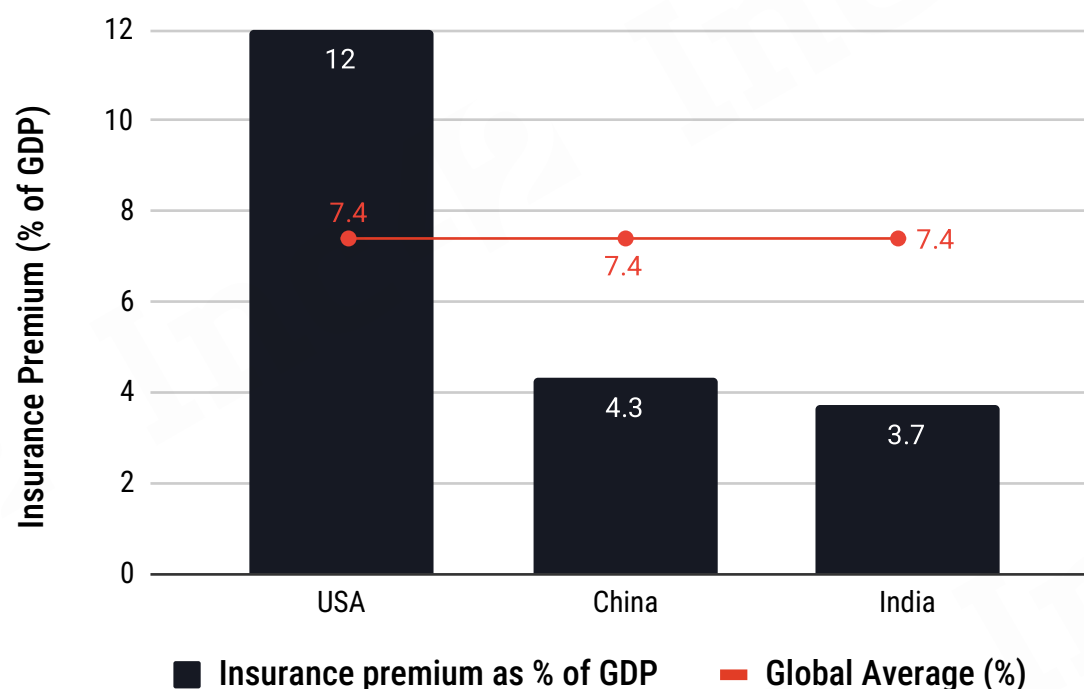


# Indian Consumers Favour Credit Cards Over Debit For Ecommerce Purchases



- ★ If the graphs alone don't convince you that credit cards are becoming the go-to option for Indian consumers shopping online, the growth rates tell a compelling story. Between fiscal year 2022 and 2025, credit card transaction value and volume grew at a CAGR of 19% and 27% respectively. Meanwhile, debit cards saw sharp declines of -20% in value and -36% in volume.
- ★ It's important to note that this shift is also fuelled by the offers and cashbacks that credit card providers extend to consumers in segments such as consumer electronics, fashion and groceries, which make up the bulk of India's ecommerce gross merchandise value (GMV).
- ★ For digital lending companies, this trend presents both opportunity and strategic imperative. The migration towards credit-based transactions indicates growing consumer comfort with credit instruments, suggesting a receptive market for embedded finance solutions. However, the dominance of traditional credit cards intensifies competition, as established issuers possess strong distribution networks and brand recognition.

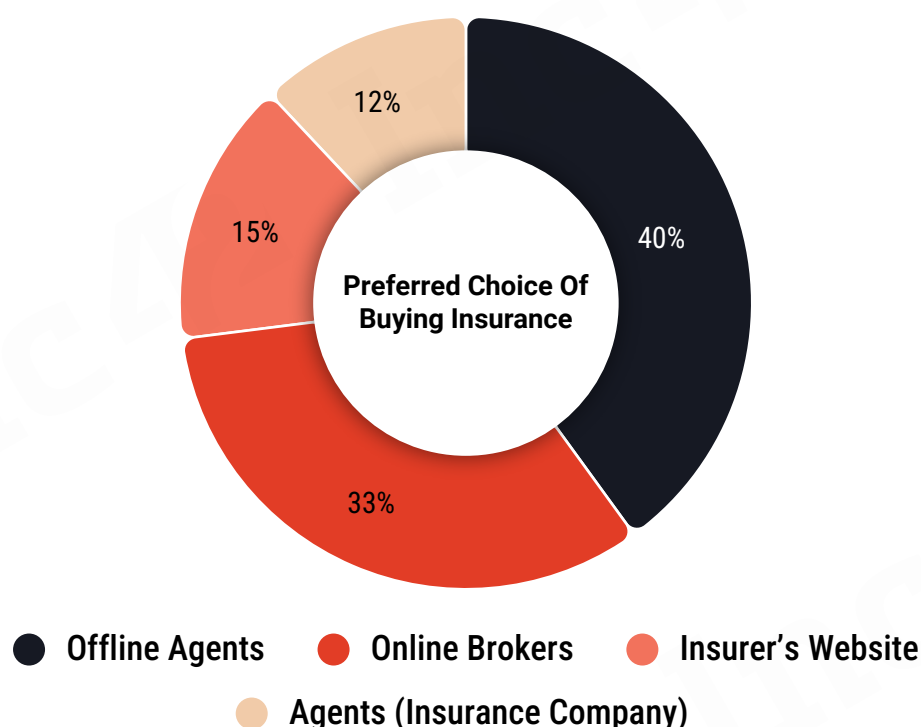
# Digitalisation Has The Potential To Propel Insurance Adoption In India



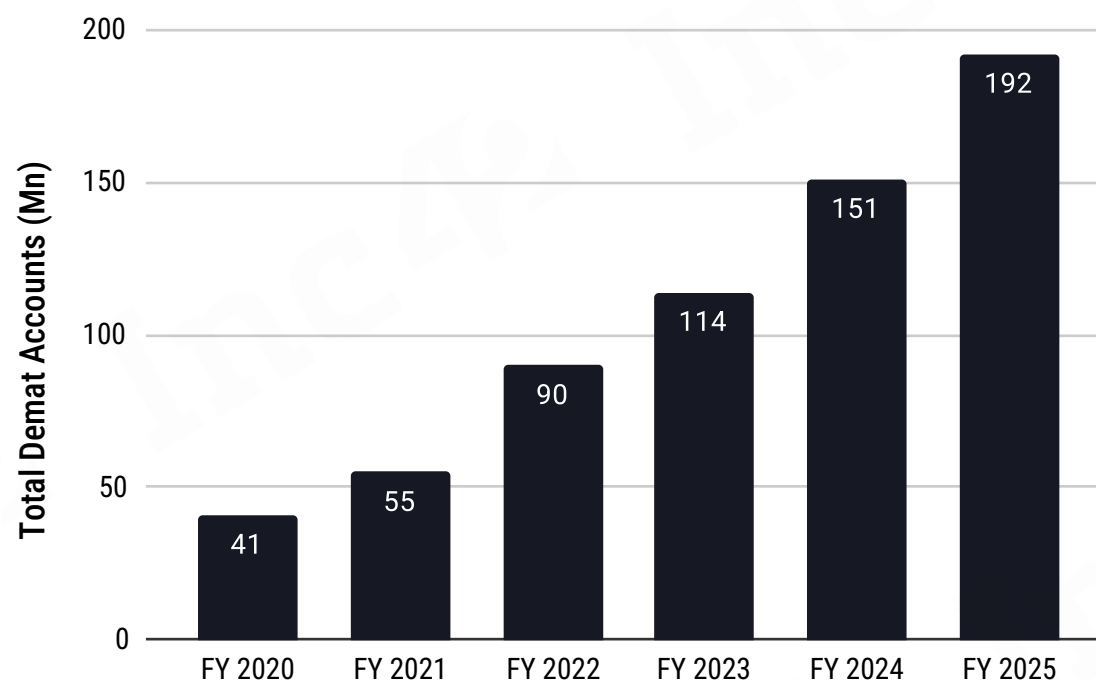
★ India's insurtech total addressable market (TAM) is projected to reach \$307 Bn by 2030, expanding at a 17% CAGR from \$139 Bn in 2025. This market encompasses digital insurance broking and technology solutions for insurance enterprises.

★ A 2022 survey revealed that one-third (33%) of Indian insurance buyers prefer purchasing insurance through online channels, making it the second most popular option after offline agents.

★ In FY25, India's Gross Direct Premium Underwritten (GDPI) reached \$36 Bn, with online channels contributing an estimated 10–15% (\$5.4 Bn). By FY30, the GDPI is projected to grow to \$44 Bn, with the share of online channels expected to rise to 25–30%.



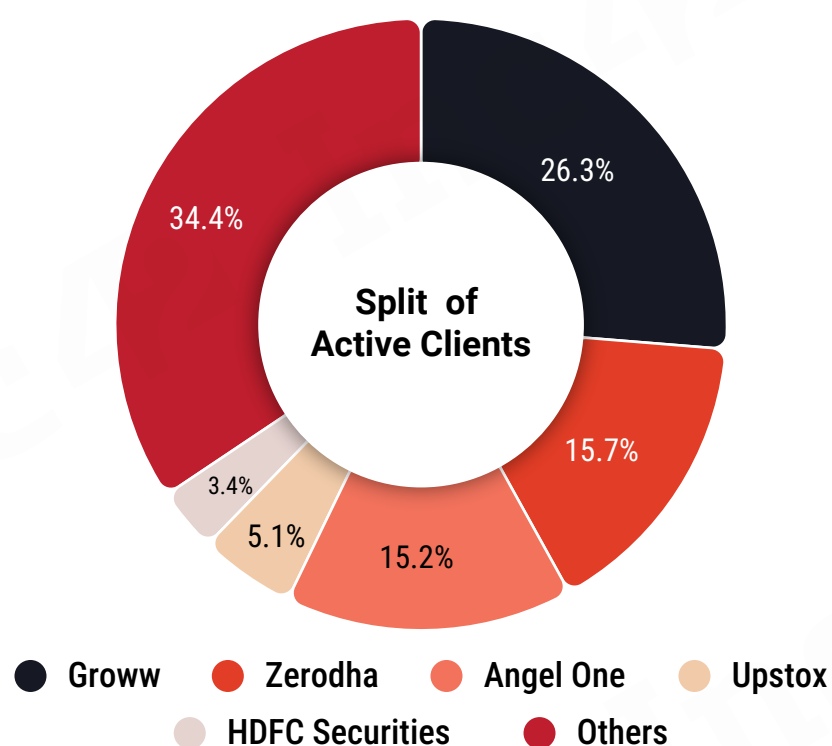
# Discount Broking Startups Democratised Equity Investments In India



★ India's demat accounts grew from 41 Mn in FY20 to 192 Mn in FY25, recording a five-year CAGR of 36%. This rapid expansion reflects the rising retail participation in equity markets.

★ Among the 45.3 Mn active Indian stock market clients, the top four brokers, all discount brokers, account for 62% of total active users. Their dominance underscores a clear shift toward low-cost, technology-led trading platforms over traditional full-service models.

★ This trend is also fuelled by India's younger investor base. Nearly 40% of retail investors are under 30, and the average investor age has declined from 38 in 2018 to 32. The increasing participation of younger investors signals long-term growth potential for investment tech startups catering to digital-first retail investors.












Source: Inc42 Analysis, NSE, Secondary Sources

Note: The total number of demat accounts is calculated as of March-end for each fiscal year. Active client data is current as of September



# Financial Services In India Remain A Relatively Underserved Market

Metrics	 India	 China	 USA
 <b>Household Debt As % Of GDP</b>	41%	60%	69%
 <b>Credit Card Penetration</b>	7.6%	~53%	82%
 <b>Insurance Premium As % Of GDP</b>	3.7%	4.3%	~11-12%
 <b>Equities As A % Of Household Assets</b>	6%	5%	22%
 <b>Mutual Fund (AUM As % Of GDP)</b>	20%	22%	132%
 <b>% Population Participating In Stock Market</b>	~5-7%	~13-16%	62%

Source: Inc42 Analysis, Secondary Sources  
Note: '~' denotes approximate figures based on available data.  
The values for India correspond to FY25 (April'24-March'25), while data for other countries reflects the calendar year 2024

# SWOT Analysis: Fintech Market In India

## Strengths

- ★ Third-largest fintech hub globally with 850+ funded startups, \$32 Bn+ in total funding, and 24 unicorns reflecting investor confidence and market maturity.
- ★ World-class digital public infrastructure including UPI (handling 48.5% of global real-time transactions), Aadhaar, the Account Aggregator framework, and OCEN enabling rapid, low-cost scale.
- ★ Large untapped potential with household debt at 41% of GDP vs. 69% (USA) and 60% (China), insurance penetration at 3.7% vs. 11–12% (USA), and equity participation at 5–7% vs. 62% (USA).
- ★ AI-led operations spanning credit evaluation, fraud detection, customer personalisation, and compliance driving efficiency and risk control.

## Weaknesses

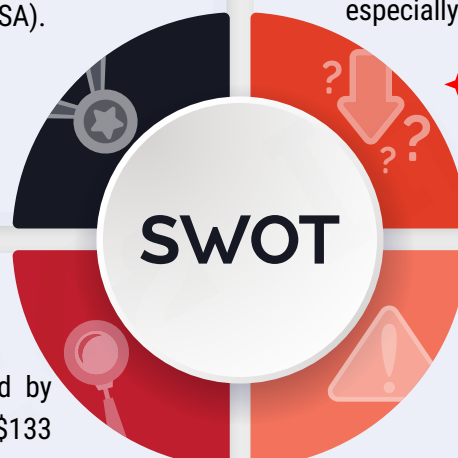
- ★ Revenue concentration risk with Policybazaar deriving 86% from insurance commissions and Paytm 56% from payment services, heightening exposure to segment-specific shocks.
- ★ Heavy dependence on third-party infrastructure – reliance on external payment networks, NBFCs, and service providers adds operational risk and compresses margins.
- ★ Rising regulatory burden – multi-regulator oversight (RBI, SEBI, IRDAI, PFRDA) increases complexity and compliance costs, especially for smaller firms.
- ★ Unsustainable zero-MDR model – UPI's zero merchant discount rate limits monetisation despite its rising dominance in digital payments.

## Opportunities

- ★ \$250 Bn fintech revenue potential by 2030, led by digital lending projected to hold a 53% share (\$133 Bn), fuelled by AI-driven underwriting and alternative credit scoring expanding reach to the underbanked.
- ★ Embedded finance growth as non-financial platforms integrate lending, insurance, and investment products within user journeys, unlocking new revenue streams and partnership models.
- ★ IPO-led liquidity momentum with 12 fintech listings in the pipeline, including InCred, Razorpay, PhonePe, and Navi Finserv, offering exits and fresh capital for expansion.
- ★ Wealth management democratisation – low equity participation (~5–7% vs 62% US) and demat account growth from 41 Mn to 192 Mn (36% CAGR) signalling vast untapped potential.

## Threats

- ★ Incumbents' digital pivot as banks launch digital-first offerings, leveraging balance-sheet strength, trust, and regulatory advantages to compete across payments, lending, and wealth.
- ★ Profitability under pressure as investors shift from growth-at-all-costs to sustainable unit economics, forcing trade-offs between market share and margins.
- ★ Intensifying regulatory scrutiny – Digital Lending Directions 2025, data localisation, and AI explainability rules raising compliance costs and operational friction.
- ★ Customer trust erosion – High-profile fraud cases (WazirX hack, Angel One data breach), data privacy concerns, and over-leveraging risks reducing consumer confidence in digital financial platforms.








# India's Fintech IPO Wave



Source: Inc42 Analysis  
Note: This infographic includes only companies listed on Indian stock exchanges.

# How India’s Listed Fintechs Are Performing

Metrics					
Market Cap	₹82,145 Cr	₹83,289 Cr	₹33,116 Cr	₹5,003 Cr	₹2,058 Cr
Market Cap At Listing	₹52,666 Cr	₹124,467 Cr	₹26,376 Cr	₹2,201 Cr	₹3,439 Cr
% Change	55%	-33%	26%	127%	-40%
P/E Ratio (TTM)	173x	N/A	68x	47x	N/A
Sales (FY25)	₹4,977 Cr	₹6,900 Cr	₹10,282 Cr	₹1,304 Cr	₹1,170 Cr
3-Year-CAGR (Sales)	52%	12%	35%	52%	30%
Profitable At Listing	No	No	Yes	Yes	Yes
Net Profit/Loss (FY25)	₹353 Cr	-₹663 Cr	₹425 Cr	₹88 Cr	-₹122 Cr
EBITDA Multiple	164x	N/A	N/A	41x	N/A
Sales per Rupee Spent	1.02	0.8	1.2	1.08	0.92

Source: Inc42  
Note: The stock market data is as of October 31, 2025. The Sales per Rupee Spent is calculated as (Total Sales/Total Expenditure). This metric indicates the revenue generated by the company for each rupee spent on expenses. For the companies which are currently loss-making, the P/E ratio has been excluded. For Digit Insurance, the sales figure indicates the Gross

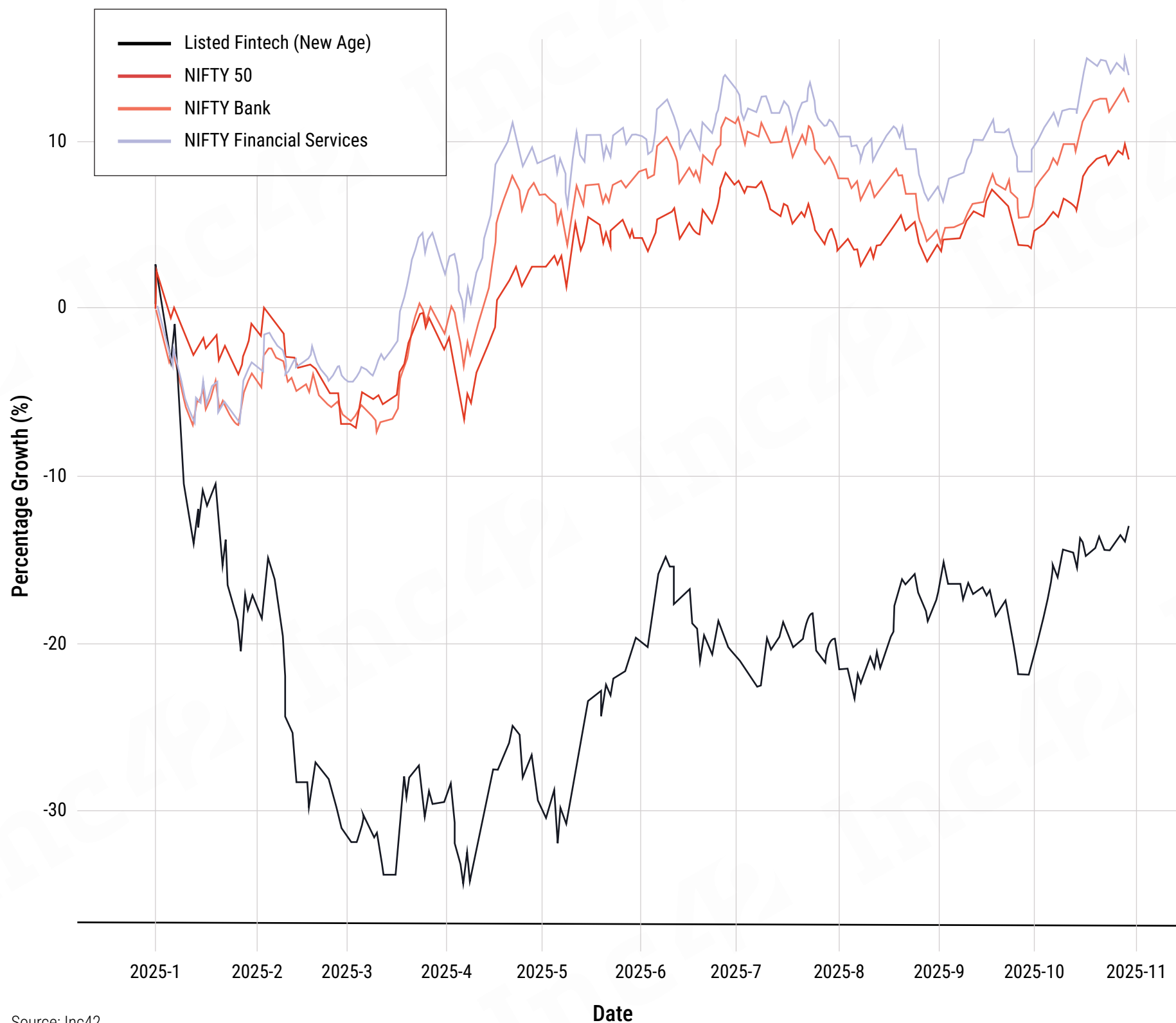
Metrics			
Market Cap	₹2,358 Cr	₹6,331 Cr	₹154 Cr
Market Cap At Listing	₹4,530 Cr	₹2,907 Cr	₹341 Cr
% Change	-48%	118%	-55%
P/E Ratio (TTM)	28x	26x	19x
Sales (FY25)	₹1,847 Cr	₹3,993 Cr	₹31 Cr
3-Year-CAGR (Sales)	22%	46%	21%
Profitable At Listing	Yes	Yes	Yes
Net Profit/Loss (FY25)	₹93 Cr	₹225 Cr	₹4 Cr
EBITDA Multiple	10x	20x	11x
Sales per Rupee Spent	1.05	1.06	1.28

Source: Inc42

Note: The stock market data is as of October 31, 2025. The Sales per Rupee Spent is calculated as (Total Sales/Total Expenditure). This metric indicates the revenue generated by the company for each rupee spent on expenses. For the companies which are currently loss-making, the P/E ratio has been excluded. For Digit Insurance, the sales figure indicates the Gross



# Listed Fintech Stocks Underperform Broader Market In 2025



Source: Inc42

Note: This slide presents the year-to-date return of the specified stocks and indices as of October 31, 2025. The 'Listed Fintech, Ecommerce, Real Estate Tech and Enterprise Tech Index' includes only mainboard-listed stocks, excluding SME stocks.

# Understanding Why The Listed Fintech Index Underperformed The Market

YTD Performance	
NIFTY Financial Services	14%
NIFTY Bank	12%
NIFTY 50	8.3%
Listed Fintech Index	-14%

YTD Performance	
Mobikwik	-56%
Zaggle	-32%
Infibeam Avenues	-25%
PB Fintech	-16%
FINO Payment Bank	-8%
Digit Insurance	10%
Paytm	32%

Correlation with NIFTY 50	
NIFTY Bank	0.95
NIFTY Financial Services	0.92
Listed Fintech Index	0.6

- ✦ Out of the seven stocks included in the Listed Fintech Index, five have posted negative year-to-date returns, leading to the index's underperformance relative to broader market benchmarks.
- ✦ This trend reflects multiple headwinds – including stricter digital lending regulations (such as DLD and DLG), a shift in investor sentiment toward profitability over rapid growth, and a slowdown in domestic consumption. The latter is influenced by macroeconomic factors such as inflation, unemployment, and modest income growth, collectively weighing on the sector momentum.

**Methodology:** The growth of the listed fintech sector is calculated by measuring the average percentage change in all included stocks, compared to their prices on 1 January 2025. (Refer to Methodology section for details).

Source: Inc42

Note: This slide presents the year-to-date return of the specified stocks and indices as of October 31, 2025.

The 'Listed Fintech Index' includes only mainboard-listed stocks, excluding SME stocks

# Ecommerce Stocks Outperforms Other New-Age Sectors In 2025



Source: Inc42

Note: This slide presents the year-to-date return of the specified stocks and indices as of October 31, 2025.

The 'Listed Fintech, Ecommerce, Real Estate Tech and Enterprise Tech Index' includes only mainboard-listed stocks, excluding SME stocks.

# Listed Ecommerce Stocks Outperform Broader Market & Tech Peers

YTD Performance	
Listed Ecommerce Index	26%
NIFTY 50	8.3%
Listed Fintech Index	-14%
Listed Enterprise Tech	-16%
Listed Real Estate Tech Index	-17%

- ★ The ecommerce sector has significantly outperformed both the broader market and other tech segments. The Listed Ecommerce Index delivered a 26% year-to-date return as of October 31, 2025, compared to a 8.3% gain for the NIFTY 50. This strong performance highlights investor confidence in digital commerce, even as other technology-led sectors lag.

