

TOP 10
IDEAS

INVESTING FOR IMPACT

BFSI, Financial Inclusion & FinTech



— Impact Future Project —

HOST



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Aspire Circle promotes enlightened social leadership. It builds and scales Fellowships, Scholarships and Internships, to catalyse India's Impact leadership capabilities. Since inception in 2007, Aspire Circle has engaged 200 Fellows and awarded 33 scholarships. It is also the Secretariat of the Impact Future Project, engaging business and investment leaders for the imminent impact economy.

Impact Future Project

IMPACT FUTURE PROJECT (IFP)

The Impact Future Project (IFP) is a thought-leadership platform and an appreciative enquiry about the imminent Impact Economy. IFP will generate bold, transformative investment ideas for 2030 with 200+ business and investment leaders, in sectoral communities of 20-30 each, to create new research, knowledge, awareness and advocacy for an era of impact measurement & reporting.



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— Impact Future Project —

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Executive Director, ICICI Bank

Founder's Preface



Visionary voices for a century, from Mahatma Gandhi to recent Nobel Laureates such as Muhammad Yunus and Al Gore unequivocally support the idea of a sustainable Impact Economy. The world's social and sustainability challenges have accelerated protests over the last decade, from Occupy Wall Street to Extinction Rebellion. Impact Economies provide a solution to address these challenges and achieve the UN's Sustainable Development Goals (SDGs), as we embed Impact, alongside Risk and Return, in every business, investment, policy & consumption decision. The imminent Impact Economy requires us to envision the future, so that India may chart her path with confidence.

The Impact Movement, which has grown globally to \$59 trillion, as per GSIA, is an unstoppable trend. We estimate that India has attracted only ~1% of this global capital pool. India Inc. must enhance its embrace of the Impact movement. The environment cost alone of India's 35 large companies at \$200 billion, is three times their net profit, rendering them uncompetitive in this new era of Impact Capitalism. The root cause is a lack of corporate alignment with impact, as there is no mandatory Impact Reporting. The recent Government decision to increase mandated Responsibility & Sustainability Reporting from the top 500 to the top 1000 companies is a welcome step, but just not enough. We need distinct ESG (Responsibility), Sustainability & Impact standards and strategies.

Aspire's Impact Future Project (IFP) set up in 2020, ten Impact Communities of ~20 leaders each, with representatives of different stakeholder groups. These IFP groups have held quarterly conversations to spark an appreciative enquiry about our shared Impact Future. IFP seeks to grow the knowledge & research, awareness & advocacy, education & training for the Impact Movement.

We are proud to release our first of ten research reports, on "BFSI, Financial Inclusion & FinTech". Our research highlights that the Top 10 emerging investment themes in the sector- Digital Payments, Digital Lending, InsurTech, Consumer Savings Products, Digital Factoring, Ecosystem Actors, NeoBanking, AgTech Funding Platforms, Blockchain & Impact Bonds, can collectively attract \$150 billion in investment and \$350 billion in revenues by 2030, creating 9 million jobs! This is the promise of Impact in Finance.

I thank all our Impact Leaders, our Co-Chairs, our Knowledge Partners, our Industry Partners, our Convening Partners and Capgemini, our sponsor, for their support. I hope this comprehensive research across 10 sectors and 1000 start-ups is compelling for your own Impact journey.

Amit Bhatia
Founder & CEO- Aspire Circle & Aspire Impact

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Messages

Co-Chairs



Dear Readers,

In India & around the world, families & small businesses are struggling to adapt to constantly

evolving challenges—leading more people than ever to embrace digital tools to manage their daily lives. While we need to look at focusing at once-in-a-lifetime opportunity to create an Impact Economy where new technologies & business models yield shared prosperity & make progress in achieving the UN’s Sustainable Development Goals, we also need to harness & look at what can sustain & build our future. We hope the ideas presented in this report inspire innovators throughout India to find new & sustainable ways to reach underserved customers & empower them to build resilience.

Abhishek Agrawal
Chief Regional Officer for Accion, Asia



Dear Readers,

In the last few decades, Capitalism has been moving away from “shareholder management” to

“Stakeholder management”. Global investors have made significant strides in holding management and boards of corporations accountable for integrating broader social and environmental objectives into strategy and operations. A well-integrated economic, social and environmental strategy to drive business objectives would provide competitive advantage to businesses. Such tall objectives create the need for a thought leadership platform to make humble and concrete beginnings. IFP is one such wonderful platform. The ideas proposed in this year’s edition of IFP are transformative and impactful. After a series of intense debates, the most relevant ideas have been selected. We hope you will find them as interesting and impactful as we did.