Correlation with NIFTY 50	
Listed Fintech Index	0.60
Listed Ecommerce Index	0.40
Listed Enterprise Tech	0.37
Listed Real Estate Tech Index	Not available

- ★ The sector's low correlation with the broader market (0.40 vs 0.60 for fintech) points to its independent momentum. The 26% rally has been driven by sector-specific tailwinds such as festive demand, improved logistics, and profitability gains – indicating underlying business strength rather than broader market movements.

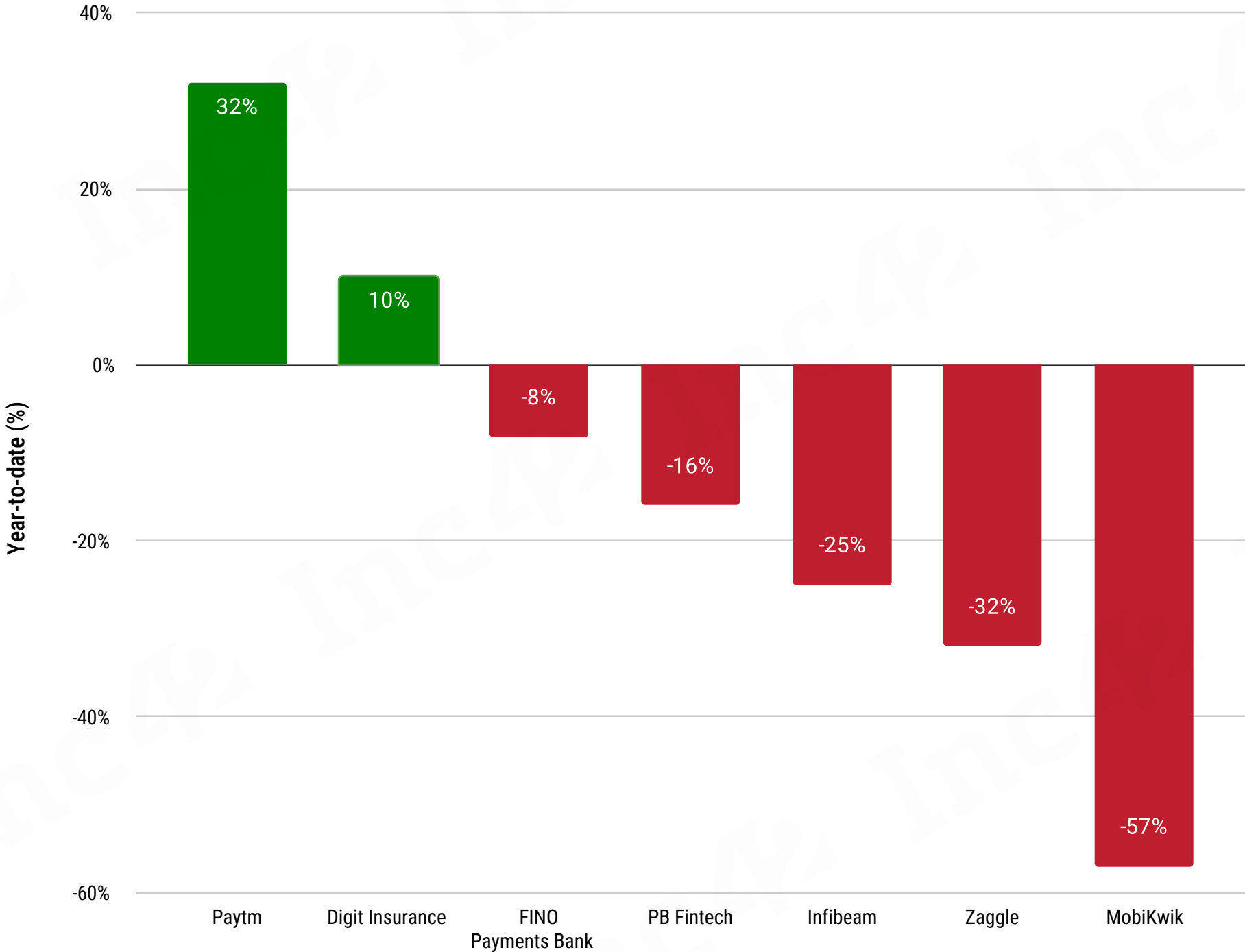
Source: Inc42

Note: This slide presents the year-to-date return of the specified stocks and indices as of October 31, 2025.

The 'Listed Fintech, Ecommerce, Real Estate Tech and Enterprise Tech Index' includes only mainboard-listed stocks, excluding SME stocks.

# Paytm Tops Fintech Chart, MobiKwik Trails The Pack

Even though its share price remains below listing levels, Paytm’s 32% rally made it the best-performing fintech stock of 2025



Source: Inc42 Analysis, NSE  
Note: This slide features year-to-date stock market data as of October 31, 2025.



# India's #1 Startup Intelligence Platform

Signals From News, Growth & People Moves — All In One View  
With Verified Data And 30+ Advanced Filters — At A Tenth Of Legacy Costs.

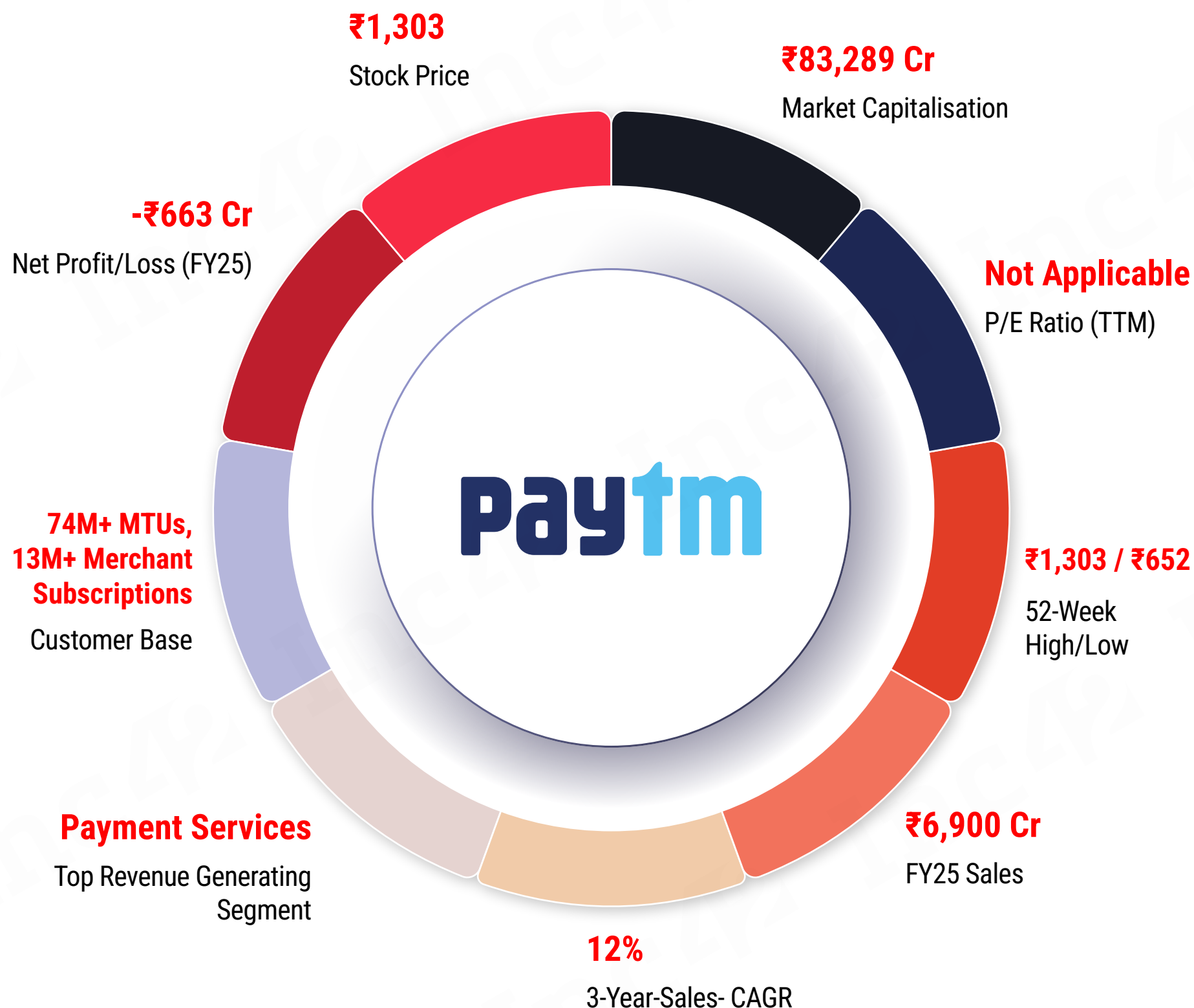
A screenshot of the Inc42 Datalabs web application interface. The interface is divided into several sections. On the left, there is a sidebar with a 'Companies' header and an 'Advanced Filter' section. The 'Advanced Filter' section includes a 'Suggested Searches' list with options like 'Hot Funded Early Startups', 'Early Fundraisers', 'Startups Founded In 2025', 'Tier-1 Early Startups', and 'Solo-Founded Startups'. Below this is a 'Signals' section with a plus icon. The main content area displays a list of startups. The first startup shown is 'SalezShark', which is highlighted with a red circle. The 'SalezShark' entry includes its logo, name, social media links, a tag 'Enterprise Tech', founder 'Ajay Chauhan', founding year '2014', location 'Herndon', and a description 'SalezShark offers CRM solutions with sales and marketing auto'. Below the description, it shows 'Funding Stage: Seed', 'Total Funding: \$2.00 Mn+', and 'Last Funding: 2015/10/19'. The second startup shown is 'Codebrahma', with founder 'Anand Narayan' and founding year '2012'. Below the company name, it shows 'Company Type: Bootstrapped' and 'Employee Count: 9' with a green arrow indicating a '+800%' increase 'Last 90d'. At the top of the main content area, there are buttons for 'Save Search', 'Export' (highlighted with a red box), and 'Sort By: H'. At the bottom of the interface, there is a red button with the text 'EXPLORE DATALABS'.



# One97 Communications (Paytm)

## A Deep Dive

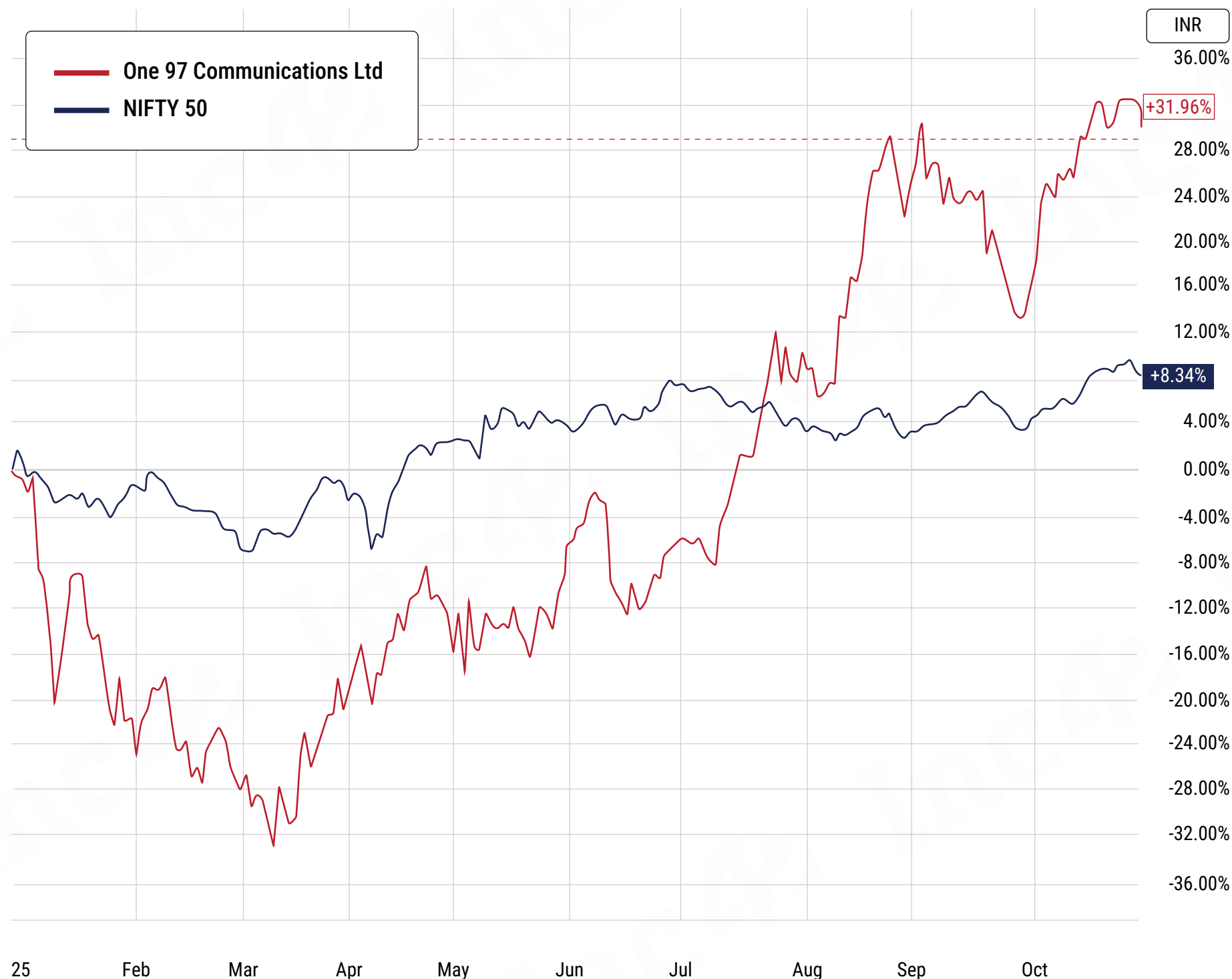
# Business Snapshot: Paytm (One97 Comm.)



Source: Inc42

Note: This slide features stock market data as of October 31, 2025.





# Paytm's Strong 2025 Performance: A 24-Point Lead Over NIFTY 50



Source: Inc42 Analysis, NSE

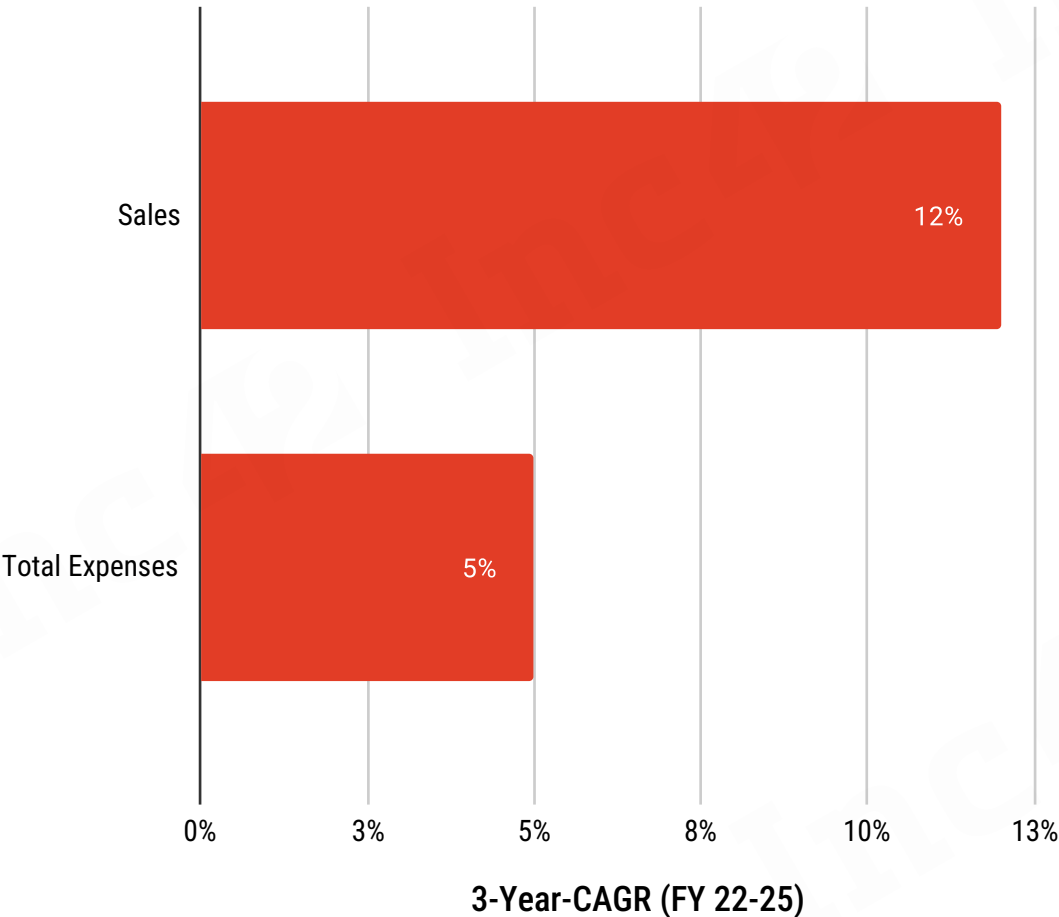
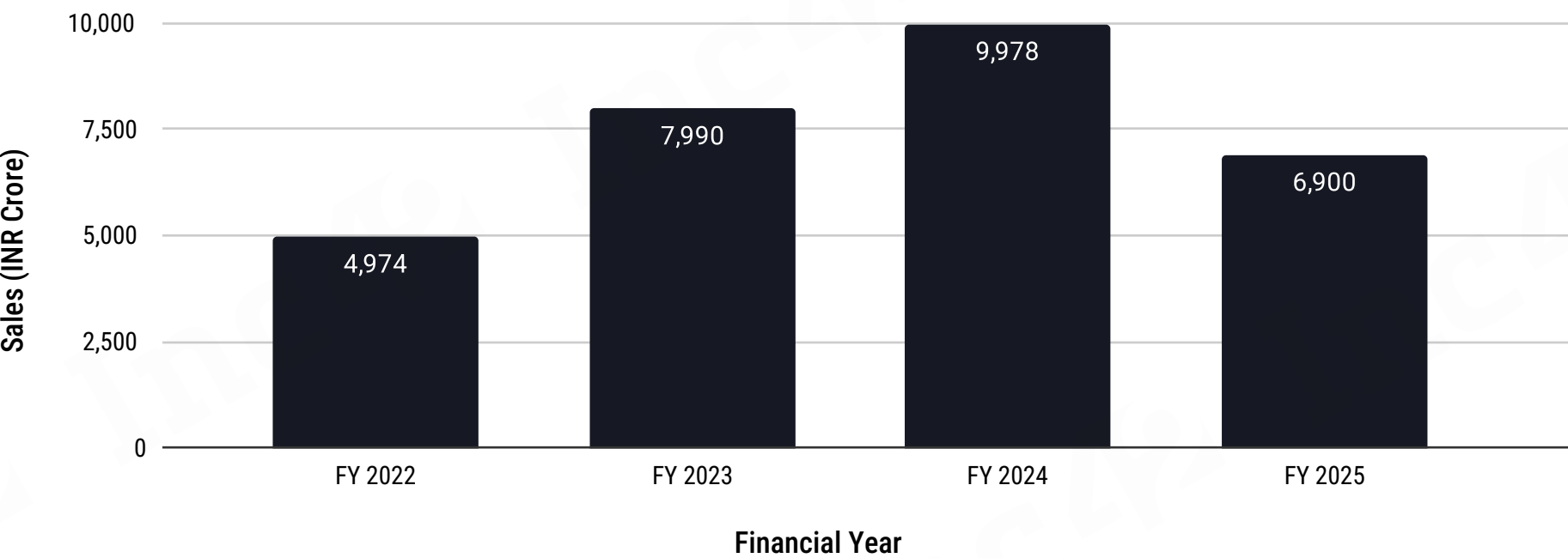
Note: This slide features year-to-date stock market data as of October 31, 2025.

# Competitor Analysis: Paytm Vs Others

Metrics				
Primary Business	Digital payments and financial services distribution	Digital payments and financial services distribution	Digital payments and financial services distribution	Digital payments and financial services distribution
UPI Market Share	7%	46%	35%	0.3%
Revenue Model	Payment Processing Margin (UPI, Cards, BBPS), Subscription Revenue (Merchant/Soundbox), Distribution Fees/Commissions (Insurance, Equity etc.)	Payment Processing Margin (UPI, Cards, BBPS), Subscription Revenue (Merchant/Soundbox), Distribution Fees/Commissions (Insurance, Equity etc.)	Payment Processing Margin (UPI, Cards, BBPS), Subscription Revenue (Merchant/Soundbox), Distribution Fees/Commissions (Personal loans, credit cards)	Payment Processing Margin (UPI, Cards, BBPS), Subscription Revenue (Merchant/Soundbox), Distribution Fees/Commissions (Personal loans, credit cards)
Sales (FY25)	₹6,900 Cr	₹7,115 Cr	Data Unavailable	₹1,170 Cr
YoY Sales Growth	-31%	41%	Data Unavailable	34%
Customer Segments	Consumers, Merchants, Financial Institution Partners	Consumers, Merchants, Financial Institution Partners	Consumers, Merchants, Financial Institution Partners	Consumers, Merchants, Financial Institution Partners
Product Mix	UPI, Wallet, Insurance, Equity, Gold, Bill Payments, Ticket Booking, Merchant Soundbox/PoS, Digital Lending	UPI, Wallet, Insurance, Equity, Gold, Bill Payments, Ticket Booking, Merchant Soundbox, Digital Lending	UPI, Gold, Bill Payments, Digital Lending	UPI, Wallet, Fixed Deposit, Gold, Bill Payments, Ticket Booking, Digital Lending, Merchant Soundbox/PoS

Source: Inc42  
Note: The UPI market share is as of September 2025 | This is not an exhaustive list of products and services, but an overview of key offerings

# Paytm: Financial Performance Overview

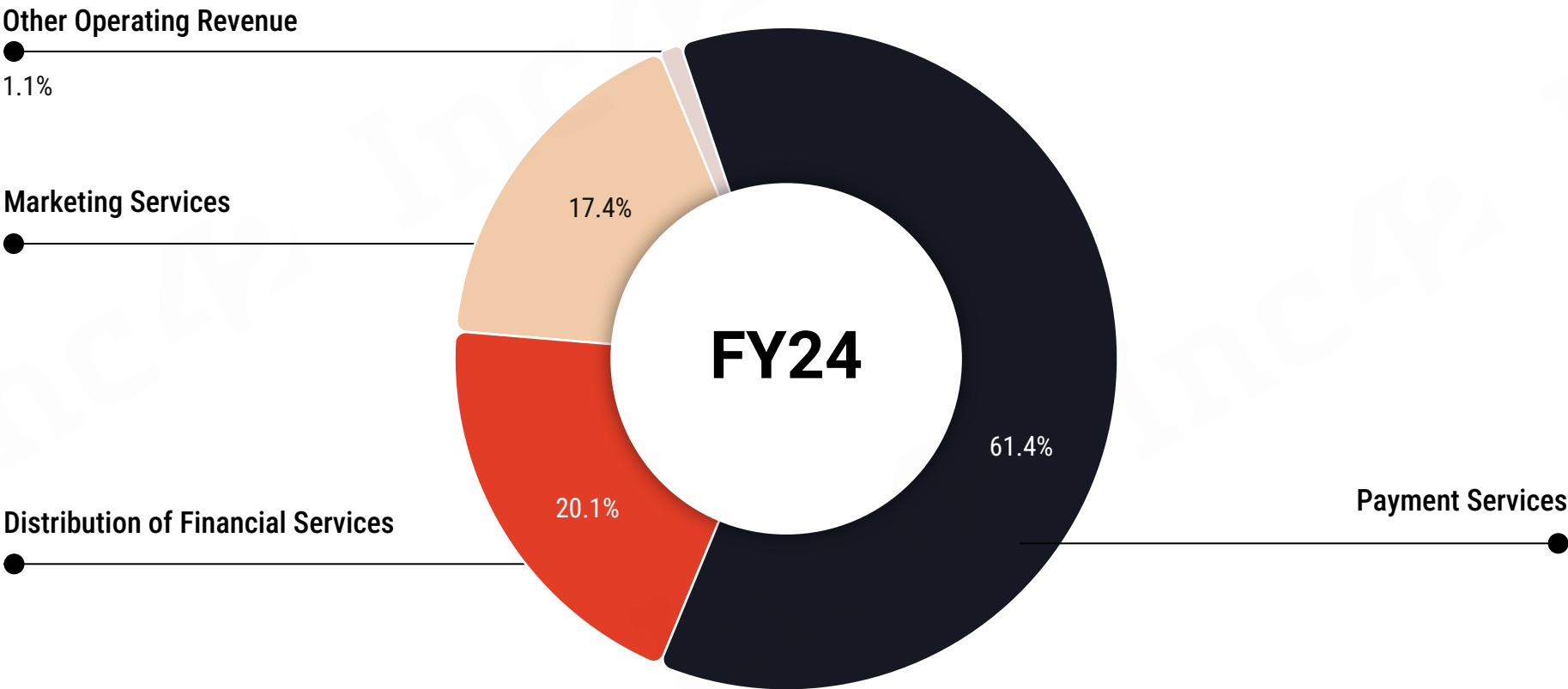
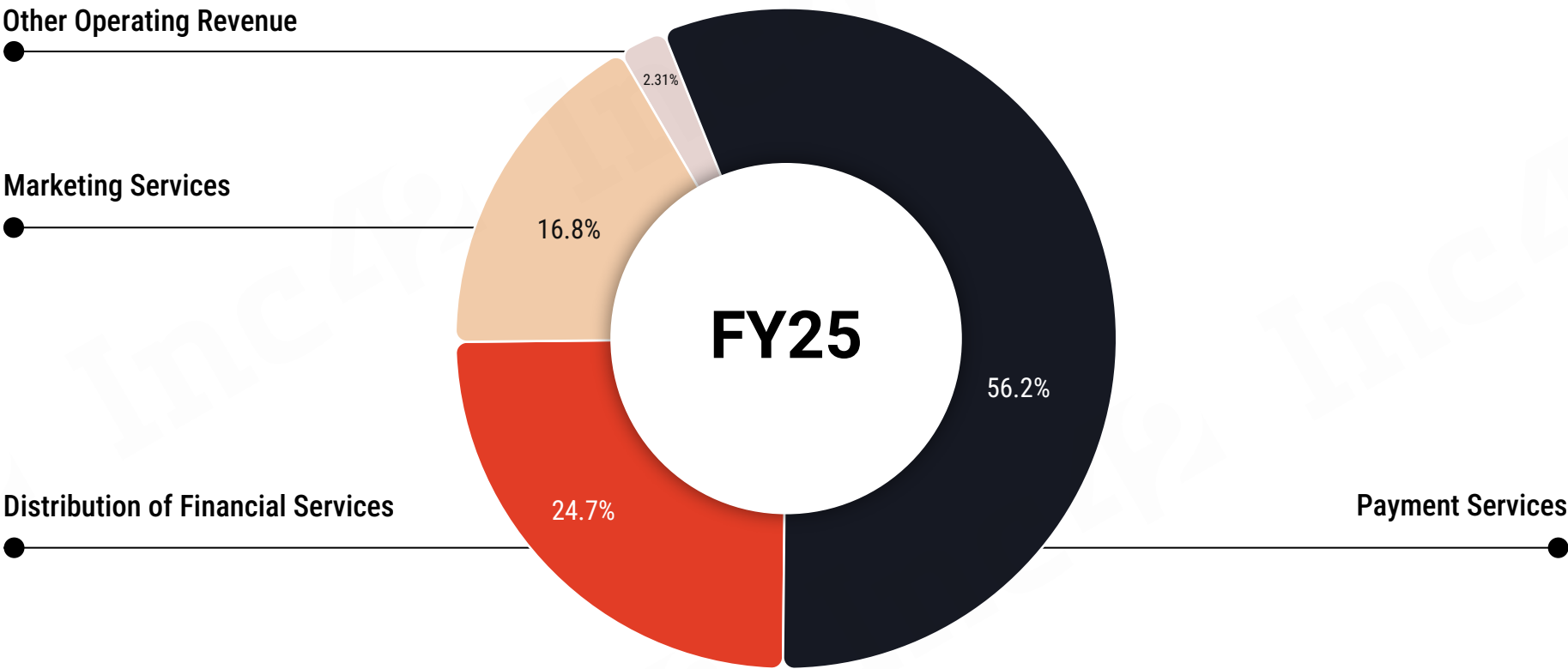


Paytm’s revenue fell 31%, from ₹9,978 Cr in FY24 to ₹6,900 Cr in FY25, driven mainly by a slowdown in its payment services business, which contributes the bulk of overall revenue.

## Key Drivers

- ★ **Payment Services:** Revenue dropped 37% YoY (₹6,128 Cr ₹3,879 Cr) following the shutdown of Paytm Payments Bank.
- ★ **Financial Services:** Revenue declined 15% (₹2,004 Cr ₹1,703 Cr) as the company paused postpaid products and reduced personal loans amid tighter risk norms and a cautious credit cycle.

# Paytm Revenue Mix FY25 Vs FY24

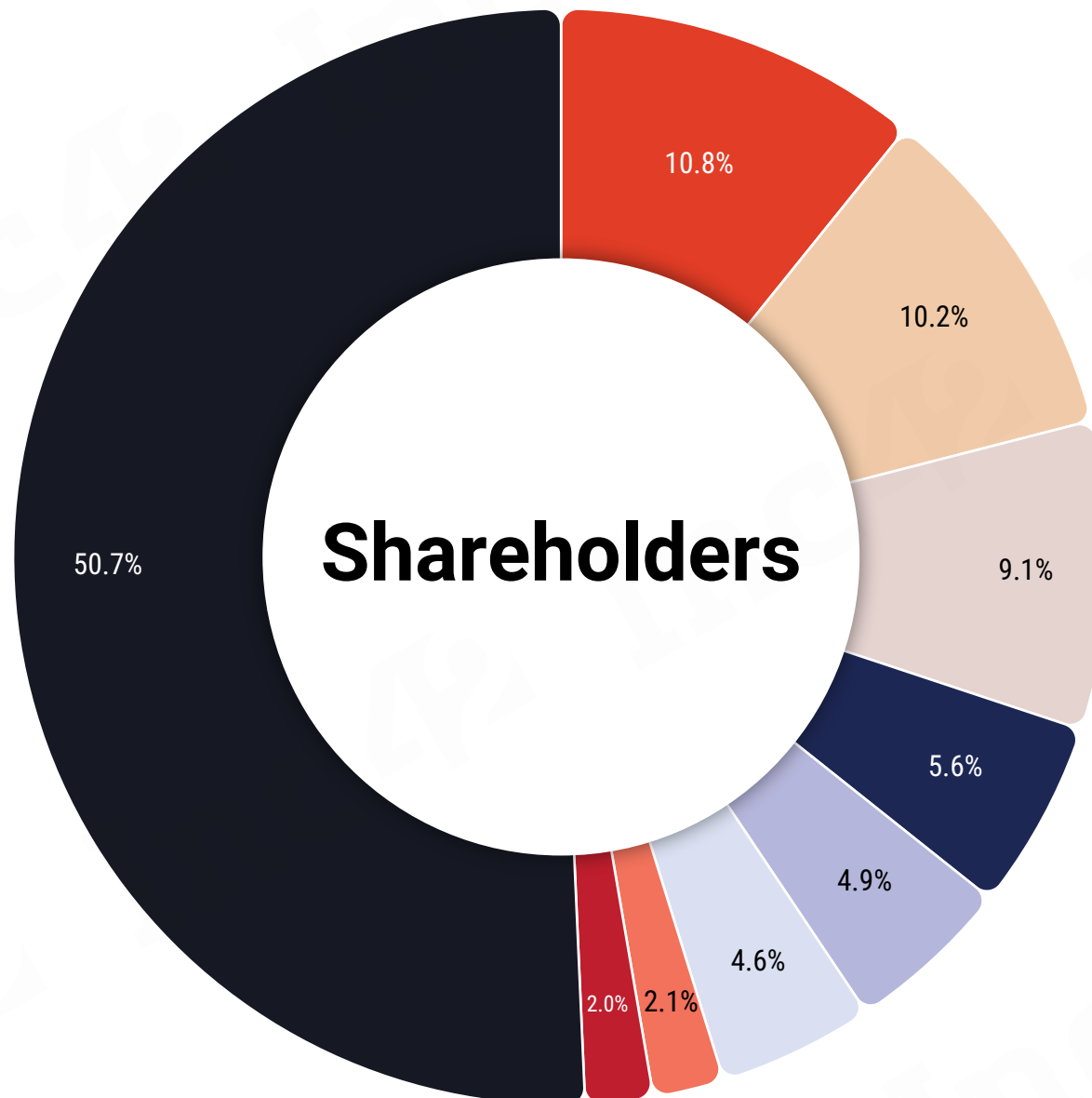


Source: Inc42 Analysis, Company Filings



# Paytm Shareholding Structure

Foreign institutional investors hold the largest stake (52%), followed by domestic institutional investors (20%)



● Saif III Mauritius Company Limited

● Motilal Oswal Midcap Fund

● Nippon India Growth Mid Cap Fund

● Resilient Asset Management BV

● Axis Trustee Services Limited

● Societe Generale - Odi

● Vijay Shekhar Sharma

● Saif Partners India IV Limited

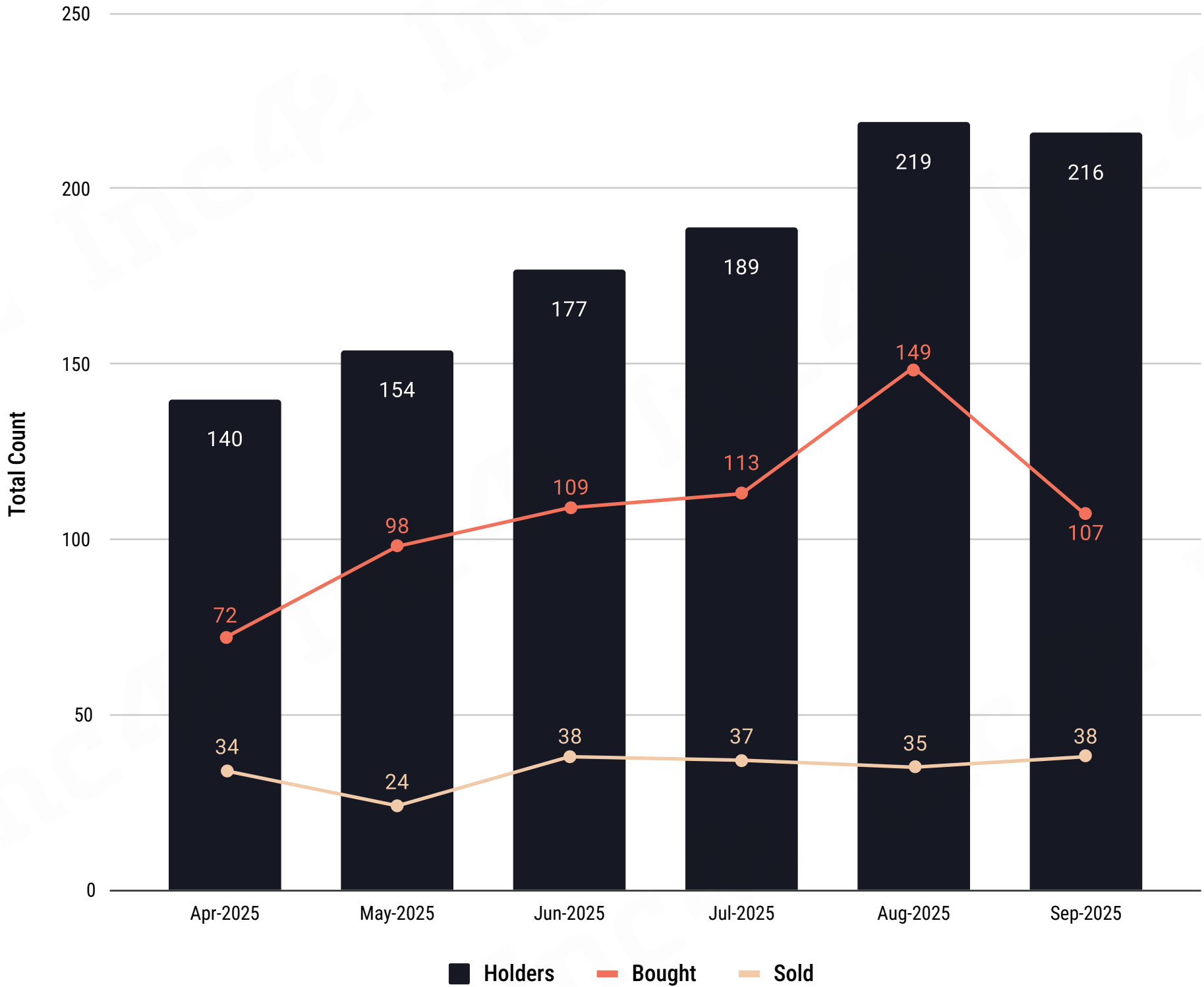
● Others

Source: Inc42 Analysis, Trendlyne

Note: This slide features data as of September 2025. Numbers are rounded to the nearest decimal

# Mutual Funds Maintain Strong Hold On Paytm

As of September 2025, mutual funds now own 16% of the company, compared to 8% last year (Sep 2024)



Source: Inc42 Analysis, Trendlyne  
Note: This slide features mutual fund bulk deal data as of September 2025.

# Paytm Growth Drivers & Headwinds

## Favourable Factors

India leads the world in digital payments, accounting for **48.5% of all real-time transactions** – offering Paytm a large and growing market.

Paytm has been an early adopter of AI, using it across platforms such as **Paytm ARMS** (merchant insights) and **Periscope** (fraud and risk detection).

It remains **one of the most recognised brands** in India's UPI ecosystem, even without leading in transaction volumes.

**Strong brand recall** can help Paytm expand deeper into **Tier II and III cities**, not only in payments but across its wider product ecosystem.

Paytm is **expanding into international markets**, particularly the **Middle East (UAE and Saudi Arabia)**, aiming for long-term, sustainable growth over the next three years.

## Key Risks

Paytm operates across several fintech segments – UPI, digital lending, and discount broking – but **does not lead in any of them**, limiting its market dominance.

Despite a strong brand and large merchant base, the company **lags key competitors in UPI processing**, suggesting lower customer stickiness and weaker platform loyalty.

The company **faced regulatory action** in March 2024 when the **RBI revoked Paytm Payments Bank's licence** for non-compliance, impacting core operations.

**Tighter data privacy and compliance norms** in India could increase regulatory costs and operational complexity going forward.

Between FY22 and FY25, **expenses grew at 4.5% CAGR**, nearly matching sales growth of 12%. With international expansion underway, costs may rise further in the near term.

# Inside Paytm's AI-First Strategy

**AI-First Business Approach:** Paytm has positioned AI as a core investment integrated across its platform. This approach aims to accelerate product development, enhance risk management, and improve profitability, reinforcing the company's commitment to an AI-first operating model.

**Automated Merchant Lifecycle Management:** Through its in-house platform **Paytm ARMS**, the company uses AI to automate key merchant processes such as onboarding, segmentation, pricing, and retention – improving efficiency and personalisation at scale.

**Conversational AI Agents:** AI powers 24/7 multilingual virtual agents that assist both merchants and consumers. These systems deliver real-time, context-aware support, improving customer experience and service consistency across channels.

**AI-Driven Cross-Selling:** Paytm uses **Paytm ARMS** to analyse behavioural and transaction data, identifying high-potential merchants for cross-sell opportunities. Precise audience segmentation and targeting improve marketing efficiency, boost conversion rates, and lower acquisition costs.

**AI-Powered Fraud and Risk Management:** The company's proprietary engine **Periscope** uses AI and machine learning to detect anomalies in real time. Continuous monitoring enables early fraud detection and proactive intervention, helping minimise losses and maintain transaction integrity.

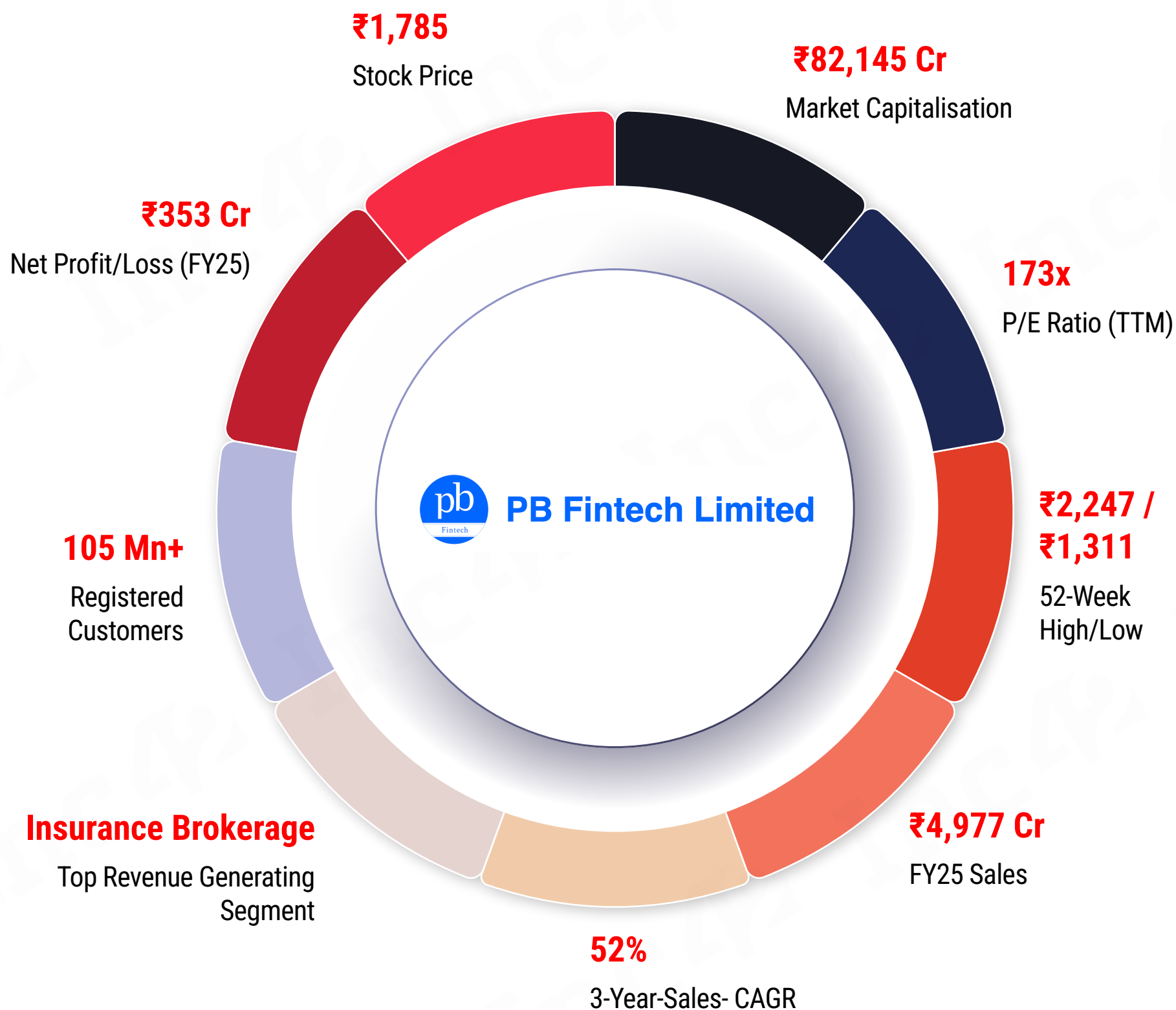
Source: Inc42 Analysis

Note: The details regarding the company's organisational strategy are sourced from the Management Discussion and Analysis section of the FY25 Annual Report.

# PB Fintech (Policybazaar)

## A Deep Dive

# Business Snapshot: PB Fintech

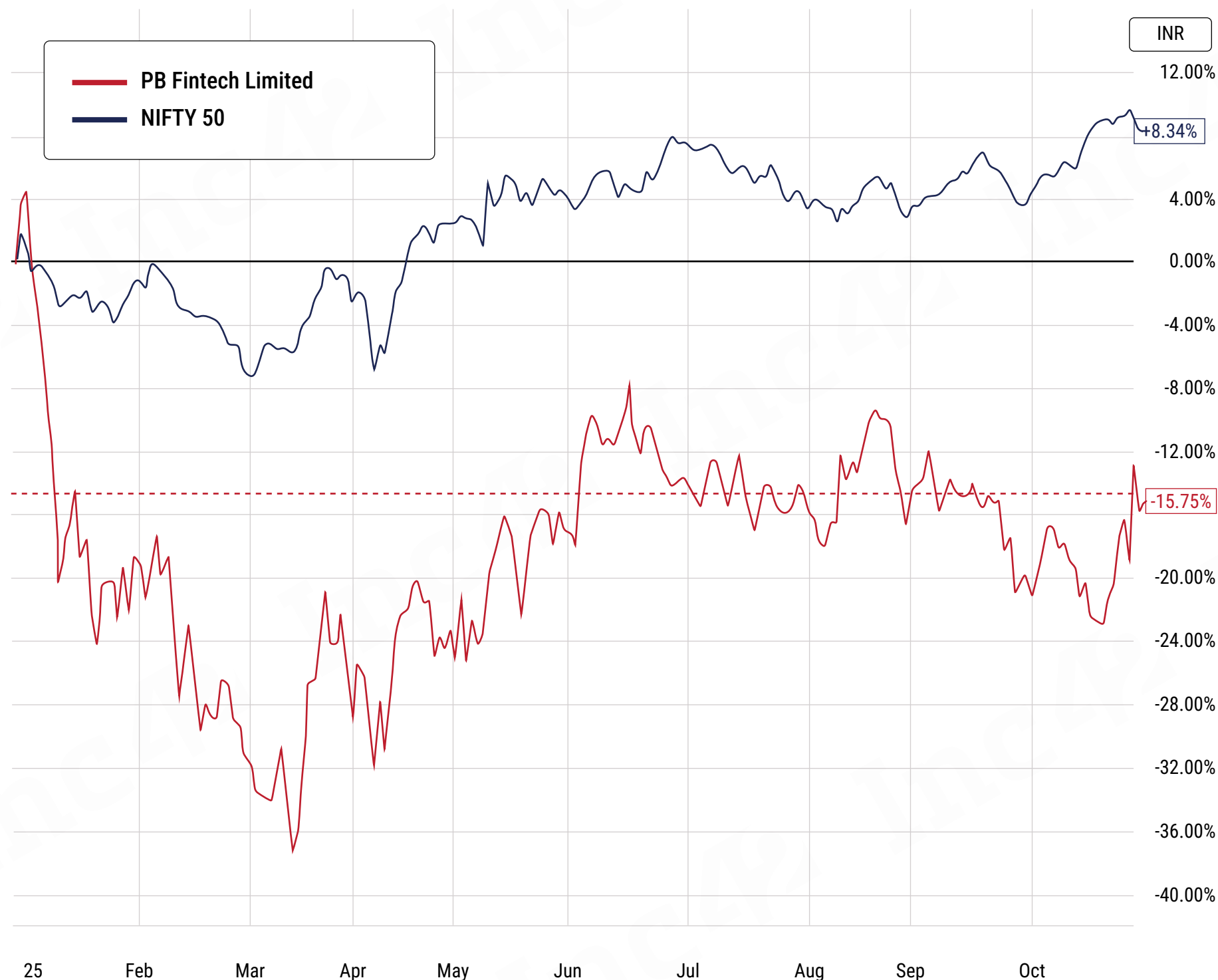


Source: Inc42

Note: This slide features stock market data as of October 31, 2025.