Vishakha Mulye
Executive Director, ICICI Bank

Sponsor



Dear Readers,

Capgemini is delighted to support and sponsor the Impact Future Project (IFP). We believe

the time has come when the idea of an “Impact Economy” must be mainstreamed. The pandemic has reminded us on the sustainable balance we must maintain with the planet and amongst the people. This will only be possible when all organisations, for-profits and non-profits, corporations

and funds, transparently measure and report their impact. We believe the IFP is a significant thought leadership initiative in helping build this awareness and a greater imperative to act. IFP not just resonates our values and pursuits of a purposeful existence, but takes us a step forward towards this envisioned impact future.

Anurag Pratap
Vice President, Digital Inclusion & Sustainability Leader, Capgemini

Quotes from Community Leaders



Capitalism is going through an incredible paradigm shift where its immune system is being re-wired to solve for both profit and impact. With our unique blend of impact opportunity and entrepreneurial talent, India has a unique opportunity to lead it.



Aarti Wig
Country Director, Yunus Social Biz



The financial inclusion sector has been the torchbearer for overall inclusive business/impact investment space by demonstrating that financial returns and impact can go hand in hand. This report explores emerging models in the BFSI space that have immense potential for creating impact at scale.



Anurag Agrawal
Partner, Aavishkaar



We need to urgently come together and collaborate to protect our world. These ideas need immediate attention and investment. These investments should be impact driven so that our planet & billions of lives will improve.



Chetna Sinha
Chair, Mann Deshi Bank



This FIN report will help rally frontline practitioners and funders around prioritized initiatives, unlocking the synergy needed to accelerate equitable prosperity and sustainable economic growth.



Alison Eskesen
Vice President,
Mastercard Centre for Inclusive Growth



IFP is a great initiative with an aim of bringing India to the forefront of the business world, driven by innovation, and backed by great thought leaders.



Alok Mittal
Co-Founder & CEO,
Indifi Technologies



Most of the world lives in deplorable conditions. Technology changes are happening that allow us to use our experience & resources to help those who most desperately need it. It is imperative we answer this call!



Eric Savage
Founder & CEO, Unitus Capital

“

By bringing together leaders from the private, non-profit and the government, Aspire has done a great job in encouraging forward looking discussions to unlock ideas for creating large scale, social impact in a sustainable & inclusive manner.

”

Geeta Goel
Country Manager,
Dell Foundation

“

Adding Social impact is a critical dimension to take capitalism and shared prosperity to the next level and the BFSI sector cuts through all other sectors with potential to make a significant contribution.

”

Hitesh Sethia
Head- Transaction Banking,
ICICI Bank

“

I liked the concept & approach plus with the type of brainstorming with facts and relevant professionals was an engaging experience.

”

Madhur Mehta
CEO, MSPL Consulting

“

Rural India is still a cash economy, which requires holistic financial inclusion; we need to scale offline + digital financial solutions integrated with AgriTech, to drive rural digital transformation.

”

Himanshu Bansal
Regional Director,
MasterCard

“

Putting together this report was an excellent experience because of the diverse nature of the contributors and the high level of engagement.

”

Kapil Mehta
Founder & CEO,
SecureNow

“

If you are working on a problem that could be solve in your lifetime, then you are not working on a problem large enough.

”

Pradeep Nair
Regional Director,
Ford Foundation

“

For Impact Investing to achieve scale and purposefully drive change with issues facing people & planet, India needs to be a leader with its culture of innovation & ability to impact its large population.

”

Rekha Unnithan
Co-Head- Impact Investing,
Nuveen

“

IFP is a significant step towards mainstreaming the principles of an impact-weighted framework in all facets of business decisions and bringing it into the collective consciousness of business leaders.

”

Suresh Sethi
Managing Director & CEO,
NSDL e-Governance Infrastructure Limited

“

Our efforts must result in enabling the economically disadvantaged, marginalized to sustain and grow their livelihoods, create value and generate employment at BOP, ensuring that every Indian walks out of poverty within the next decade.

”

Saneesh Singh
MD & CEO,
Dia Vikas Capital

“

The collaborative discussions provided tremendous insights into the challenges, opportunities and the scope & scale of possibilities in India. It was a joy to be able to contribute to the book.

”

Vipul Sharma
Founder & CEO,
Chqbook

Introduction

For truly inclusive growth, India must ensure access for all of its population to financial services, and promote financial literacy & awareness for rural & low-income populations. Right now, 20% of the adult population in India does not have a bank account¹ and hence lacks access to capital and borrowing opportunities. To financially empower and support traditionally underserved sections, our community of leaders in the Banking, Financial Services and Insurance (BFSI), Financial Inclusion and FinTech sectors, identify in this publication, the Top-10 investment opportunities with the potential to achieve financial inclusion.

Since 2014, India has embarked on one of the most ambitious financial inclusion initiatives seen in the world, bringing over 330 million people into the formal financial sector. The expansion in digital financial inclusion in India, with 29% of adults making or receiving digital payments at in 2017, up from 19% in 2014², has been driven by significant innovation in both the public and private sectors. Under the Government of India's Pradhan Mantri Jan-Dhan Yojana (PMJDY) scheme, 430 million³ bank accounts have been opened, with total deposits at around USD 20 billion⁴, including government payments through the Direct Benefit Transfer (DBT) system.