# PB Fintech's (Policybazaar) Stock Dips 16% YTD, Underperforming NIFTY 50



Source: Inc42 Analysis, NSE

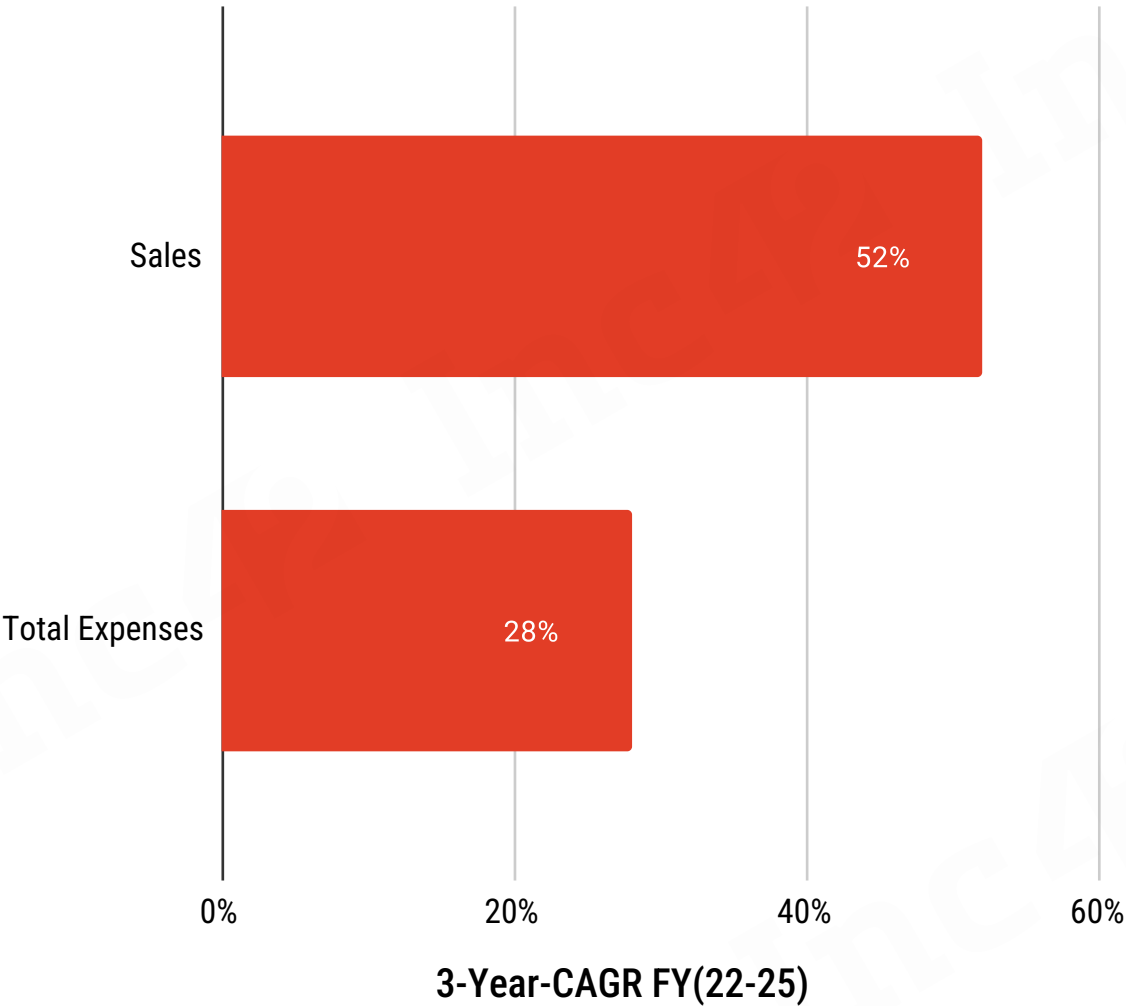
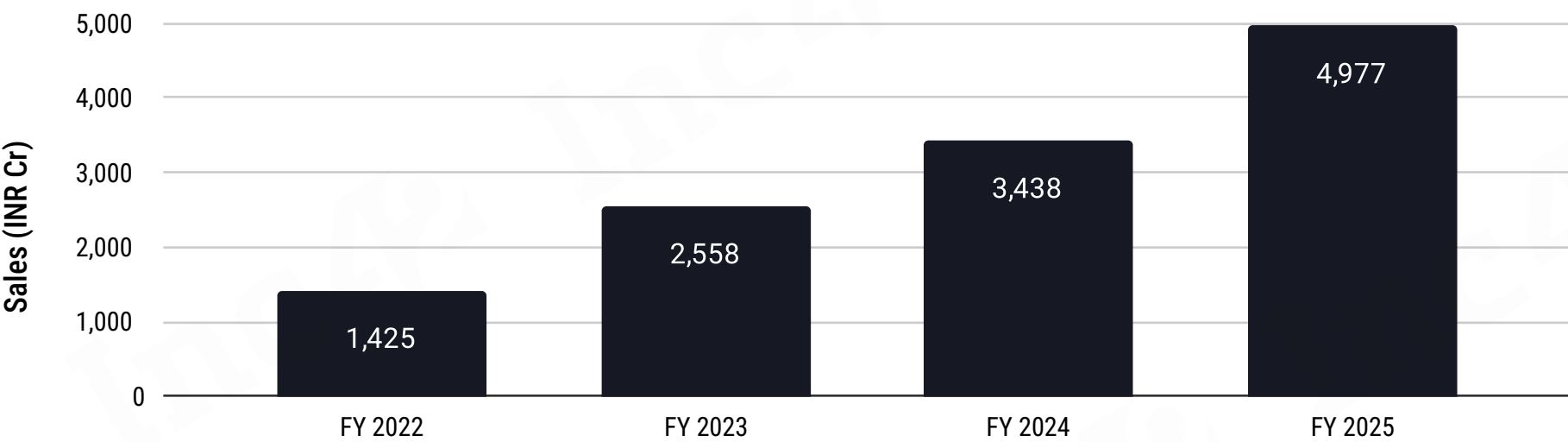
Note: This slide features year-to-date stock market data as of October 31, 2025.

# Competitive Analysis: Policybazaar Vs Other Digital Insurance Brokers

Metrics				
Primary Business	Insurance Broker Services (Licensed By IRDAI)	Insurance Broker Services (Licensed By IRDAI)	Insurance Broker Services (Licensed By IRDAI)	Insurance Broker Services (Licensed By IRDAI)
Market Share	93% (insurance)	Data Unavailable	Data Unavailable	Data Unavailable
Revenue Model	Commission-Based From Insurance Partners	Commission-Based From Insurance Partners	Commission-Based From Insurance Partners	Commission-Based From Insurance Partners
Sales (FY25)	₹4,278 Cr	Data Unavailable	₹1,290 Cr	Data Unavailable
YoY Sales Growth	79%	Data Unavailable	74%	Data Unavailable
Customer Segments	Individual Consumers, SMBs, Corporates	Individual Consumers	Individual Consumers, SMBs, Corporates	Individual Consumers
Product Mix	Individual Consumers, SMBs, Corporates	Individual Consumers	Individual Consumers, SMBs, Corporates	General Insurance

Source: Inc42 Analysis, Secondary Sources  
Note: For InsuranceDekho, the standalone financial statement has been considered.  
Since the insurance segment accounts for over 80% of PB Fintech’s revenue, this comparison focuses solely on this segment

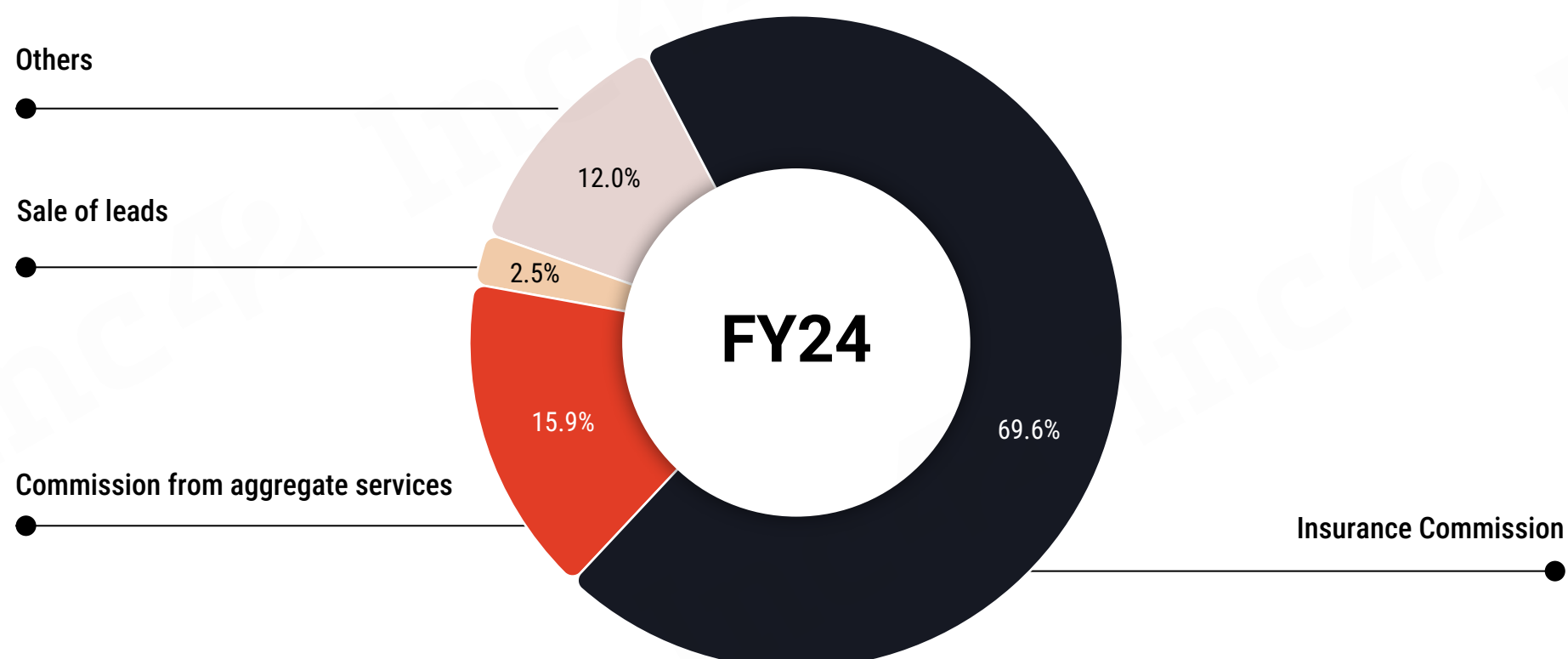
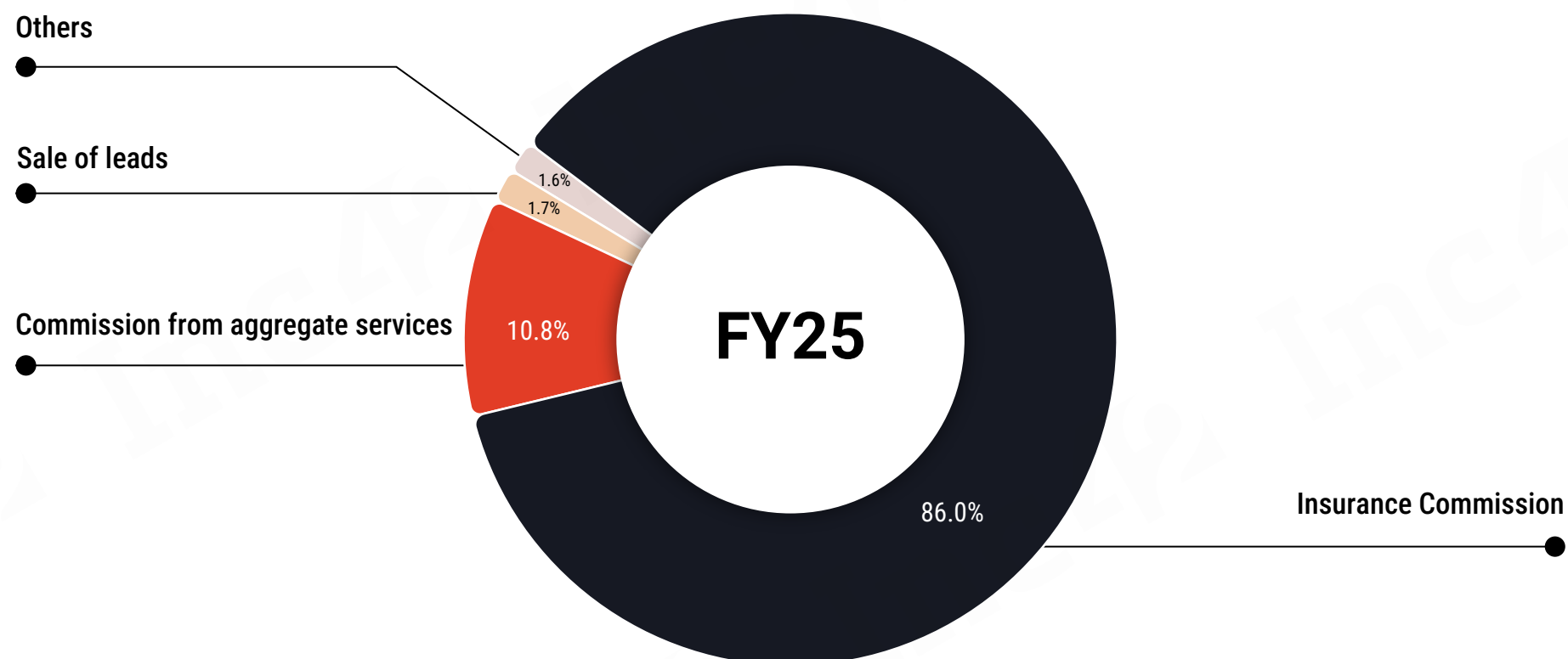
# Policybazaar Sales Growth & Revenue Composition



- ★ **Rapid Revenue Growth:** Policybazaar's revenue rose from ₹1,425 Cr in FY22 to ₹4,977 Cr in FY25, registering a CAGR of 52%. The strong topline expansion reflects sustained scaling and market traction over the three-year period.
- ★ **Rising Dependence on Insurance Commissions:** The insurance commission segment contributed ~86% of total revenue in FY25 (₹4,278 Cr), up from ~70% in FY24 (₹2,393 Cr). This increase highlights Policybazaar's growing reliance on its core brokerage business and deeper penetration in insurance distribution.
- ★ **Growing Net Profits:** PB Fintech reported net profits worth ₹353 Cr in fiscal year 2025 which was more than five times higher than the previous year. Indicating the company's commitment towards sustainable and profitable growth.

Source: Inc42 Analysis, Company Filings

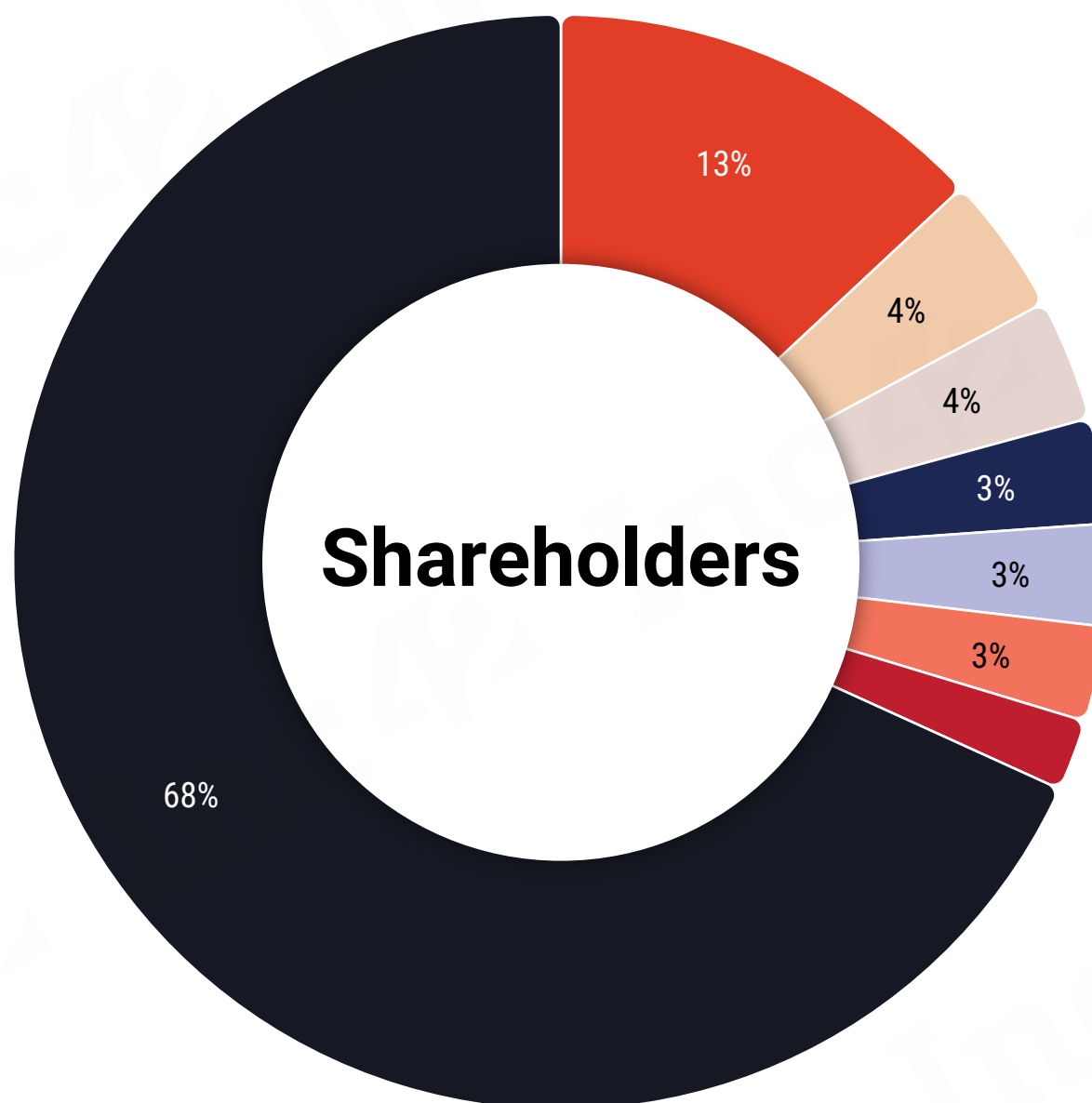
# Policybazaar Revenue Mix FY25 Vs FY24



Source: Inc42 Analysis, Company Filings

# Policybazaar Shareholding Structure

Foreign institutional investors (47%) are the largest shareholders, followed by domestic institutional investors (23%)



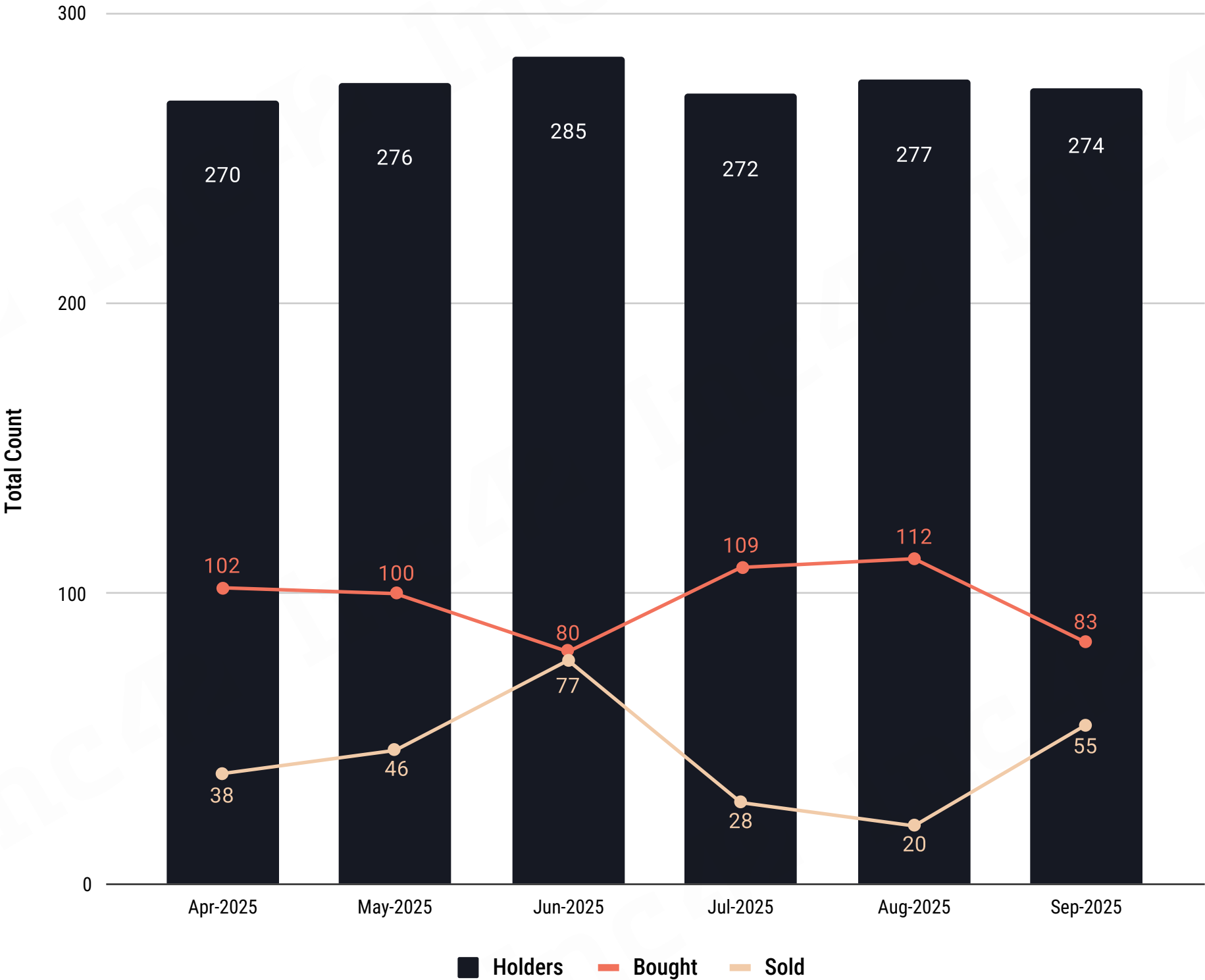
- Makesense Technologies Limited
- Diphda Internet Services Limited
- Yashish Dahiya
- New World Fund Inc
- Nps Trust- A/C SBI Pension Fund Scheme - State Govt
- Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Midcap Fund
- Tencent Cloud Europe B.V.
- Others

Source: Inc42 Analysis, Trendlyne

Note: This slide features data as of June 2025. Numbers are rounded to the nearest decimal.

# Mutual Fund Ownership Remains Consistent In PB Fintech

Mutual funds collectively account for around 15–17% ownership in the company



Source: Inc42 Analysis, Trendlyne  
Note: This slide features mutual fund bulk deal data as of September 2025.

# Policybazaar Strengths & Key Risks

## Favourable Factors

Commands **93% share in online insurance** and **54% in digital credit**, cementing market leadership.

**Benefits from lower GST** on health and term insurance premiums, driving affordability.

**Supported by India's digital stack** (UPI, Aadhaar, CKYC) enabling scale and seamless onboarding.

**Investments in AI** strengthen customer analytics, fraud detection, and operational efficiency.

Evolved into a **full-stack insurance provider**, offering digital and assisted solutions.

## Key Risks

**Rising competition** from digital-first insurers and incumbents expanding online channels.

**Stricter compliance norms** (KYC, AML, data localisation) may increase regulatory costs.

**Legal and reputational risks** linked to FY25 notices from tax and GST authorities.

**Higher operating costs** from expansion into physical distribution.

**Tightening data privacy laws** likely to elevate compliance burden further.



# Decoding PB Fintech's AI Strategy

**Hyper-Personalisation At Scale:** Using advanced AI, the company analyses real-time customer data to tailor outreach, simplify journeys, and deliver over 500K hyper-personalised interactions daily. Each touchpoint is customised by location, demographics, and policy stage – improving purchase intent by 20% and translating engagement into measurable conversions.

**AI-Driven Fraud Detection:** AI and deep learning models identify forged documents, behavioural anomalies, and mismatches between call disclosures and proposal forms. In the life insurance segment alone, 11% of cases are flagged for potential fraud, strengthening risk controls and operational integrity.

**Real-World Impact Of AI:** AI-led systems now influence 5% of credit card issuances and 3% of business loan disbursements, demonstrating tangible business outcomes from tech-driven personalisation.

**AI-Powered Call Quality Assurance:** The company's Automated Speech Recognition (ASR) platform reviews 100% of customer calls for compliance and quality. Trained on domain-specific data and Hinglish models, it detects mis-selling risks, evaluates sentiment, and captures best practices to improve advisor performance.

**AI In Motor Claims Processing:** AI-enabled video inspections allow customers to submit short clips of vehicle damage via the app. Real-time analysis accelerates claim approvals and detects fraudulent cases, ensuring faster turnaround and higher claims accuracy.

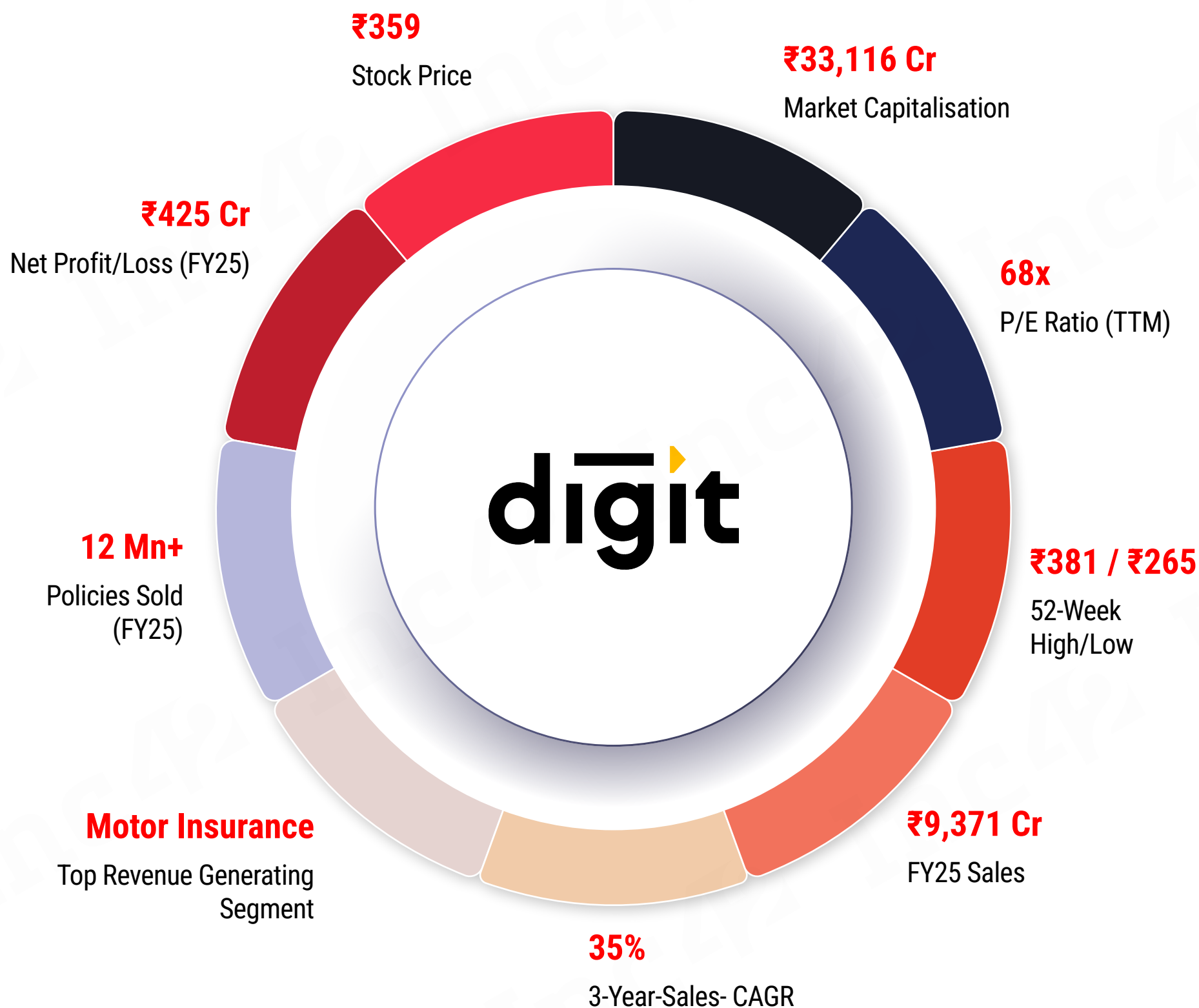
Source: Inc42 Analysis

Note: The details regarding the company's organisational strategy are sourced from the Management Discussion and Analysis section of the FY25 Annual Report.

# Digit Insurance

## A Deep Dive

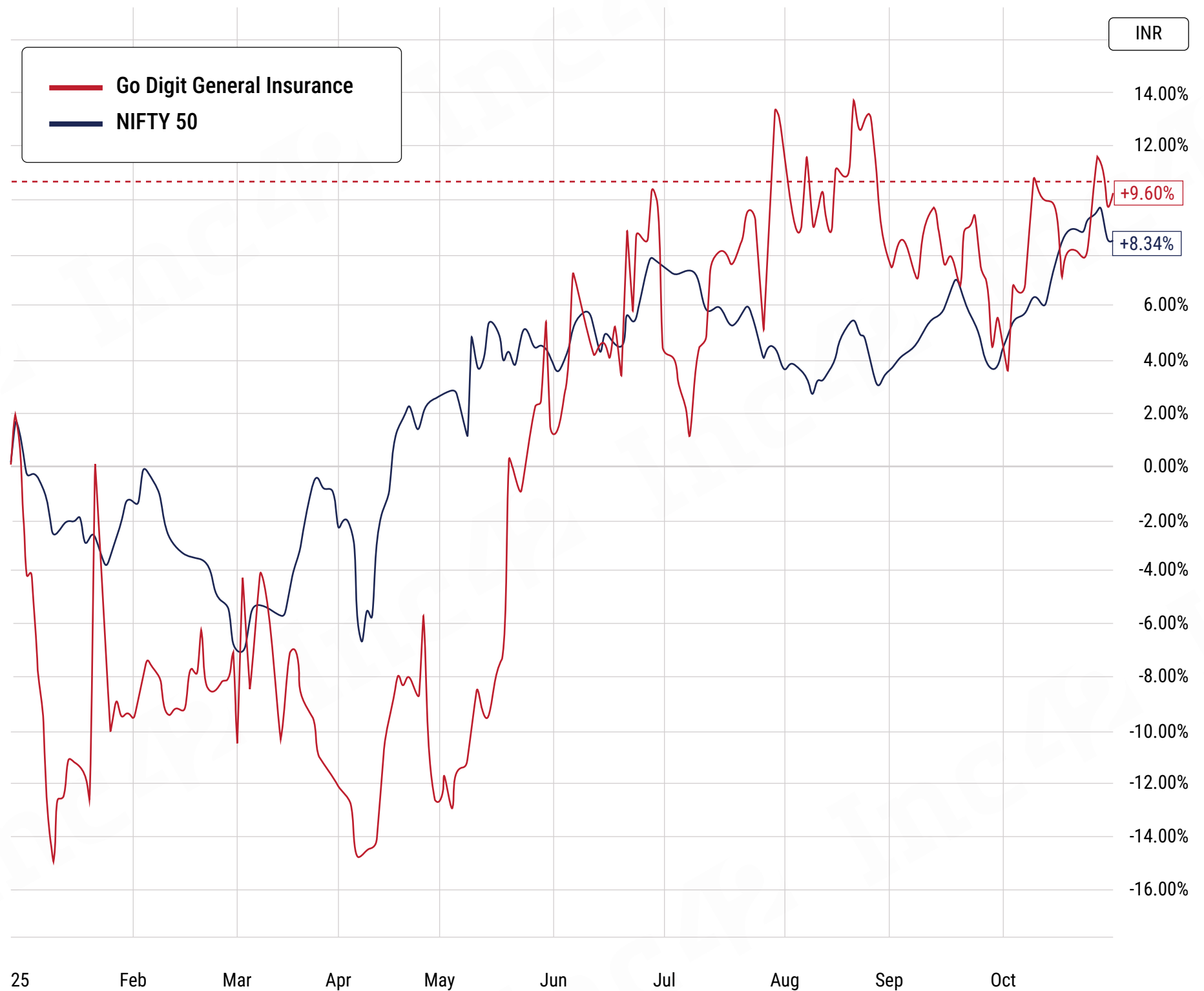
# Business Snapshot: Digit Insurance



Source: Inc42

Note: This slide features stock market data as of October 31, 2025.

# Digit Insurance Rises 10% YTD, Surpassing NIFTY 50



Source: Inc42 Analysis, NSE

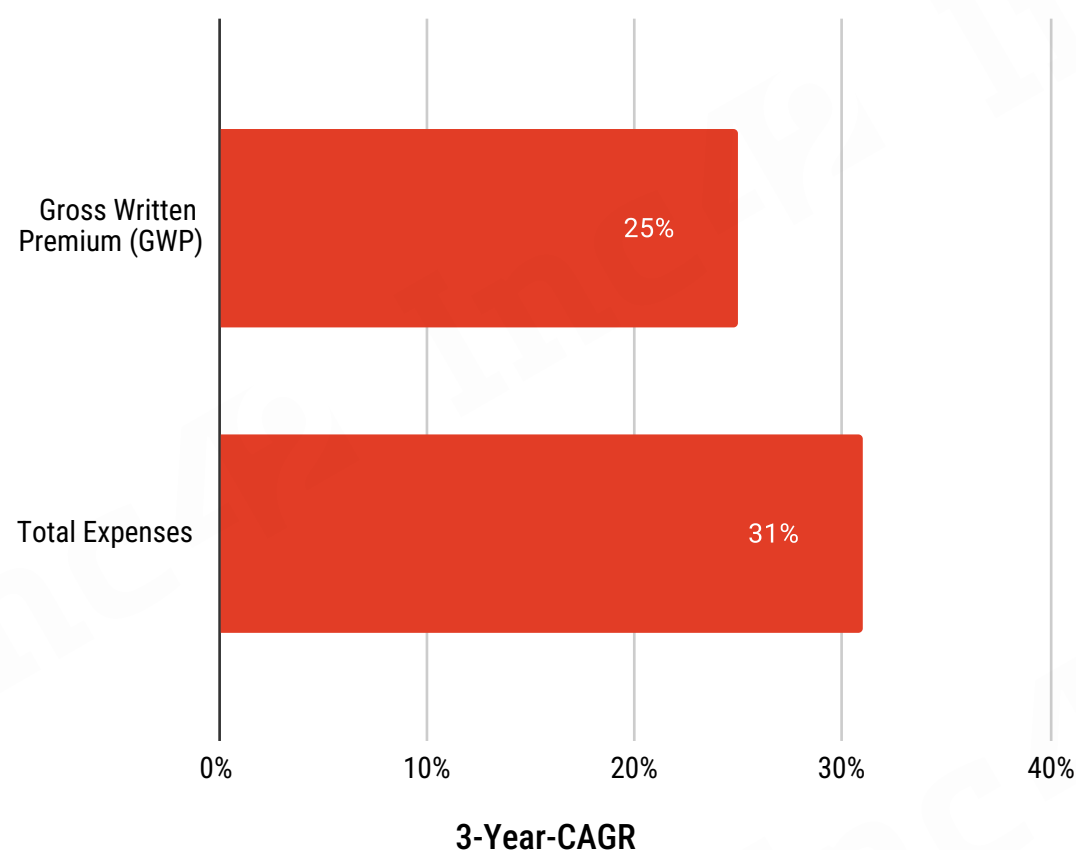
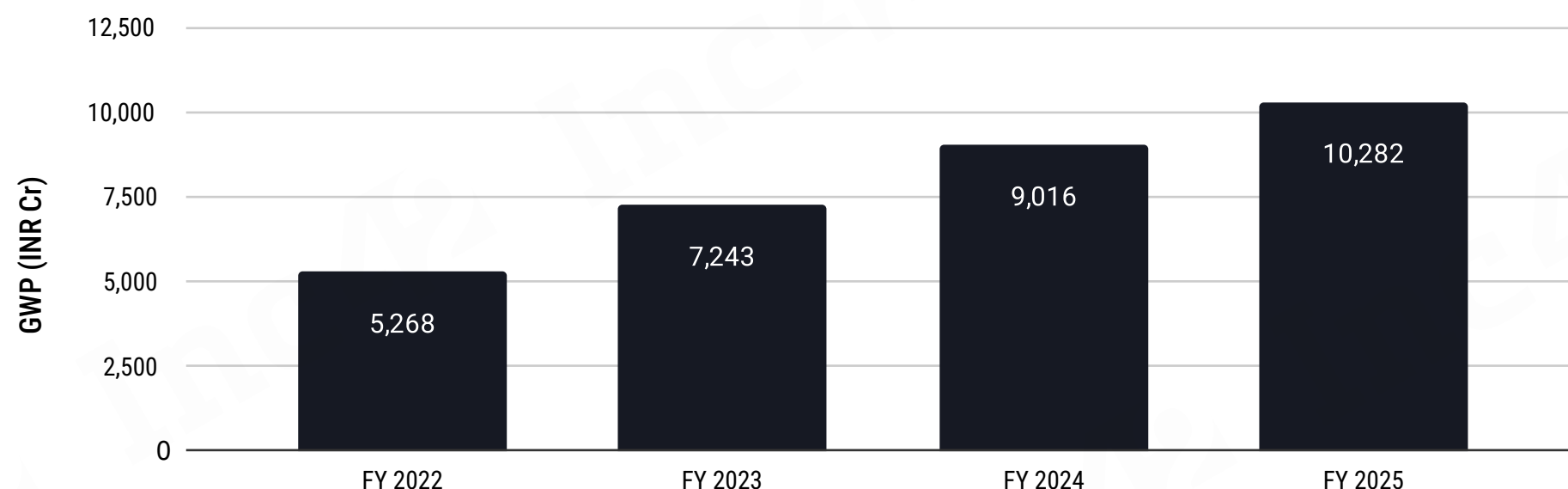
Note: This slide features year-to-date stock market data as of October 31, 2025.

# Competitive Analysis: Digit Insurance Vs Others

Metrics				
Primary Business	Digital-first general insurance provider	Digital-first general insurance provider	Established general insurance with strong retail and corporate presence	Established general insurance with strong retail and corporate presence
Market Share (General Insurance)	3%	0.7%	9%	7%
Revenue Model	Premium collection	Premium collection	Premium collection	Premium collection
GWP (FY25)	₹10,282 Cr	Not Available	₹26,833 Cr	₹21,583 Cr
YoY Sales Growth	14%	Not Available	8%	5%
Customer Segments	20 and 45 years (digital first)	20 and 45 years (digital first)	18-60 years (Broad age spectrum)	18-60 years (Broad age spectrum)
Top Selling Product	Motor Insurance	Motor Insurance	Motor Insurance	Motor Insurance

Source: Inc42 Analysis, Secondary Sources  
Note: This table presents the Gross Written Premium (GWP) solely for the general insurance operations of the companies.  
Market share data is based on General Insurance Council (GIC) data as of September 2025.

# Digit Insurance Sales Growth & Revenue Composition

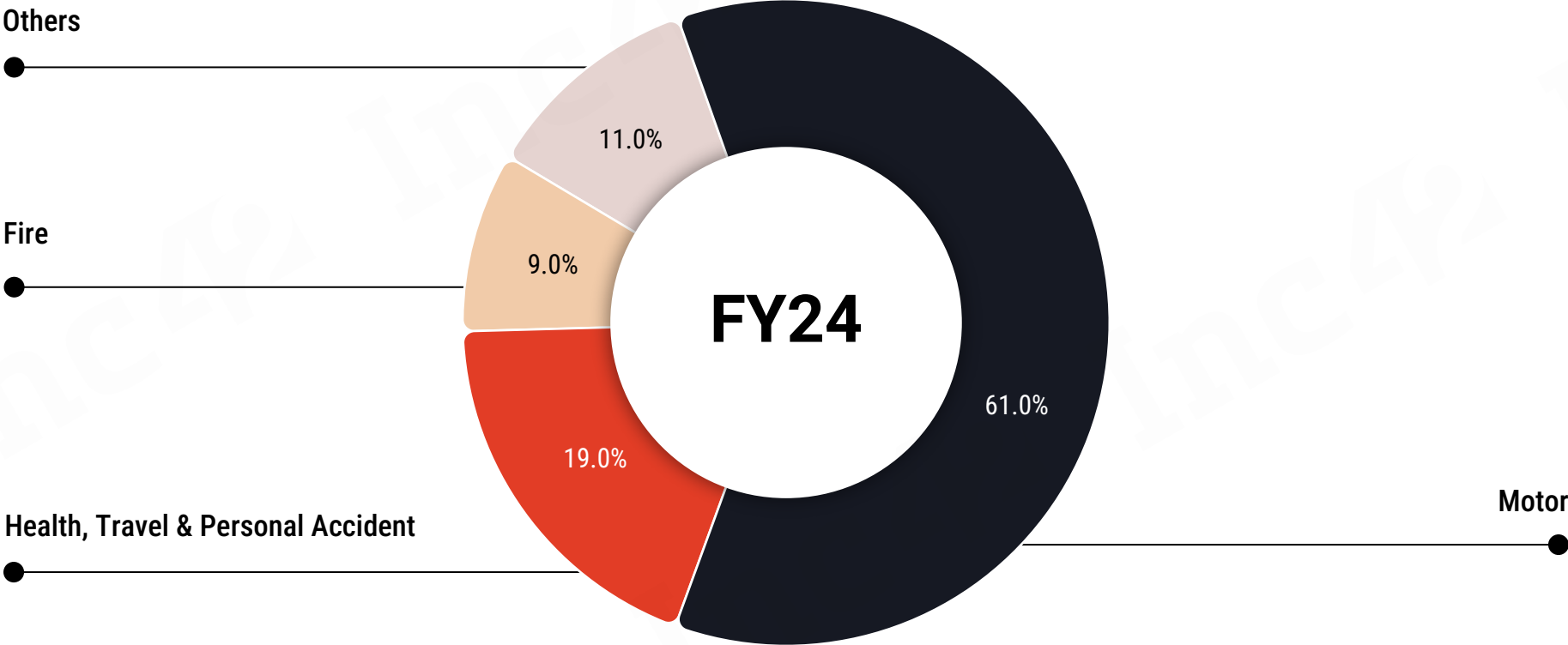
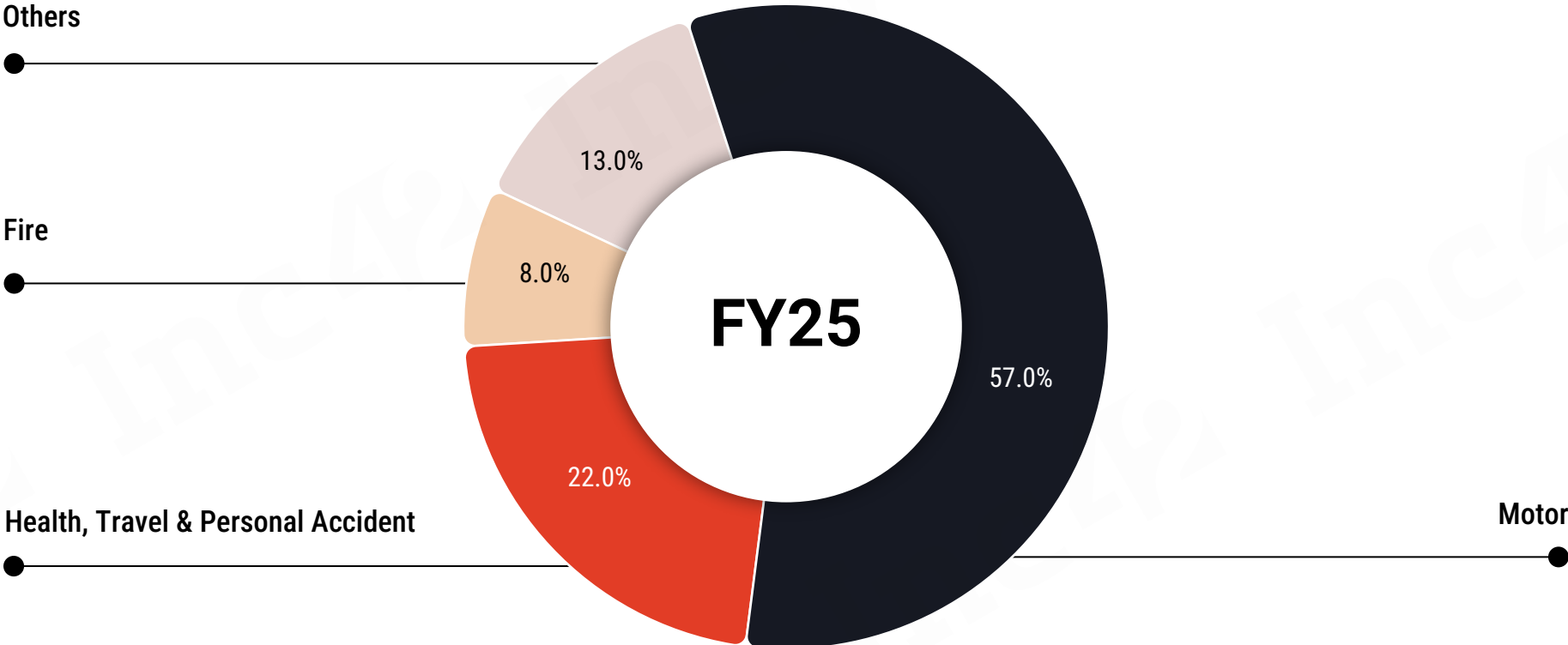


- ★ Digit Insurance recorded an annual GWP of ₹10,282 Cr in FY25, which is 14% higher than last year and 95% higher than fiscal year 2022.
- ★ The company recorded a profit (after tax) worth ₹425 Cr in FY25 which was more than 2.3x higher than ₹182 Cr last year (FY24).
- ★ These figures indicate business growth and improved profitability. However, the company's 3-year CAGR in total expenses (31%) is higher than GWP growth (25%). If expense growth continues to exceed revenue growth, future financial efficiency may be affected. It will be important to monitor and manage costs to maintain profitability over the long term.

Source: Inc42 Analysis, Company Filings

Note: Gross Written Premium (GWP), which measures the total amount of premiums collected from policyholders during a specific period before any deductions.