Growing Internet coverage (45% in 2021⁵) and smartphone penetration (845 million in 2021⁶) means that digital is the future of banking. By linking bank accounts to biometric identification (through the Aadhaar scheme) and to mobile Numbers (JAM⁷), India aims to leapfrog traditional models of financial access. By licensing new tiers of financial institutions, the government has pushed a differentiated

banking model in which companies such as Mobile Network Operators (MNOs) and fintechs can provide banking services under a payment bank license, and many microfinance institutions (MFIs) have evolved into Small Finance Banks. Digital payments received a one-off boost due to the government's demonetisation policy in November 2016.

Digital lending has given a strong impetus to financial inclusion, especially helping borrowers who are otherwise unlikely to benefit from formal finance. New lending platforms are transforming credit valuation and loan origination, as well as opening consumer lending to non-traditional sources of capital. The major business opportunities in the FinTech lending industry include cluster-centred funding, point-of-sale (POS)-based lending, peer-to-peer (P2P) lending, invoice-based lending, cash flow-based lending and online microcredit. This book lays out investment ideas in these and other areas that can help the underserved and unserved sections of Indian society benefit from its financial growth and prosperity. A survey identifying the potential of the investment ideas on various impact parameters is given on the next page.

¹The Global Findex Database 2017 (<https://globalfindex.worldbank.org/>)

²The Global Findex Database 2017 (<https://globalfindex.worldbank.org/>)

³<https://pmjdy.gov.in/account>

⁴<https://pmjdy.gov.in/account>

⁵<https://www.statista.com/statistics/792074/india-internet-penetration-rate/>

⁶<https://www.statista.com/statistics/467163/forecast-of-smartphone-users-in-india/>

⁷https://en.wikipedia.org/wiki/JAM_Yojana



BFSI, FINANCIAL INCLUSION & FINTECH SURVEY RESULTS OF THE TOP 10 IDEAS

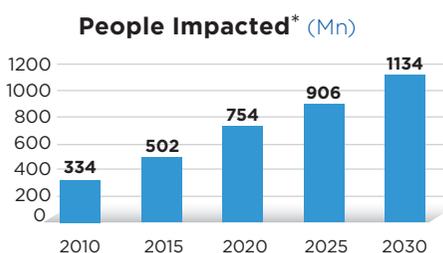
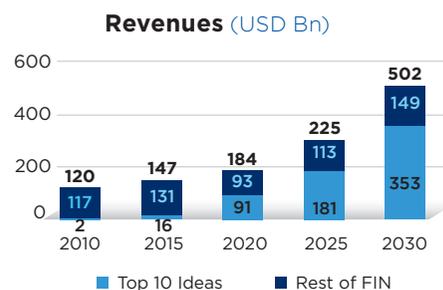
Investment Idea	Investment Stage	Business Model Validation	Impact on People	Impact on Planet	Need for policy support	Need for investment potential	Technical Maturity	Ease of Scalability
IDEA 1 Digital Payment								
IDEA 2 Digital Lending								
IDEA 3 InsureTech - Life & General Insurance								
IDEA 4 Consumer (B2C) Savings Products								
IDEA 5 Digital Invoice Discounting/ Factoring								
IDEA 6 Digital Finance Ecosystems Actors								
IDEA 7 Neo Banking								
IDEA 8 AgriTech Funding Platforms								
IDEA 9 Blockchain for Impact Investing								
IDEA 10 Impact Bonds								

Lifting the fortunes of millions by investing in banking, financial services, fintech and financial inclusion

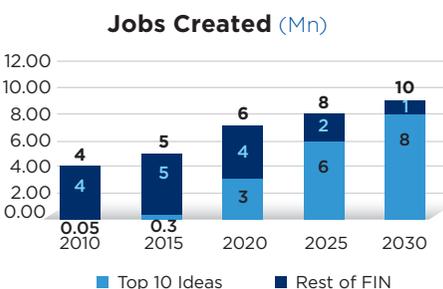
According to the World Bank, financial inclusion means that all sections of society have access to practical and affordable financial products and services that meet their needs in a responsible and sustainable way. These needs of transactions, payments, savings, credit and insurance are easily met for some groups in society but should be so for all groups.

Globally, financial inclusion has steadily increased. Since 2011, around 1.2 billion people have gained access to a bank account,⁸ currently 69% of the adult population worldwide has a bank account. Developing countries such as India, China, Kenya, and Thailand, where more than 80% of the population have a bank account, has started to move from access to an account to using an account. Innovations by the private sector, access to digital payment mechanisms and a strong push from government have accelerated the pace of financial inclusion in these countries. Innovations in financial technology have transformed the way financial services are being delivered. Technological advancement through fintech players has not only disrupted the financial industry but also compelled all financial service providers to adopt and transform their service delivery mechanism. Nevertheless, the fact remains that around 1.7 billion adults around the world, a third of the total adult population, remains unbanked, according to the latest Global Findex data⁹.