# Digit Insurance Revenue Mix FY25 Vs FY24

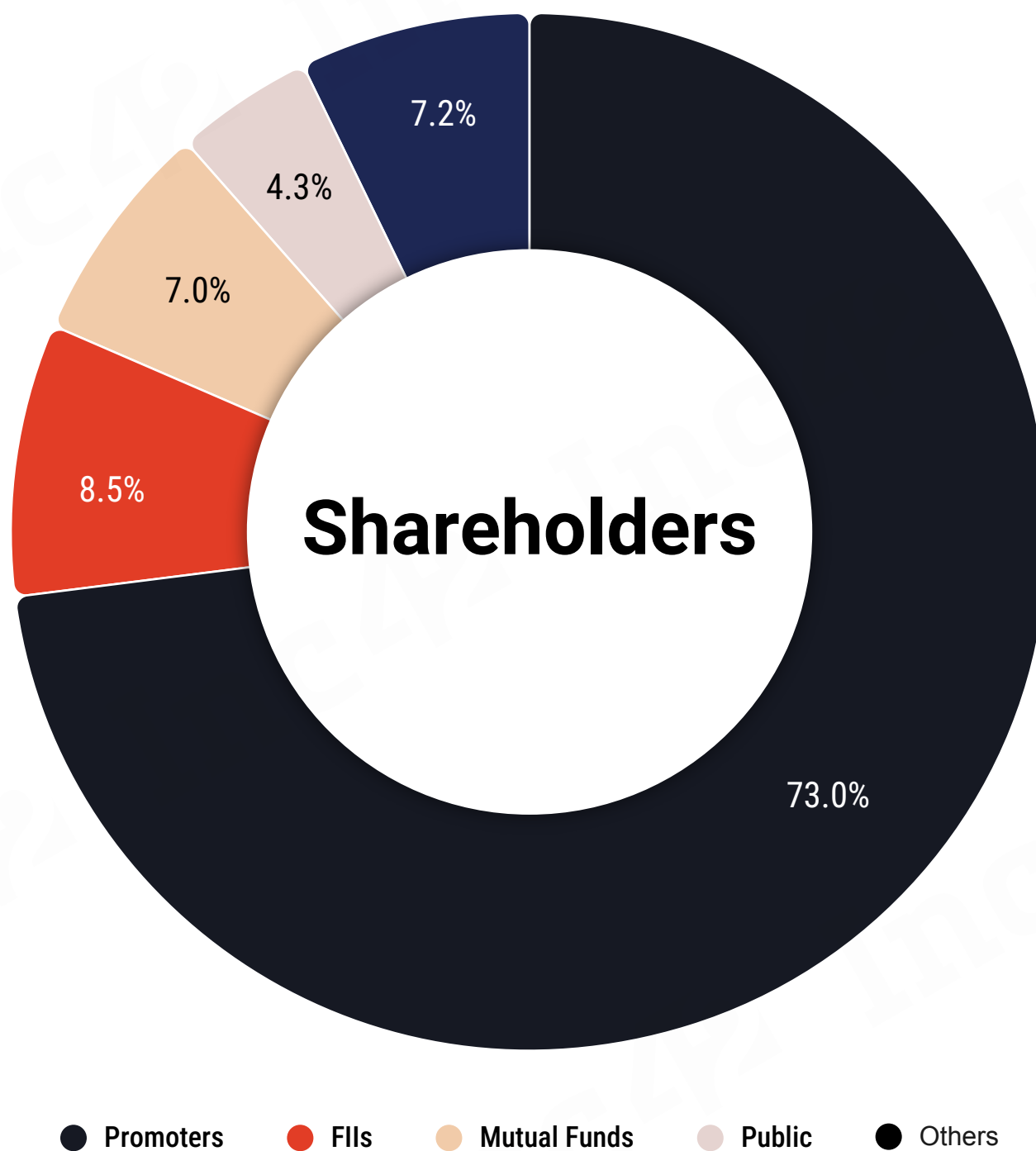


Source: Inc42 Analysis, Company Filings



# Digit Insurance Shareholding Structure

Promoters hold approximately three fourths of the company, followed by foreign institutional investors and mutual funds

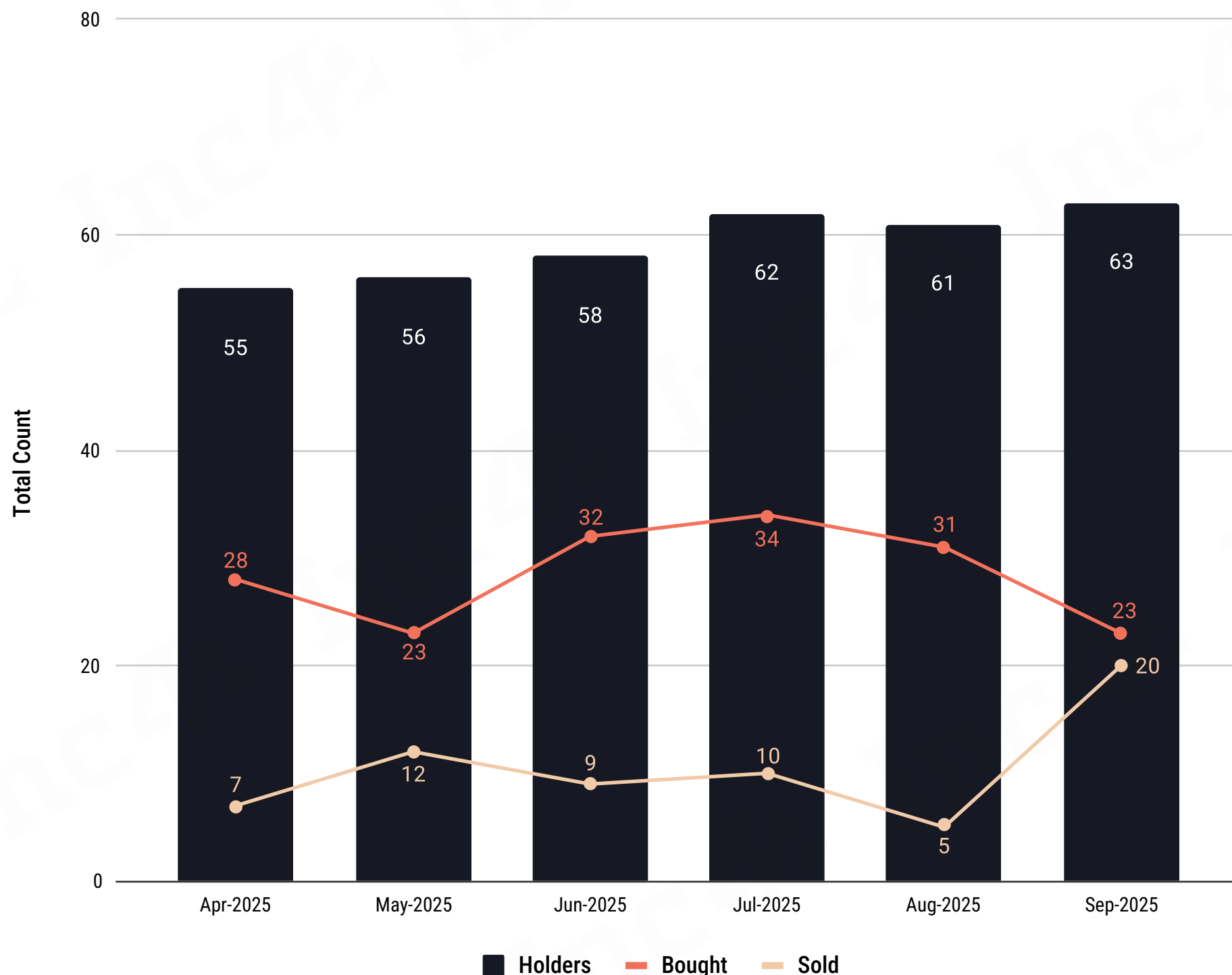


Source: Inc42 Analysis, Trendlyne

Note: This slide features data as of September 2025. Numbers are rounded to the nearest decimal.

# Mutual Fund Holders Remains Consistent In Digit Insurance

Mirae Asset ELSS Tax Saver Fund, followed by Aditya Birla Sun Life Banking & Financial Services Fund, were the biggest buyers in September 2025



Source: Inc42 Analysis, Trendlyne

Note: This slide features mutual fund bulk deal data as of September 2025.

# Digit Insurance Strengths & Key Risks

## Favourable Factors

The company demonstrated market outperformance by attaining a **Gross Written Premium (GWP) of ₹10,282 Cr in FY 25, which marks a 14% increase and greatly exceeds the industry's average growth of 5%** during that time frame.

The company has **reduced its Expense Ratio (based on NWP) to 36.5%, down from 38.4%** the year before, showcasing improved operational efficiency in handling underwriting, administrative, and distribution costs.

The company maintains a **solvency ratio of 2.24x, well above the IRDAI's regulatory minimum of 1.50x**, demonstrating strong financial capacity to meet policyholder obligations and support future growth.

As a **digital full-stack insurer, the company leverages cloud-native, AI-first infrastructure** to simplify operations and deliver superior customer experiences **whilst enabling innovative product design, enhanced distribution channels, and operational efficiency**

The company recorded **profit after tax of ₹425 Cr in FY25, demonstrating 2.3x year-on-year increase from ₹182 Cr in FY24**. This represents a 2.3-fold jump in net earnings, reflecting improved underwriting performance and operational leverage.

## Key Risks

The company holds a **relatively lower market share of 3.3% overall and 5.9% in motor insurance**, operating in a highly competitive environment where established incumbents are adopting their own digital-first strategies for distribution and claims settlement.

The insurance **sector ranks among India's most stringently regulated industries**, exposing the company to substantial regulatory risks. These include potential **disruptions from policy reforms, evolving customer data privacy mandates, and changes to insurance product interpretability requirements**.

The company's **Expenses of Management (EOM)** for its insurance operations **exceeded regulatory thresholds during FY25**, indicating non-compliance with IRDAI prescribed expense ratio limits.

As a **new entrant in a trust-dependent sector**, the company is **exposed to reputational risk** from regulatory proceedings or compliance failures.

The company is exposed to **credit risk if reinsurers default or fail to meet their contractual obligations** to indemnify claims on ceded reinsurance, which would increase the company's net exposure to losses.

# Decoding Digit Insurance's AI Strategy

**Motor Insurance Claim Processing:** The company deployed a **proprietary AI tool for motor claims** that automates damage assessment through image recognition, reducing manual processing requirements and improving fraud detection. The mobile first design with guided workflows has reduced Turnaround Times compared to traditional methods.

**Underwriting and Risk Prediction:** The company developed **Go Digit VRL, a proprietary ML tool for real-time flood risk assessment at granular levels**. The model predicts potential asset damage across flood categories, improving underwriting accuracy and reducing the Mean Damage Ratio for NAT-CAT losses in the Property & Casualty portfolio.

**Fraud Detection:** The company **employs graph data models for fraud detection**, enabling identification of complex relational patterns across policyholder networks. This analytical approach mitigates fraud risks at both policy issuance and claims settlement stages, protecting genuine policyholders while reducing financial leakage from fraudulent activities.

**Automating Customer Communication:** The company deployed an **Email Intent Classification AI engine that automates email triage through intent prediction, priority assignment, and automated response generation via robotic process automation**. This system reduces response latency and operational costs while enabling resource reallocation toward high-complexity customer inquiries requiring human intervention.

**AI For Insurance Distribution:** The company has **developed AI infrastructure to support its 71K+ distribution partners** through automated quotation bots and **API-enabled real-time access to risk profiles and underwriting probabilities**. This enables partners to optimize customer targeting and improve conversion efficiency across the distribution network.

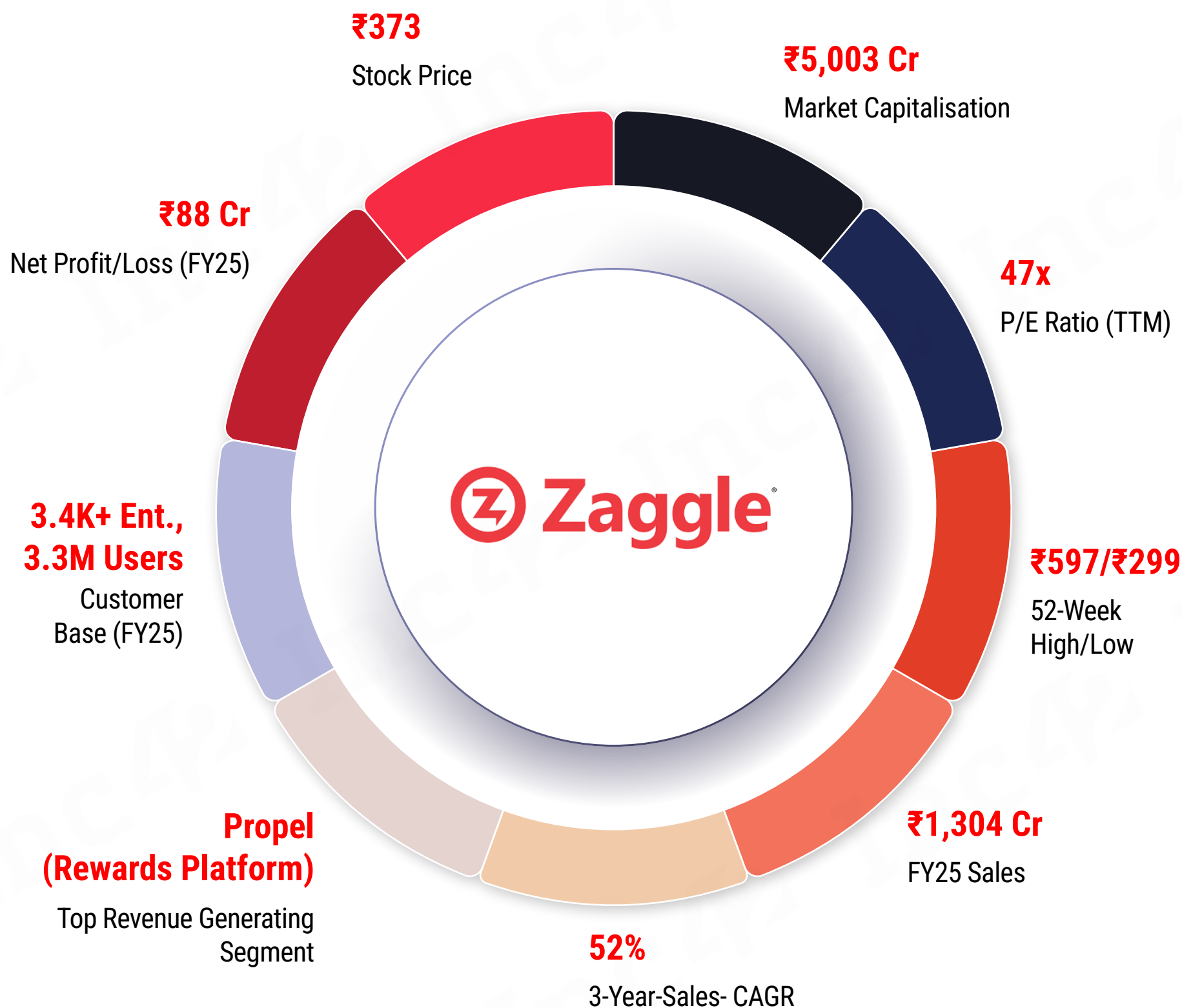
Source: Inc42 Analysis

Note: The details regarding the company's organisational strategy are sourced from the Management Discussion and Analysis section of the FY25 Annual Report.

# Zaggle

## A Deep Dive

# Business Snapshot: Zaggle



Source: Inc42

Note: This slide features stock market data as of October 31, 2025.

# Zaggle Underperforms NIFTY 50 In 2025: A 32% YTD Decline

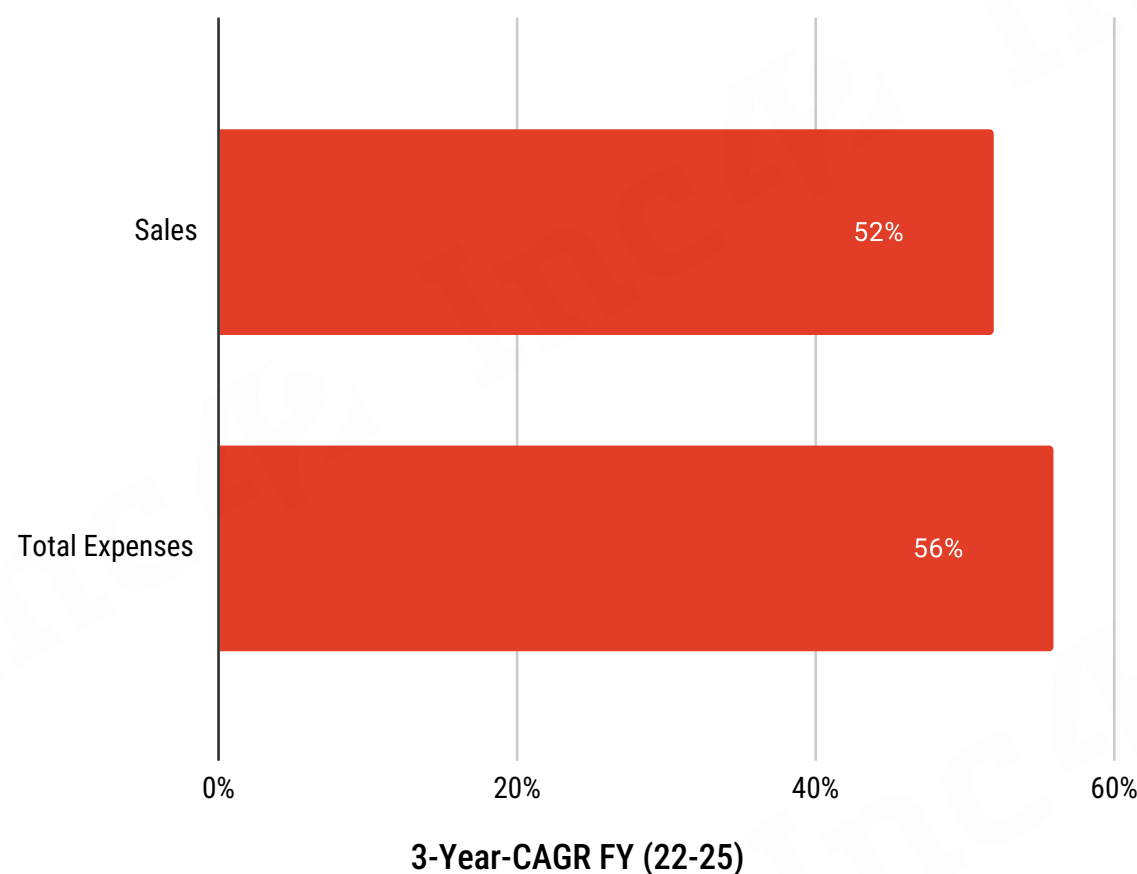
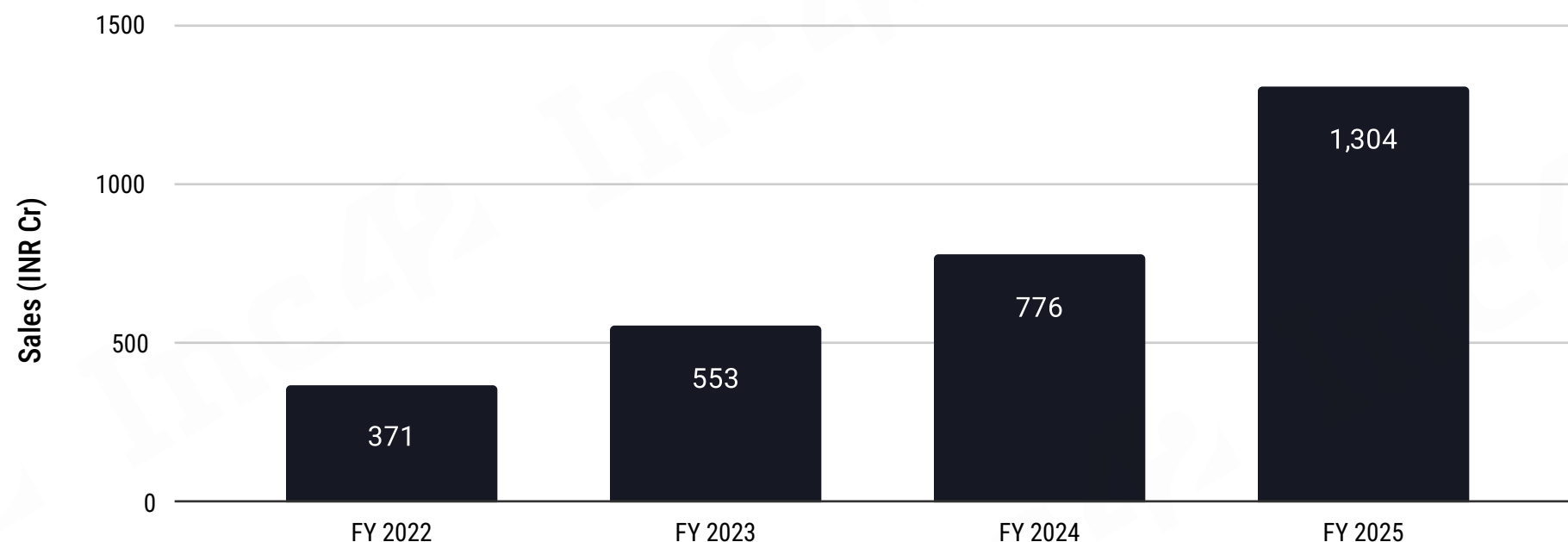


Source: Inc42 Analysis, NSE

Note: This slide features year-to-date stock market data as of October 31, 2025.

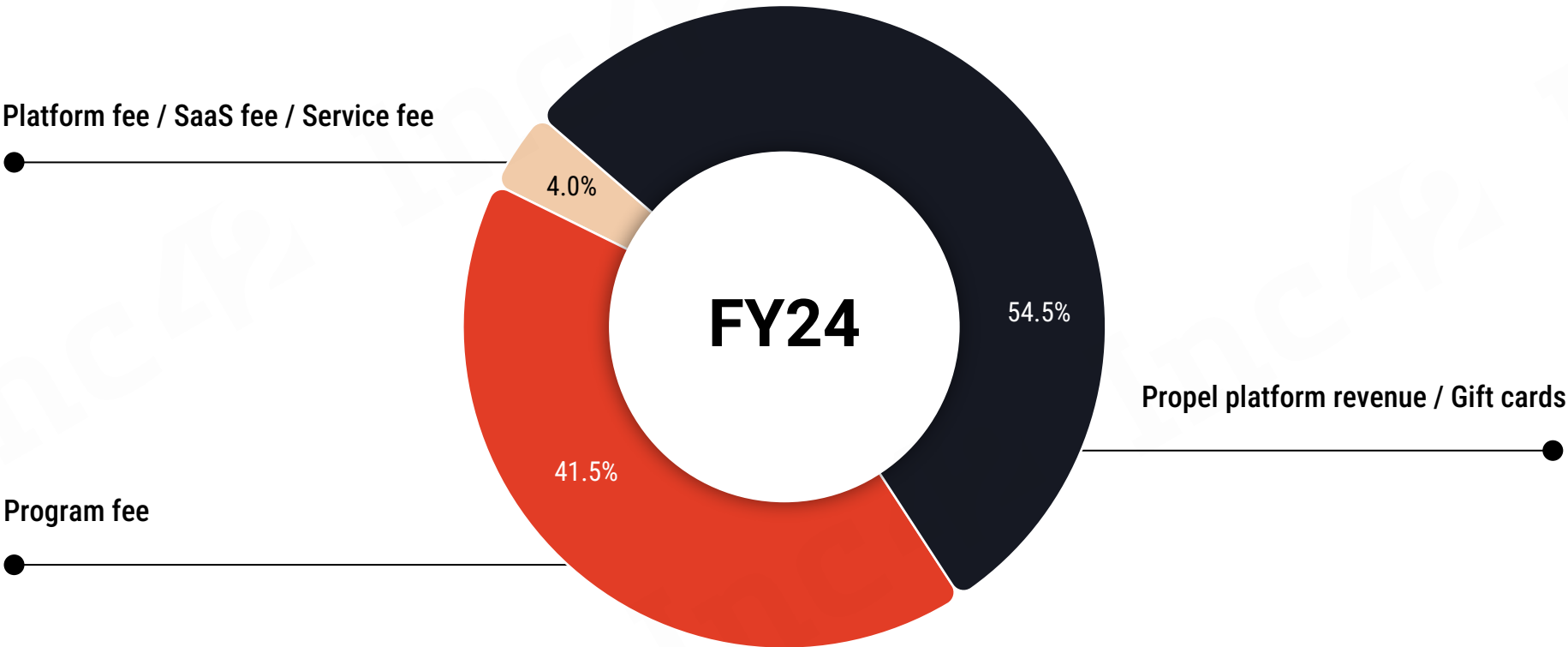
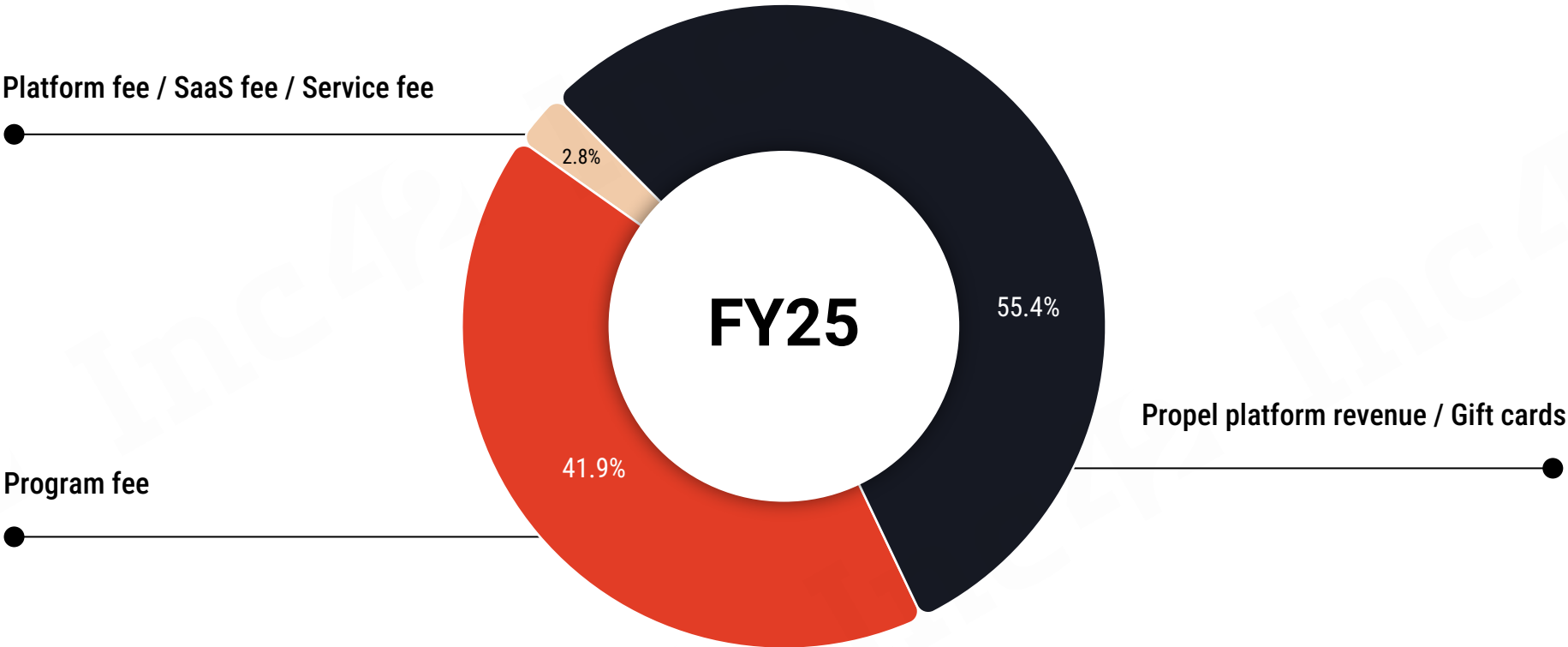


# Zaggle Sales Growth & Revenue Composition



- ★ The company clocked sales worth ₹1,304 Cr in FY25, 68% higher compared to the previous year ₹776 Cr. In comparison to sales the total expenditure grew by 67% during the same period.
- ★ The revenue increase is primarily driven by Propel, the company's employee reward and incentives management platform. This vertical recorded 71% year-on-year growth, with sales rising from ₹4,225 Cr in FY24 to ₹7,218 Cr in FY25, now accounting for over 50% of total company revenue.
- ★ The company has maintained profitability since its IPO. In FY25, net profit reached ₹88 Cr, representing a 100% increase from ₹44 Cr in FY24, reflecting strengthening financial performance and operational maturity.

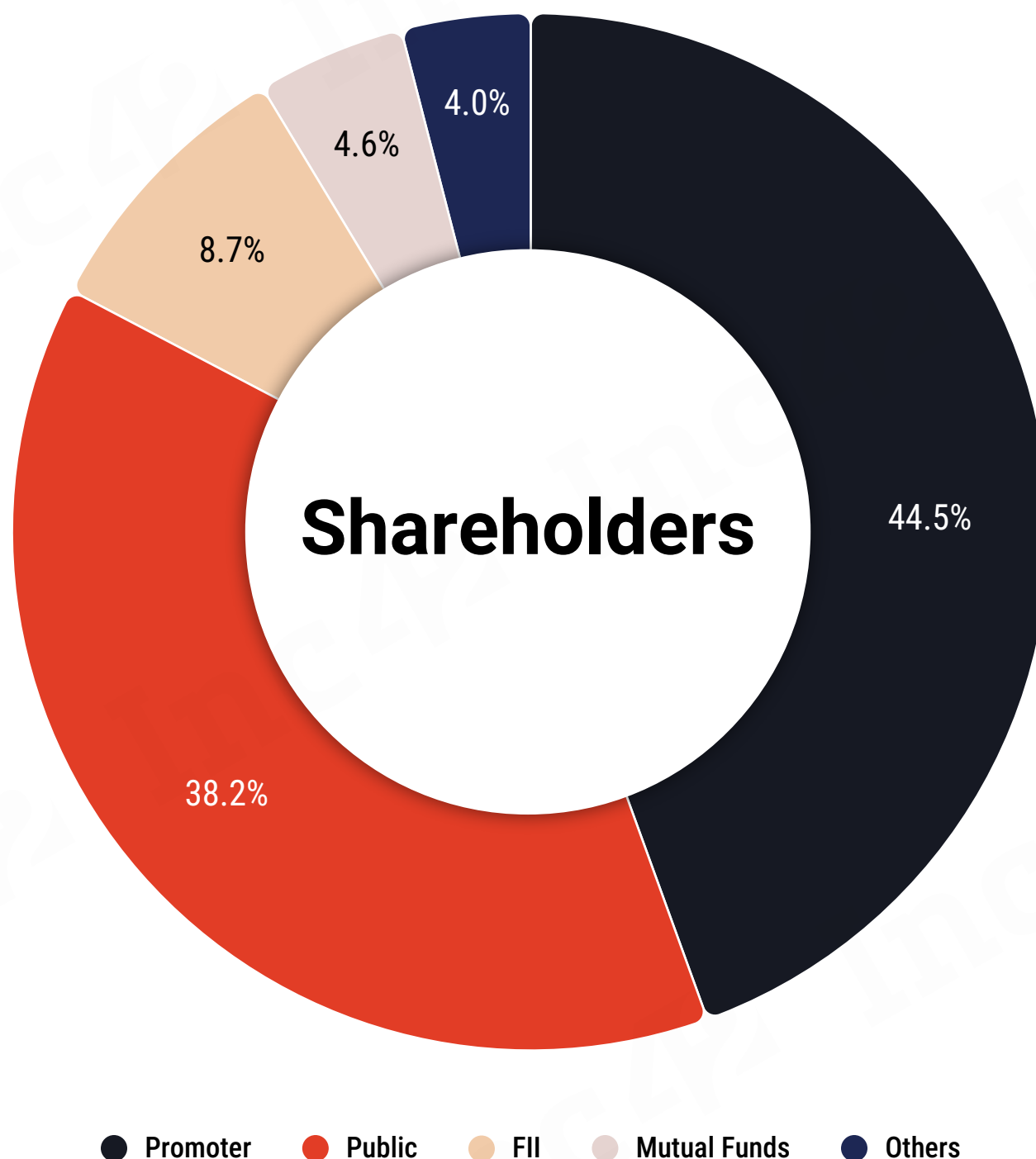
# Zaggle Revenue Mix FY25 Vs FY24



Source: Inc42 Analysis, Company Filings

# Zaggle Shareholding Structure

Public investors hold over one-third of the company's shares, suggesting strong retail participation and confidence in the stock's growth prospect

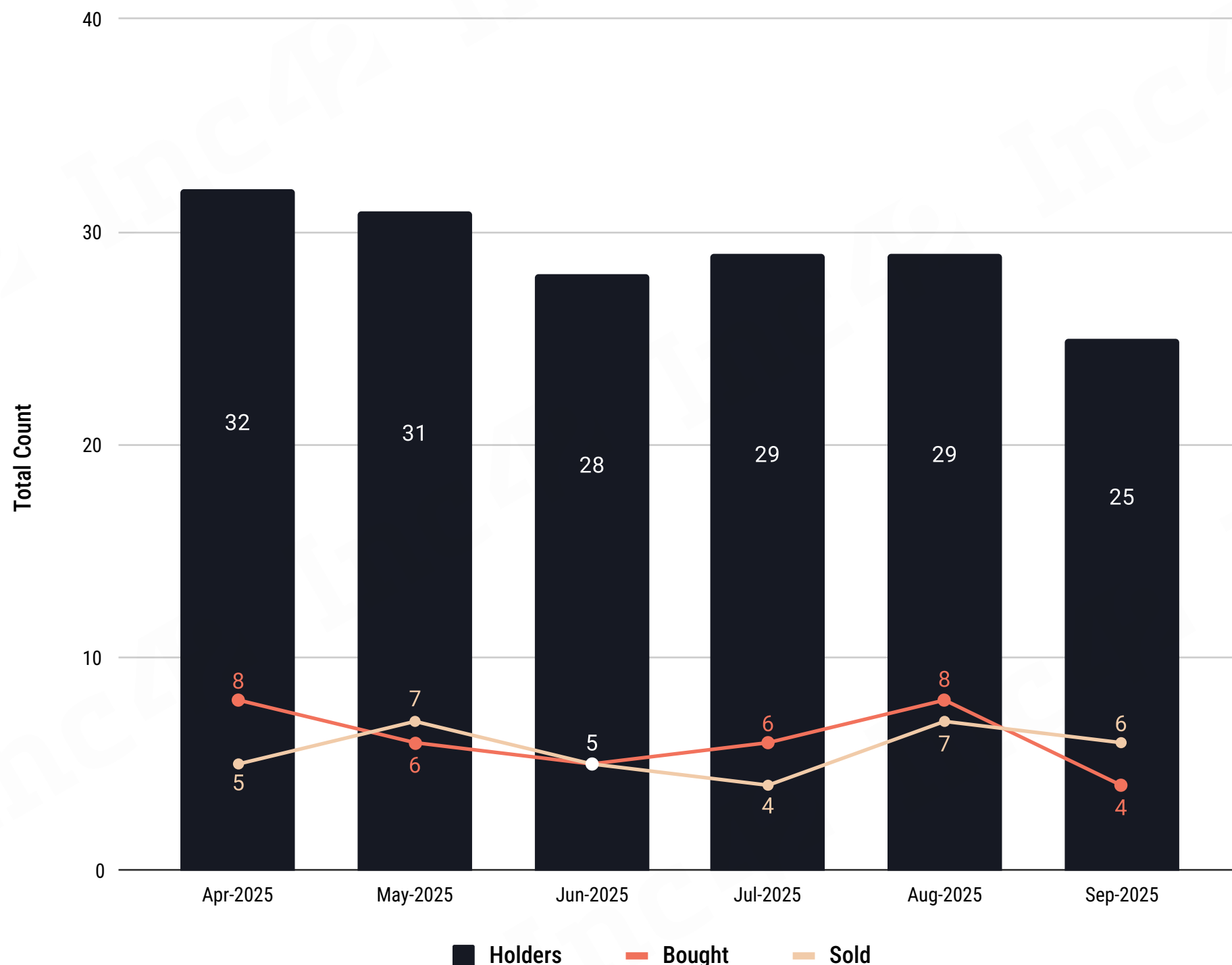


Source: Inc42 Analysis, Trendlyne

Note: This slide features data as of September 2025. Numbers are rounded to the nearest decimal.

# Mutual Fund Holders In Zagggle Declined By 22% Since The Beginning Of FY26

Bandhan Aggressive Hybrid Fund and ITI Multi Cap Fund were the largest sellers in September 2025.



Source: Inc42 Analysis, Trendlyne

Note: This slide features mutual fund bulk deal data as of September 2025.

# Zaggle Strengths & Key Risks

## Favourable Factors

India's SaaS sector is projected to reach \$70 Bn by 2030, driven by widespread cloud adoption, the rise of digital-first enterprises, and AI-powered business operations. These **structural trends are accelerating the industry's scale, competitiveness, and global relevance.**

Zaggle Propel, the company's leading revenue driver, recorded a **robust 71% year-on-year increase in sales, rising from ₹4,225 Cr in FY24 to ₹7,218 Cr in FY25.** This growth was accompanied by a 15% increase in onboarded enterprises, up from 3,016 in FY24 to 3,455 in FY25, indicating strong market adoption and expansion of the customer base.

**Increased engagement and higher spending among existing users** drove a 70% rise in program fee revenue, which now represents the **company's second largest revenue stream** and accounts for over 40% of total annual sales. This underscores the company's ability to deepen wallet share within its established user base.

The **company's integration of AI positions it to capitalise on rising demand** for intelligent employee rewards and spend management solutions.

**India dominates global digital payments, accounting for 48.5% of all real-time transactions.** Indicating a significant addressable market for fintech companies focused on digital payments.

## Key Risks

In FY25, **redemption of points and gift cards accounted for 56% of total company expenditure,** as platform usage and customer base expand, **escalating redemption costs may exert pressure on profit margins, potentially limiting annual profitability.**

**Third-party dependency** represents a **key operational risk,** as core business functions – including transaction processing, logistics, and customer support – rely on external payment networks and partners. Reliance on third-party payment networks and partners **exposes operations to risks from service disruptions or compliance failures, potentially affecting business continuity.**

**Risks such as seasonal demand patterns,** especially during festive periods and financial year-end, introduce revenue and cash flow volatility across quarters, **presenting challenges for forecasting and financial planning.**

**Tighter data privacy and compliance norms** in India could increase regulatory **costs and operational complexity going forward.**

**Rising indirect competition from larger fintech players,** who are collectively moving towards full-stack financial services and entering adjacent product segments, **exposes Zaggle to the risk of losing existing customers and higher customer acquisition cost in future.**

# Decoding Zaggie's AI Strategy

**Spend Analytics Platform:** Zatix, positioned as an **intelligent spend analytics platform designed for CFOs** and controllers, utilises machine learning and pattern recognition to highlight spend inefficiencies, policy breaches, and anomalous behaviors across business units. This analytical capability enables **organisations to enhance financial oversight and drive cost optimisations**.

**Corporate Partnerships For AI Integration:** The company has **formed partnerships with travel management firms such as Hummingbird, FCM, and TBO Paxes** to integrate specialised travel services with its AI-driven expense platform. This integration enables seamless travel booking, automated payments, real-time reconciliation, and direct filing of expenses, enhancing operational efficiency and the user experience for corporate clients.

**Anomaly Detection and Fraud Alert:** A central capability of the **Zatix platform is its advanced anomaly detection and automated fraud alert system**. By proactively identifying irregularities in spend data, Zatix enhances financial controls and minimises the risk of unauthorised transactions for enterprise users.

**AI-driven Enterprise Transformation:** The company **positions technology, with AI at its core, as the primary driver of growth and innovation across its offerings**. By continuously investing in AI-driven intelligent spend management capabilities, the organisation aims to reinforce its leadership and become the industry benchmark within the enterprise spend management domain.

**AI-Led Decision Making:** The company's innovation strategy envisions an evolution from AI-enabled approval processes to the integration of embedded partner marketplaces. This approach reflects a deliberate shift toward **embedding AI in core decision-making and approval workflows**, thereby creating a more intelligent and interconnected expense management.

Source: Inc42 Analysis

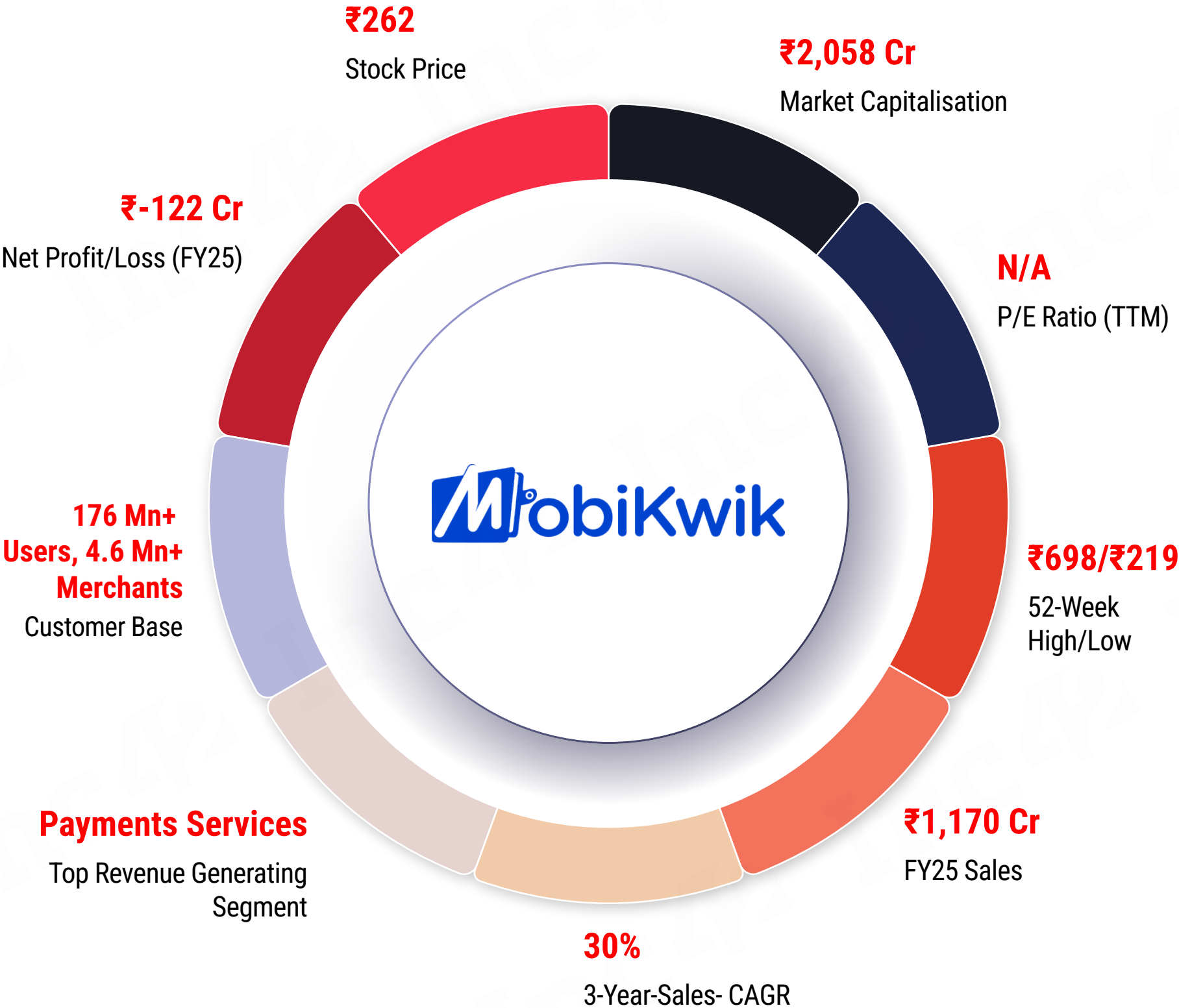
Note: The details regarding the company's organisational strategy are sourced from the Management Discussion and Analysis section of the FY25 Annual Report.

# MobiKwik

## A Deep Dive



# Business Snapshot: MobiKwik






Source: Inc42  
Note: This slide features stock market data as of October 31, 2025.

# MobiKwik Underperforms Broader Market In 2025: A 57% YTD Decline



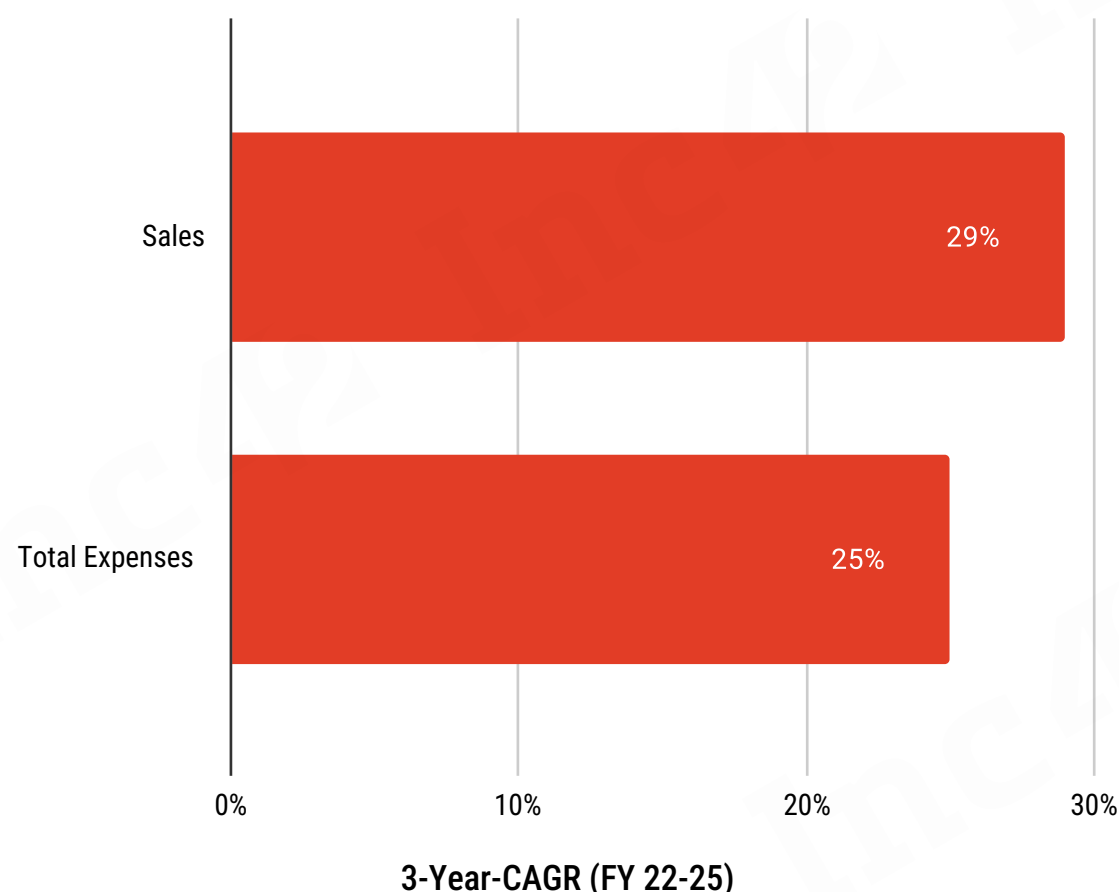
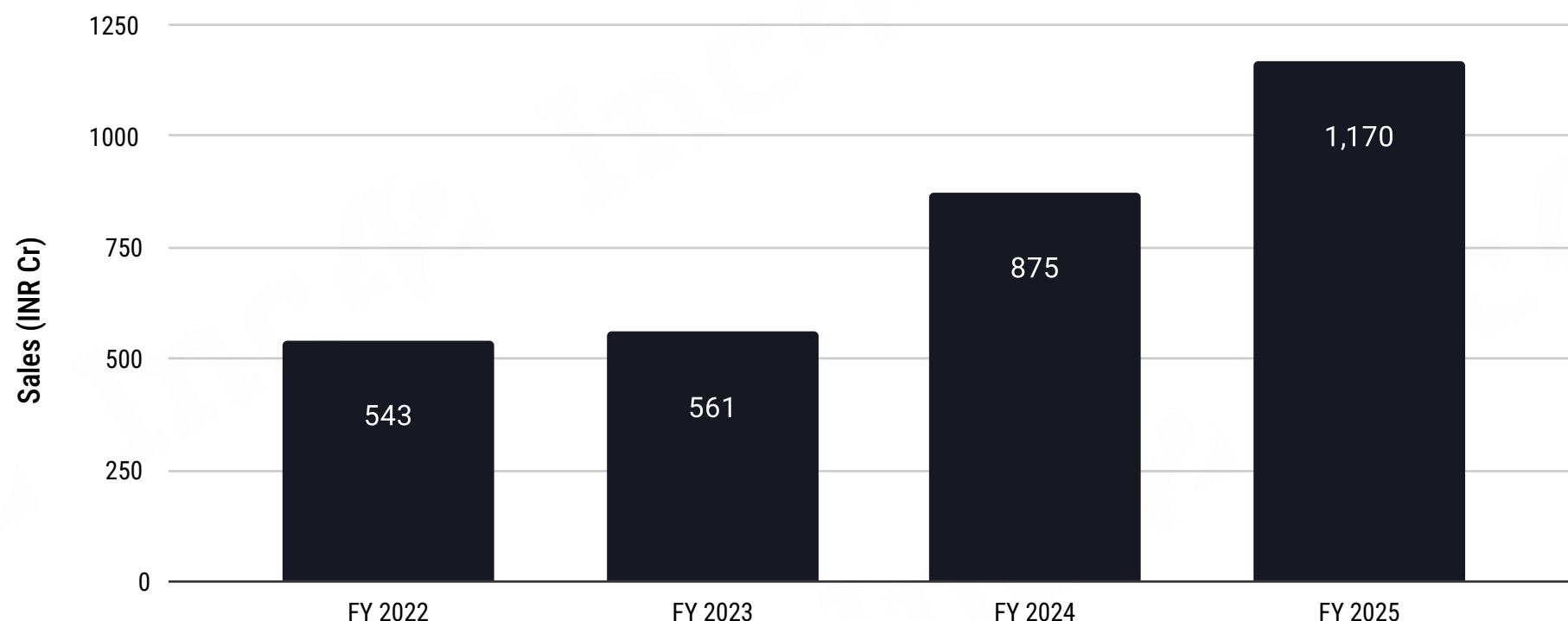
Source: Inc42  
Note: This slide features stock market data as of October 31, 2025.