In India, Fintech has grown rapidly over the last few years. As of March 2020, India had the highest fintech adoption rate—87%—of all the emerging markets in the world.¹⁰ Fintech startups have accelerated growth in all the sectors of the BFSI industry. They are also actively working towards making India a more financially inclusive economy, which is seen as a key enabler of 7 of the 17



*As nearly no one will be left untouched by Digital Payments by 2030, we have not segregated people impacted by old vs. new ideas



United Nations Sustainable Development Goals (SDGs) for 2030. With heightened government focus on financial inclusion and digital adoption, digital payments in India could cross USD 1 trillion by 2025, especially as smart phone penetration is expected to grow manifold in the next decade.¹¹ India has the world's second largest fintech hub with over 2,500 startups operating currently and is expected to deliver a return on investment of 29% against the global average of 20%. Payments have the largest share among fintech startups, followed by lending, wealth tech, personal finance, insurtech, regtech and others. Overall transaction value in the Indian FinTech market is estimated to jump from approximately USD 66.1 billion in 2019 to USD 137.8 billion in 2023, at the compounded annual growth rate (CAGR) of 20.18%.¹²

Growth has accelerated for the Indian start-up ecosystem, which has the third-largest set of unicorns globally, commanding total valuations of USD 90 billion, behind the US and China. FinTech (along with e-commerce) has been a leader in the Indian unicorn landscape, spawning five unicorns with an aggregate valuation of USD 22 billion, the highest among Indian unicorns. It has also raised the second-highest private equity (PE) and venture capital (VC) funding over the past decade, taking in USD 10 billion. Digital payments, favoured by over 200 million users, have led the scale-up of FinTechs in India, initially as wallet players and later riding atop the digital public infrastructure (UPI, Aadhaar, Jan Dhan). Digital payments have grown ten-fold over the past five years and now have a 30% share amounting to over USD 450 billion, with acceptance by over 30 million merchants.

Before the COVID-19 pandemic, digital lenders were growing at a phenomenal 70% to 330% year-on-year across personal, consumer and retail business loans. But they were one of the worst impacted by the pandemic in terms of a loss in asset quality, experiencing two- to eight-fold

the delinquencies suffered by banks and Non-Banking Finance Companies (NBFCs). Consequently, growth has taken a back seat for these digital lenders, as collections and containing delinquencies take centre stage.¹³

The significant progress India has made in financial inclusion should not obscure the fact that a lot needs to be done to provide adequate access for the underserved and unserved including the rural population and women. Expanding access requires a regulatory framework for innovative products, promotion of financial literacy and awareness, and a robust, efficient network to encourage technology start-ups to participate in this journey.

As a result, expanded financial inclusion in India has had a mixed impact. It has helped reduce poverty, create jobs, and build a savings culture by reaching the underprivileged section of society. But it has also not yet addressed large economic and social inequalities, creating massive disparities in opportunity.

Addressing these inequalities is a large part of the Impact Future Project's mission. To this end, this chapter presents the top-10 fintech investment opportunities our leaders have identified, highlighting the investment and revenue potential of each, as well as the jobs that can be created and the lives that can be touched. For each opportunity, we later describe business models, demonstrate investability, and identify risks and limitations.

⁸Financial Inclusion, The World Bank (<https://www.worldbank.org/en/topic/financialinclusion/overview>)

⁹The Global Findex Database (<https://globalfindex.worldbank.org/>)

¹⁰Fintech Market in India, Research and Markets (<https://www.researchandmarkets.com>)

¹¹SEA Internet Economy Report (https://www.blog.google/documents/47/SEA_Internet_Economy_Report_2019.pdf/)

¹²India's Fintech Market: Growth Outlook and Investment Opportunities, India Briefing

¹³India FinTech Sector- A Guide to the Galaxy, Credit Suisse

INVESTMENT IDEA 1

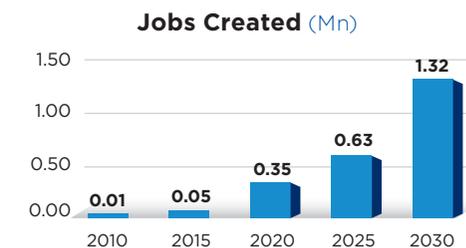
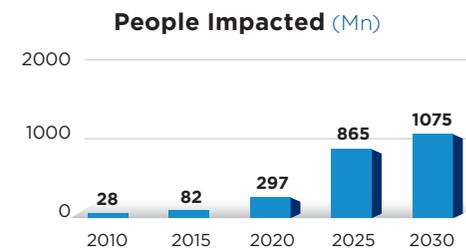
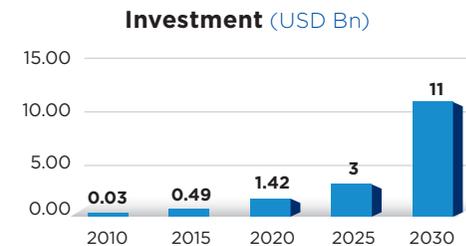
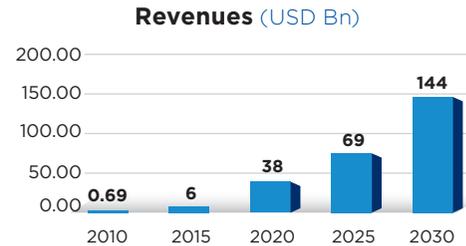
Digital Payments

The growth in India's digital payments market provides a tremendous opportunity for investors across the globe to cash-in on the fintech revolution.

The global digital payments market is expected to grow from USD 79.3 billion in 2020 to USD 154.1 billion by 2025 at a CAGR of 14.2%.¹⁴ The transaction value of the digital payments market was USD 5.44 trillion in 2020, and is projected to reach USD 11.29 trillion by 2026, at a CAGR of 11.21% between 2021 and 2026.¹⁵ High adoption of smartphones, a rise in e-commerce sales, and increased internet penetration are expected to lead the growth of digital payments globally. The COVID-19 pandemic boosted e-commerce sales and amplified the use of digital payment solutions like never before. As per reports, more than 70.3 billion real-time payment transactions were processed globally in 2020, a surge of 41% over 50 billion in 2019.¹⁶

Government policies on financial inclusion and digitisation of merchants are expected to drive over three-fold growth of digital payments in India to USD 100.61 trillion by 2025. India's digital payments market was worth USD 30.67 trillion in 2019-20. Although paper-based payments remain the preferred mode of transaction, electronic payments and instant payments have considerable shares, 22.9% and 15.6% respectively. In 2020, India retained the top spot in real-time payments transactions, with 25.5 billion, followed by China with 15.7 billion transactions. India's unique mobile payment users are expected to multiply five-fold from the current 162 million to nearly 800 million by 2025.¹⁷

India's digital payments market is expected to reach USD 100.61 trillion by 2025, with mobile payments contributing a share of



3.5%, up from the current 1%.¹⁸ Further, the payment gateway aggregator market in India is expected to more than double from the current USD 134.77 billion.

The business model with the most potential could be payment solutions, estimated to have the largest market size in 2020 and expected to grow exponentially over the next 10 years. Major digital payment solution vendors are gradually adopting smart technologies such as cloud computing, analytics and big data, to offer comprehensive solutions to potential customers. Payment gateway and payment processing are the most widely demanded solutions among merchants. Some of the most commonly used business models in digital payments include:

- Payment Gateway such as Billdesk, Razorpay, Instamojo, Atom.
- Payment Wallets such as Paytm, Mobikwik, PhonePe, Freecharge
- Payment Security and Fraud Management such as Cashfree, Newgen Payments, FrauShield
- Point of Sale such as Pine Labs, mSwipe, Innoviti.

The start-ups listed above prove the viability of the business models and the wisdom of investing in them. India's digital payments market has over 400 startups out of the over 2,000 fintech startups in the country. Mobile and digital wallets made up the largest chunk of startup funding in digital payments, at over 78% across India in 2020. Paytm and PhonePe are some of the highest funded Indian startups in this segment. Digital payments in India are set to account for 71.7% of the total payments volume by 2025, leaving cash and cheques at 28.3%. By 2024 the share of real time payments in overall electronic transactions will exceed 50%.¹⁹ More startups entering the payments ecosystem, innovative technological advancements, initiatives to increase customer convenience and forward-looking regulatory changes are expected to drive

the growth of digital payments in India. The segment is also attracting Big Techs as they see an opportunity worth USD 3.6 trillion.²⁰ Big Techs such as Facebook, Amazon and Google have cashed in on their massive customer base in India to make their entry into the payments segment through WhatsApp Pay, Amazon Pay and Google Pay respectively.