# Competitive Analysis: MobiKwik Vs Others

Metrics				
Primary Business	Digital payments and financial services distribution	Digital payments and financial services distribution	Digital payments and financial services distribution	Digital payments and financial services distribution
UPI Market Share	0.3%	7%	46%	35%
Revenue Model	Payment Margin (UPI, Cards, BBPS), Subscription Rev (Merchant/Soundbox), Dist. Fees/Comm. (Loans, Credit Cards)	Payment Margin (UPI, Cards, BBPS), Subscription Rev (Merchant/Soundbox), Dist. Fees/Comm. (Insurance, Equity etc.)	Payment Margin (UPI, Cards, BBPS), Subscription Rev (Merchant/Soundbox), Dist. Fees/Comm. (Insurance, Equity etc.)	Payment Margin (UPI, Cards, BBPS), Subscription Rev (Merchant/Soundbox), Dist. Fees/Comm. (Loans, Credit Cards)
Sales (FY25)	₹1,170 Cr	₹6,900 Cr	₹7,115 Cr	Data Unavailable
YoY Sales Growth	34%	-31%	41%	Data Unavailable
Customer Segments	Consumers, Merchants, Financial Institution Partners	Consumers, Merchants, Financial Institution Partners	Consumers, Merchants, Financial Institution Partners	Consumers, Merchants, Financial Institution Partners
Product Mix	UPI, Wallet, Fixed Deposit, Gold, Bill Payments, Ticket Booking, Digital Lending, Merchant Soundbox/PoS	UPI, Wallet, Insurance, Equity, Gold, Bill Payments, Ticket Booking, Merchant Soundbox/PoS, Digital Lending	PI, Wallet, Insurance, Equity, Gold, Bill Payments, Ticket Booking, Merchant Soundbox, Digital Lending	UPI, Gold, Bill Payments, Digital Lending

Source: Inc42  
Note: The UPI market share is as of September 2025 | This is not an exhaustive list of products and services, but an overview of key offerings

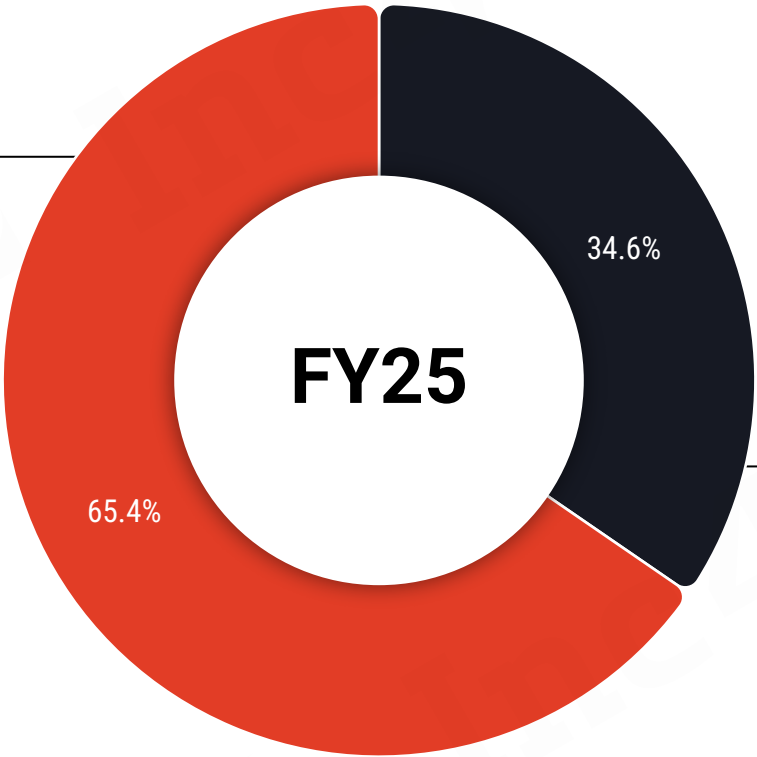
# MobiKwik Sales Growth & Revenue Composition



- ★ The company reported revenue of ₹1,170 Cr in FY25, a 34% increase from ₹875 Cr in FY24. However, total expenditure grew faster at 49%, rising from ₹853 Cr to ₹1,272 Cr during the same period.
- ★ The revenue growth was primarily driven by a 140% surge in the payment services segment between FY24 and FY25. The company also expanded its user base by 21 Mn, reaching 176 Mn users in FY25 compared to 156 Mn in the previous year.
- ★ Meanwhile, revenue from the digital lending network declined 28% YoY, falling from ₹558 Cr in FY24 to ₹403 Cr in FY25, reflecting weaker demand relative to payment services.

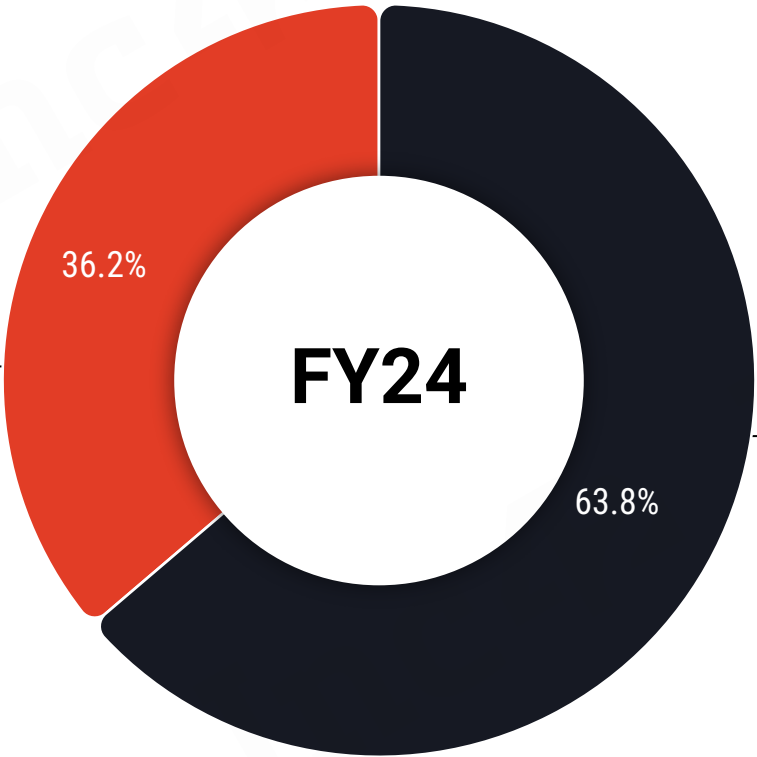
# MobiKwik Revenue Mix FY25 Vs FY24

Payment Services



Financial Services

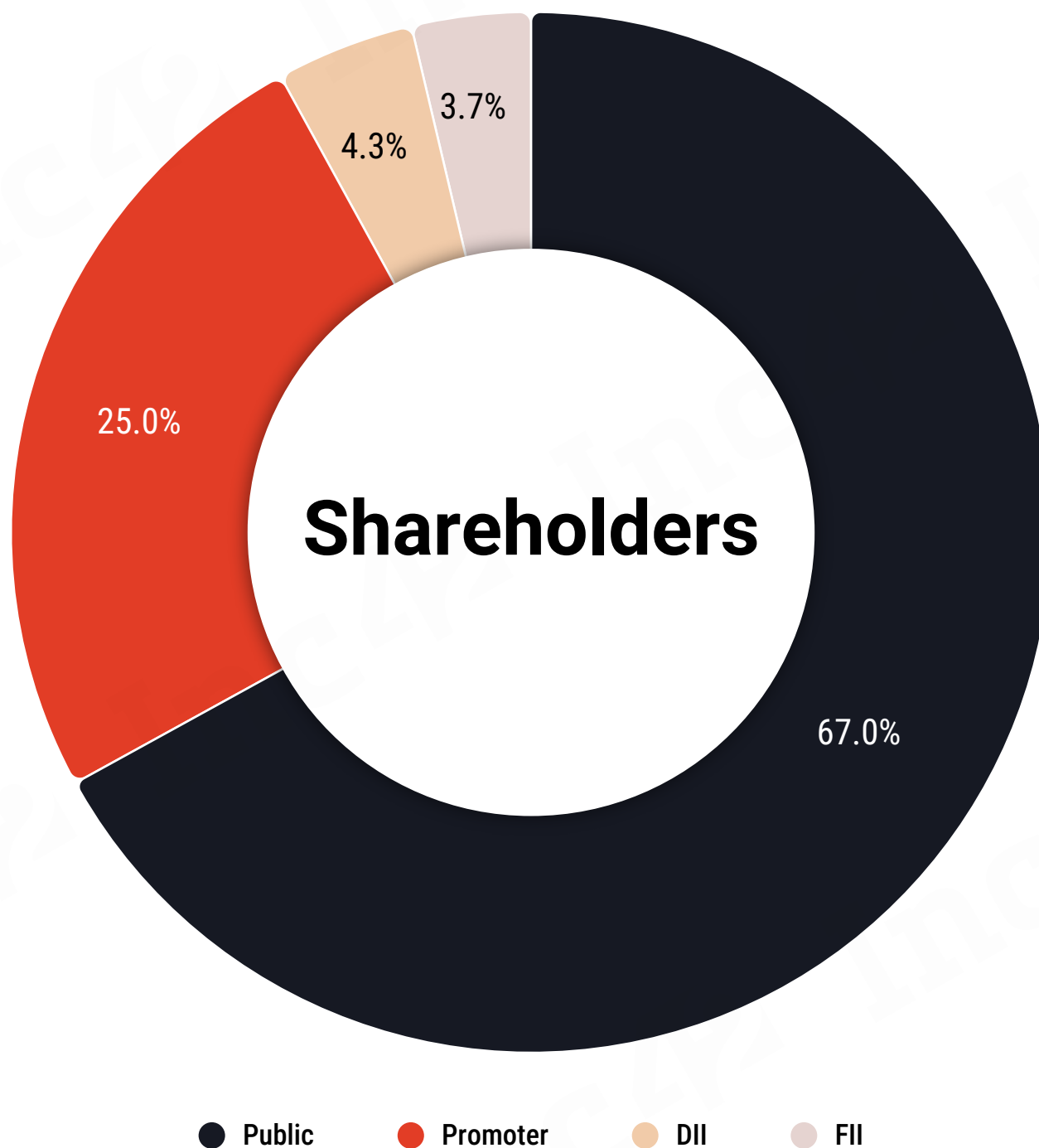
Payment Services



Financial Services

# MobiKwik Shareholding Structure

Institutional investor holdings fell from 7.1% in June 2025 to 3.7% by September 2025, while public shareholders now account for 67% of total ownership

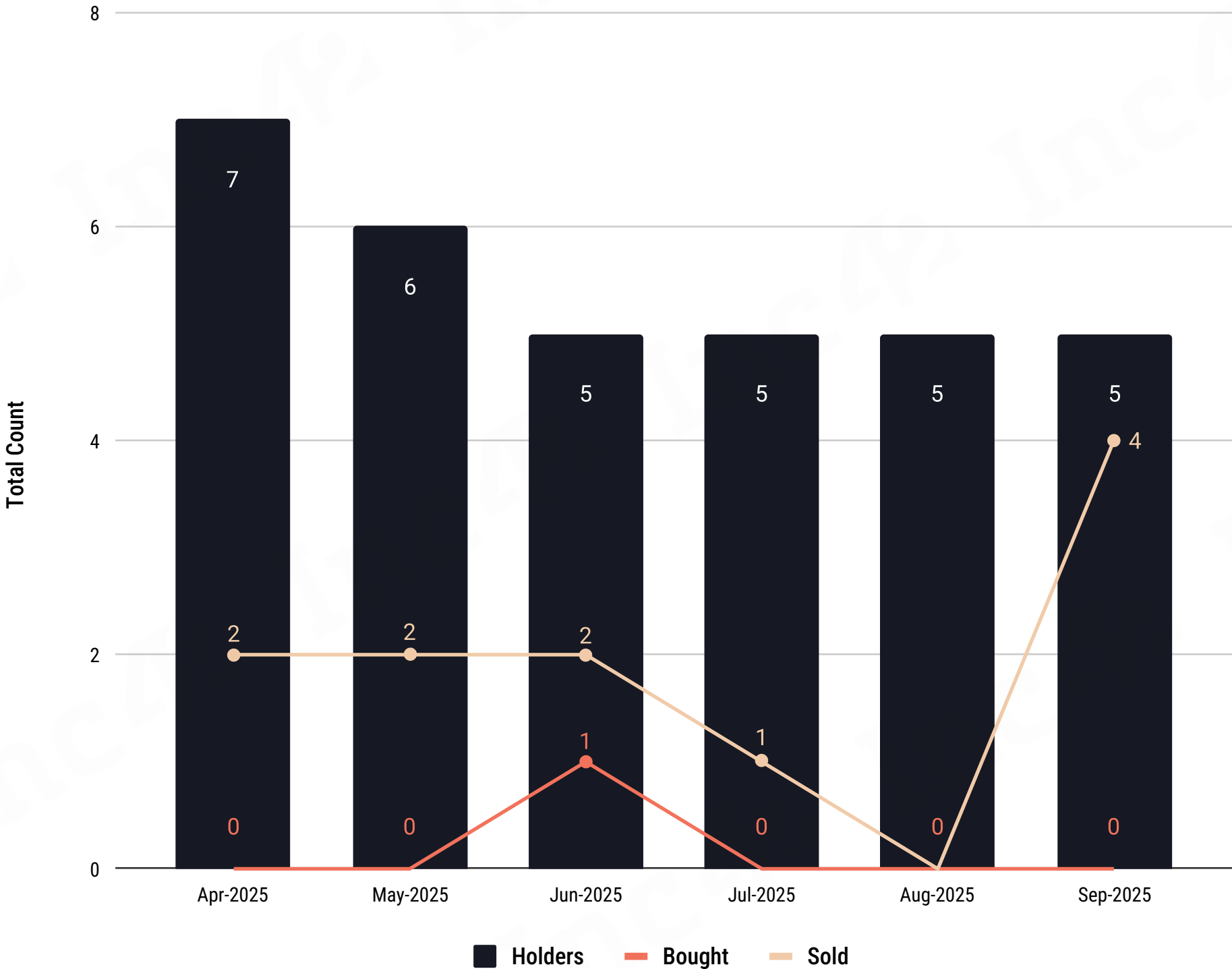


Source: Inc42 Analysis, Trendlyne

Note: This slide features data as of September 2025. Numbers are rounded to the nearest decimal.

# Mutual Funds Trim MobiKwik Holdings in September 2025

The largest mutual fund sellers of the stock were SBI Magnum Children’s Benefit Fund and HDFC Multi Cap Fund



Source: Inc42 Analysis, Trendlyne  
Note: This slide features mutual fund bulk deal data as of September 2025.

# MobiKwik's Strengths & Key Risks

## Favourable Factors

The company's payment services revenue grew **140% year-on-year in FY25**, now contributing **65% of total sales**. This growth reflects its **UPI-first strategy**, strengthening its position in India's rapidly expanding digital payments ecosystem.

MobiKwik is transitioning from a payments-led model to a broader **financial services portfolio**, targeting existing payment users for digital credit and distribution products. To acquire higher-quality customers, **CAC increased 5%**, from **₹32.8 in FY24 to ₹34.4 in FY25**.

India accounts for **48.5% of global real-time** transactions, underscoring a vast addressable market for fintech players focused on digital payments.

AI-driven products like **Lens.ai** (an Account Aggregator-based chatbot) and **KWIK Collect** (AI-powered collection and engagement engine) are enhancing customer experience through automation, personalisation, and operational efficiency.

Government-led initiatives such as **UPI, Aadhaar, CKYC, and the Account Aggregator framework** continue to strengthen India's digital public infrastructure, facilitating scale, interoperability, and seamless onboarding for fintech platforms.

## Key Risks

Income from the financial services segment dropped **28% YoY**, from **₹5,579 Cr (64% of sales)** in FY24 to **₹4,028 Cr (34% of sales)** in FY25, reflecting weaker demand for digital lending products.

The company's **CAC rose 68%** to **₹34.4 per user in FY25**, up from ₹20.3 in FY23, signalling intensified competition and higher spending to acquire new users.

Despite its focus on payments, MobiKwik's **UPI market share stood at only 0.3%** as of September 2025 — far behind **PhonePe (46%), Google Pay (35%), and Paytm (7%)**.

Stricter compliance requirements around **KYC, AML, and data localisation** could drive up regulatory costs and operational complexity.

Declining financial services revenue, suspension of **ZIP (small-ticket lending)**, and higher CAC suggest **weak user appetite** for MobiKwik's credit offerings, limiting monetisation potential.



# Decoding MobiKwik's AI Strategy

**AI Powered Personal Finance Management:** MobiKwik has developed **Lens.ai**, an Account Aggregator (AA)-based chatbot, **provides real-time financial insights through conversational interfaces**. It helps users interpret spending patterns, track bills, and set financial goals, making personal finance management more interactive and data-driven.

**Debt Collection Using AI:** The **KWIK Collect** platform uses machine learning to optimise recovery operations. By analysing borrower behaviour and historical response data, it identifies the best contact windows, **enhances agent productivity, and personalises outreach based on borrower profiles**.

**Software Development:** AI-assisted development tools are used for code generation and optimisation, enabling up to **30% faster build cycles** with better testing coverage and code quality. This automation allows development teams to prioritise innovation and reduce manual effort.







**In-house ML Models:** Mobikwik continuously trains and refines **proprietary ML models** across use cases like customer experience, fraud detection, and personalisation. Predictive analytics and recommendation systems form the **backbone of its intelligent decision-making framework**.

**Elevating Customer Experience:** AI-enabled systems **track customer satisfaction in real time and provide insights** to improve service quality. Speech recognition models analyse multilingual conversations – including Hinglish – to assess intent, sentiment, and agent performance, **helping identify mis-selling risks and training needs**.







Source: Inc42 Analysis

Note: The details regarding the company's organisational strategy are sourced from the Management Discussion and Analysis section of the FY25 Annual Report.

# Upcoming IPOs From Indian Fintech Startup Ecosystem

	IPO Size	Valuation	Core Business Verticals	Loss/Profit (FY25)	DRHP Status
	₹3,500 Cr	\$900 Mn to \$1 Bn	Education Loans	Profitable	Filed
	₹1,450 Cr	\$400 to \$500 Mn	SMB Loans	Profitable	Filed
	₹4,000 Cr- ₹5,000 Cr	\$1 to \$2 Bn	Consumer & SMB Loans	Profitable	To Be Filed
	Not Available	\$200 to \$250 Mn	Merchant Payment Solutions	Loss Making	To Be Filed
	₹1,000 Cr	\$280 Mn	Consumer & SMB Loans	Profitable	Filed
	₹3,457 Cr	\$900 Mn to \$1.2 Bn	Consumer & SMB Loans	Not Available	To Be Filed

Source: Inc42 Analysis, Secondary Sources  
Note: The company's valuation is derived from the companies most recent equity funding round, while its customer base assessment is based on the number of active users.

	IPO Size	Valuation	Core Business Verticals	Loss/Profit (FY25)	DRHP Status
	₹3,350 Cr	\$1 to \$1.5 Bn	Consumer Loan	Profitable	Filed
	Not Available	\$50 to \$60 Mn	Financial Services	Not Available	To Be Filed
	₹4,321 Cr	\$3 to \$5 Bn	Merchant Payment Solutions	Not Available	To Be Filed
	Not Available	\$13 Bn	Consumer & Merchant Payment Solutions	Loss Making	To Be Filed
	Not Available	\$7.5 Bn	Merchant Payment Solutions	Not Available	To Be Filed
	₹1,700 Cr- ₹2,150 Cr	\$900 to 950 Mn	Digital Insurance Broker	Loss Making	Filed

Source: Inc42 Analysis, Secondary Sources  
Note: The company's valuation is derived from the companies most recent equity funding round, while its customer base assessment is based on the number of active users.

# Analyst Commentary & Recommendations

## One97 Communications

Paytm's recovery continues after the RBI revoked its Payments Bank licence in March 2024. The company's stock has risen 32% year-to-date, beating the NIFTY 50 by 24 percentage points. However, the core business remains under pressure – FY25 revenue fell 31% to ₹6,900 Cr, and operating margins dropped to –22%. The fall was mainly due to the payment services disruption after the licence cancellation. Paytm's push toward an AI-led model through products like Paytm ARMS and Periscope could help improve efficiency, but sustained losses would raise questions about its near-term valuation and stability.

## PB Fintech

Policybazaar continues to lead India's digital insurance market with a 93% share of online distribution and a 52% compound annual revenue growth rate. In FY25, commission income rose 79% year-on-year to ₹4,278 Cr, accounting for roughly 86% of total revenue. While its strong position underpins steady performance, the company's growing reliance on commission income raises concentration risk. However, the broader Indian insurtech market – projected to expand at a 17% CAGR to \$307 Bn by 2030 – offers long-term growth potential that could offset this dependence.

## Digit Insurance

Digit Insurance posted a 10% rise in stock price (YTD) and maintained a strong 31% CAGR in gross written premiums (GWP), showing resilience in a competitive motor insurance market. FY25 GWP stood at ₹10,282 Cr (up 14%), while profit after tax rose 2.3x to ₹425 Cr. Its solvency ratio of 2.24x remains well above regulatory requirements, ensuring financial stability. However, rising costs outpacing premium growth could strain margins, and with only a 3% market share, Digit has limited pricing power against large incumbents like ICICI Lombard (9%) and Bajaj Allianz (7%).

## Zaggle

Zaggle reported a 52% CAGR in revenue, though its stock has declined 32% year-to-date, reflecting investor caution around margins and cost pressures. In FY25, revenue stood at ₹1,304 Cr, with net profit doubling to ₹88 Cr, while expenses rose 67%, broadly in line with revenue growth. Redemption costs from the Propel platform, which now contributes 55% of total revenue, increased 78% year-on-year, impacting operating leverage. With India's SaaS market expected to touch \$70 Bn by 2030, Zaggle's performance will hinge on improving margins and maintaining cost discipline in the near term.

Source: Inc42

Note: This is not an investment advice.

# Analyst Commentary & Recommendations

## MobiKwik

MobiKwik's stock has declined 57% year-to-date, reflecting market caution amid continued operating losses and institutional investor selloff. Revenue from its financial services segment, which previously contributed 64% of total income, fell 28% year-on-year to ₹4,028 Cr in FY25, indicating softer demand for digital lending products. At the same time, customer acquisition costs rose 68% to ₹34.4 per user, up from ₹20.3 in FY23, putting further pressure on profitability. The company's UPI market share remained low at 0.3%, compared with 7–46% for leading players such as Paytm, PhonePe, and Google Pay. Institutional shareholding also declined from 7.1% to 3.7% QoQ, suggesting a more cautious investor stance.

## Credit-Led Consumption

Household debt has grown faster than savings as a share of gross domestic product since 2016, reflecting shifting consumption patterns from savings-led to credit-led behaviour. Household debt currently represents 41 percent of gross domestic product, significantly below the United States at 69 percent and China at 60 percent, indicating runway for credit market expansion. This structural trend underpins sustainable demand for digital lending platforms and credit distribution channels as consumers increasingly finance consumption through formal credit instruments.

## India's Fintech Ecosystem Matures

The fintech startup ecosystem has consolidated into the third-largest globally, with 24 unicorns and 36 soonicorns demonstrating institutional capital concentration. Cumulative funding to fintech startups has reached \$32 Bn since 2014, with 850 funded fintech startups operating across payment, lending, and insurance segments. Eight listed fintech companies and fourteen forthcoming initial public offerings signal sustained investor appetite for profitable, scaled fintech business models. This maturation suggests the period of experimental fintech models has concluded, and investor focus has shifted toward sustainable unit economics and regulatory compliance.

## Artificial Intelligence

AI is reshaping India's fintech sector by boosting profitability and efficiency through credit risk assessment, fraud detection, and automation. Paytm, PolicyBazaar, and Digit Insurance use AI to streamline operations — Paytm for merchant automation, PolicyBazaar to flag 11% of life insurance fraud cases, and Digit for faster claims via ML-based image recognition. With digital lending set to drive 53% of fintech revenue by 2030, AI will further cut defaults and speed up approvals. Success, however, depends on regulatory adherence, data quality, and cost discipline, favoring firms that integrate AI as a revenue driver, not just a cost.

Source: Inc42

Note: This is not an investment advice.

# Methodology

Since 2015, Inc42 has established itself as the premier resource for discovering Indian startups that are revolutionising industries and making a significant impact on society.

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## For this report:

- ✦ Overall data in this report is from 2014 to Q3 2025, unless mentioned otherwise.
- ✦ Year-to-date (YTD) stock market information in this report is current as of 31 October 2025.
- ✦ Seed stage: Startup at angel or seed stage
- ✦ Growth stage: Startups at Series A and B funding stage
- ✦ Late stage: Startups at Series C or above funding stage
- ✦ Unicorn refers to any digital / tech company valued at or above \$1 Bn or have touched this valuation once in their business lifecycle.
- ✦ A soonicorn is any public or private digital/tech company valued at or above \$200 Mn.
- ✦ Our database enrichments and corrections are done on a regular basis, therefore slight variations in funding-related data compared to previously released reports may exist.
- ✦ **Listed Fintech Index: This includes fintech companies that were publicly listed as of 31 October 2025.**
  - ✦ For each company in the sector, the percentage growth is determined by dividing the daily closing price by the initial price on 1 January 2025, subtracting 1, and multiplying by 100. This yields the percentage change relative to the reference date.
  - ✦ The average percentage growth for the "Listed Fintech Index" sector is then computed by taking the mean of the individual company growth rates for each day. This produces a single time series reflecting the sector's overall performance.
  - ✦ The resulting average sector growth is plotted as a line graph against the corresponding dates, providing a clear visual depiction of the sector's performance trajectory over time.



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Contact: [editor@inc42.com](mailto:editor@inc42.com)

# CREDITS

## ANALYST

SANDEEP SINGH

---

## DESIGNER

SARFAS EK

---

## ADDRESS

Inc42 Media, 59/16, 4th Floor, Jujhar Tower,  
RD Marg, Kalkaji, New Delhi, Delhi 110019

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