Any business has risks and digital payment is no exception. Businesses need to pursue fraud mitigation strategies to avoid harm and address potential revenue loss. Cyberattacks are the most critical challenge the payment industry long has been facing. The increasing adoption of digital payment technologies is also leading to a rise in cybersecurity risk, such as cyber thefts and frauds. Embracing payment technologies and integrating them with businesses have also increased risks and concerns over privacy, theft, and regulatory compliance. Due to the mounting risk, global spending on cybersecurity is expected to exceed by USD 1 trillion between 2017 and 2021.²¹

¹⁴Markets & Markets (<https://www.marketsandmarkets.com/PressReleases/digital-payment.asp>)

¹⁵<https://www.cobcertified.com/News-Global-Digital-Payments-Statistics-2021-2026.html>

¹⁶<https://www.businesswire.com/>

¹⁷<https://www.ibef.org/news/digital-payments-market-in-india-likely-to-grow-3folds-to-rs-7092-trillion-by-2025-report>

¹⁸<https://www.ibef.org/news/digital-payments-market-in-india-likely-to-grow-3folds-to-rs-7092-trillion-by-2025-report>

¹⁹<https://www.dqindia.com/digital-payments-volume-india-grow-71-7-payment-transactions-2025-report/>

²⁰<https://www.pwc.in/consulting/financial-services/fintech/dp/what-lies-ahead-in-digital-payments-trends-for-2021.html>

²¹<https://cybersecurityventures.com/annual-cybercrime-report-2017/>

INVESTMENT IDEA 2

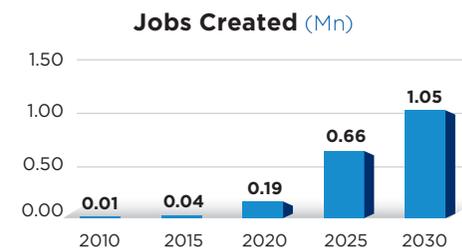
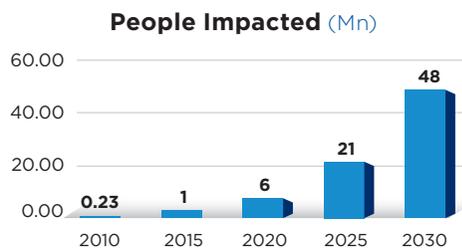
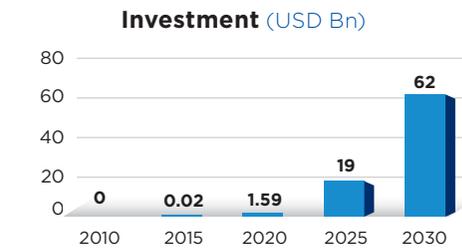
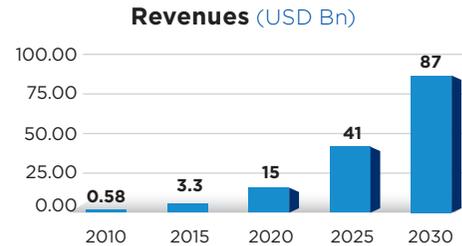
Digital Lending

Access to credit is one of the biggest roadblocks in India's quest for financial inclusion. Despite being one of the fastest-growing economies with the sixth-largest GDP in the world and a dynamic business sector, India does not offer access to formal credit for much of its population, including 65% of its rural population.

Meanwhile, the advent of disruptive digital technologies and changes in consumer behaviour has enabled credit organisations to transform their services and expand their customer base to national and international markets. The proliferation of smartphones and the rising rate of internet penetration has propelled the growth of the market. The global digital lending market was valued at USD 4.87 billion in 2020 and is expected to reach USD 27.07 billion by 2028 at a CAGR of 24%.²² China dominates this space, with an over 75% share of digital fintech loans in the world.

Between 2012 to 2019 retail digital lending in India has grown at a CAGR of 43% from USD 9 billion to USD 110 billion respectively. Growth in digital lending has primarily come from its ability to sanction small ticket size unsecured loans starting with as low as USD 65. Availability of fast, seamless, hassle-free credit facility especially to millennials, salaried individual, small stores, etc. have set the tone for fintech digital lenders to make inroads in the lending market of India.

Digital lending in India is forecasted to grow from USD 110 billion in 2019 to USD 350 billion by 2023. Lending is poised to become the highest penetrated sector among digital channels in India, improving its share from 23% in 2018 to 48% by 2023.²³ With the right investment and approach, this form of lending can be



expanded to reach the large number of Indians whose enterprise is stymied by a lack of credit. As per World Bank data, less than 10% of Indians and only 10% of small businesses have access to formal credit.

Not surprisingly, India had a household debt to GDP ratio of only 11%, as of 2017, compared to China's 49% and the US's 78%. This indicates a massive opportunity to finance the underserved.²⁴ There are about 65 million medium, small and micro enterprises (MSMEs) in India, contributing a fifth of the country's employment, and generating the most employment after agriculture. MSMEs contribute 38% of the country's GDP, a ratio 23% lower than that of China and 10% lower than that of the USA. The Reserve Bank of India (RBI) estimates that the total addressable credit demand among the country's MSMEs is USD 490 billion. Overall, India presents an unprecedented unmet credit gap of approximately USD 1 trillion by 2023.²⁵ Technological advancement, innovative business models, rapid adoption of digital platforms along with lean and agile processes are disrupting the digital lending landscape of India. Technology will continue to evolve lending in India, with many new business models aimed at creating inclusive opportunities for both lenders and customers. Some prevailing models include:

- Point-of-sale (PoS) lending providing unencumbered access to merchant-associated data, allowing easy credit evaluation. Startups include ZestMoney, Flexmoney and Kissht.
- P2P lending, a marketplace model that allows individuals to connect and lend to other individuals based on risk profiling and credit assessment. Startups include Lendingkart, Finzy and i2iFunding.
- Buy now, pay later, short-term tailored loans such as payday loans, consumer loans for retail, electronic and travel expenditures, etc., for instant purchase. Startups include Simpl, LazyPay and ePayLater.

Currently there are over 1,260 digital lending startups in India, and only 12%

(around 147) of them are being funded by venture capital (VC). B2B lending is the most preferred lending tech sub-segment for VC investors with inflows growing at a CAGR of 72% between 2015 and 2019. Digital lending startups in India attracted a total funding of USD 2.4 billion between 2014- 2020.²⁶ Meanwhile, demand for short term lending has grown exponentially in the past decade.

Investment must be accompanied by an assessment of risk. A major issue with digital lending is the absence of frameworks to evaluate risks for the investor. The race to provide lending to every individual all over the country has made digital lending a risky proposition for the industry as well as for investors. Rural customers with weak banking history, lack of disclosure and unfair pricing has started to make investors think twice before investing in the segment. Small businesses, migrant population, women labourers, millennial youth are some customer segments with a high risk of default. These segments are still considered at the bottom of the pyramid as far as digital lending is concerned in India.

²²<https://www.grandviewresearch.com/industry-analysis/digital-lending-platform-market>

²³The Business Loan Apps Market in India, 2021 (<https://www.globenewswire.com/>)

²⁴A wider circle- Digital lending and the changing landscape of financial inclusion, PwC

²⁵The Business Loan Apps Market in India, 2021 (<https://www.globenewswire.com/>)

²⁶A look into the Digital Lending Market in India (<https://www.leadssquared.com/>)

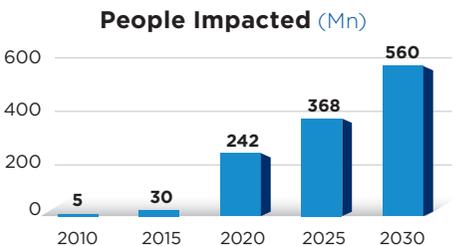
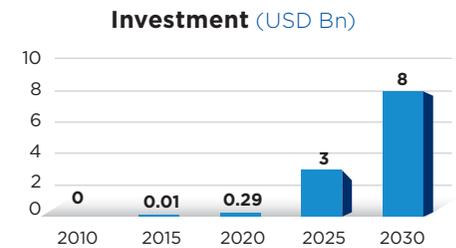
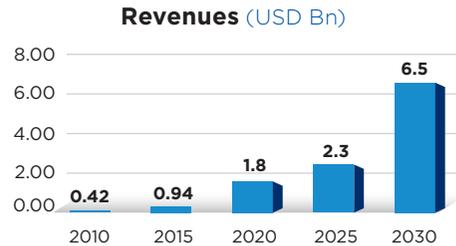
INVESTMENT IDEA **3****Insurtech: Life & General Insurance**

Insurtech refers to the use of technology innovations to create savings and efficiency from the current insurance industry model. Globally, insurtech revenue reached USD 5.48 billion in 2019 and is expected to reach USD 10.14 billion by 2025, growing at a CAGR of 10.80% between 2019 and 2025.²⁷ The insurance sector is one of the most profitable in the entire financial services industry. With global premiums exceeding USD 4.9 trillion in 2017, the industry is poised to become one of the most lucrative sub-segments of the fintech industry. Dynamic customer needs and easy access to insurance products has made Insurtech a revolutionary development in the fintech industry.

India is the second largest insurtech market in the Asia Pacific region, according to S&P Global Market Intelligence, drawing over 35% of the USD 3.66 billion investments by venture capital in the region. China and India have attracted about 78% of all investments in insurtech so far and are home to about half of the private insurtech firms in the region.²⁸ There are more than 829 million Internet users in India; this massive user base along with available infrastructure has amplified the opportunities for insurance players in the country. A standard regulatory framework, innovative technologically advanced product segments, and a fairly untapped market make India an ideal destination for insurtech players.

The business models pursued can be categorised as follows:

- Direct Insurers offering personalised, flexible, and cost-efficient packages typically with lower coverage and premium such as Acko and Digit.



- Aggregators, online platforms with numerous insurance products and companies that allow users to compare prices and terms such as Policybazaar, Turtlemint and Coverfox.

- Claims Settlement, solutions focusing on convenient tracking and administration of all insurance policies and assistance with claim settlement such as SureClaim, Vitraya, Mobinsure and VahanCheck.
- Software/Infrastructure providers offering sophisticated software and technology infrastructure to align all elements of the insurance supply chain network such as CogniSure, Stickynote, InsureHub and Pentation Analytics.

There is ample scope for investment in insurtech. Funding in global insurtech has tripled over the last four years, from about USD 2 billion in 2016 to USD 6 billion in 2020. Over the same period, funding in Indian insurtech companies has exploded, growing 26-fold from USD 11 million to USD 287 million.²⁹ Rising government interventions and the availability of a digital marketplace have enabled insurance players to create awareness and offer differentiated products to varied sections of society. Although the COVID-19 pandemic reversed some of the gains of the country's underperforming USD 280 billion insurance sector, it also boosted health and life insurance while providing new avenues of growth. Currently more than 75 percent of insurtech customers are retail clients and the commercial segment is still largely served by non insurtech companies. The collaborative approach of insurtech players with fintech companies and NBFCs has provided them a gateway to reach the retail segment. The need for greater loss prevention measures, strict documentation and innovative product design has so far restricted the insurtech players to fully serve the commercial segment. India has more than 140 insurtech startups at varied stages of investment. A recent surge in the number of insurance policies sold (a 25% increase from 2019 in general insurance) has lifted investors'

confidence in the sector. In the fiscal year 2020, around 241 million general insurance policies and around 9.2 million health insurance policies were sold in India³⁰. Insurtech startup Digit Insurance has doubled its valuation from last year to USD 3.5 billion with USD 200 million funding from Sequoia Capital and IIFL. Acko is looking to raise similar funding from Israel's FinTLV Ventures to enter the unicorn club. Fintech giant Paytm acquired insurance firm Raheja QBE for USD 76 million in July 2020 to mark its entry in the insurtech sector.

Investors need to consider what measures players are taking to contain the risks in insurtech. With companies focusing on digital disruption, providing prompt after-sale service can be neglected. Basic insurance processes such as customer service, claim settlement, underwriting and actuarial can be overshadowed in the quest for customer acquisition and collection of insurance premium. Insurance aggregators have made it fairly easy and convenient for customers to compare and switch from one company to another. The availability of multiple insurtech players offering innovative products has emphasised the need for companies to focus on the entire value chain starting with policy document to on-boarding and finally claim origination and handling.

²⁷Global Insurtech Market (2020 to 2025) <https://www.businesswire.com/>

²⁸<https://www.ibef.org/news/india-second-largest-insurtech-market-in-apac-sp-global>

²⁹<https://www.100x.vc/blog/insurtech--the-upcoming-startup-hub-of-india-100x.vc-team-2021-startups>

³⁰<https://www.statista.com/>

INVESTMENT IDEA **4****Consumer Saving Products**

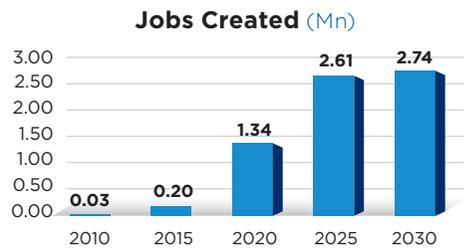
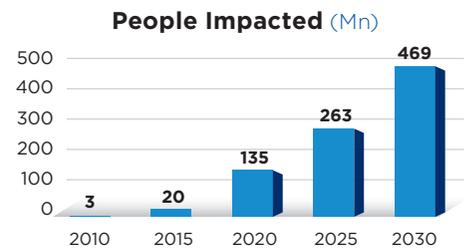
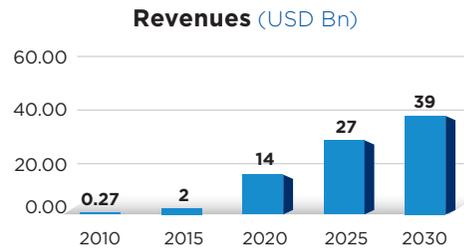
Consumer saving products can be defined as the combination of financial assets accumulated by consumers to safeguard their present and future economic needs. Various products have been developed in the form of micro-savings, micro-insurance and financial planning to encourage low-income consumers to save for short- and long-term goals.

Microsavings accounts are regarded as the first step to financial inclusion for the unbanked. These are similar to traditional savings accounts but are designed for small deposits.

Similarly, microinsurance is designed to help low-income families get access to life insurance and general insurance such as health, accident, commercial and motor. With an estimated 2 billion untapped people in the low-income groups worldwide, the market for microinsurance is expected to grow from USD 64.4 billion in 2018 to USD 92.1 billion by 2024.³¹

Micro-investing is the process of financial planning that includes depositing small sums of money into an investment account. The amount deposited is further invested in investment products providing better returns than does a savings account.

In India, some 600 million people lack a safe and convenient way to save and invest. Close to 60% of households in the low-income category do not have savings that would last for more than two weeks. India's micro savings companies have the potential to target around 400 million underserved people as potential customers. According to the RBI, household savings account for nearly 60% of gross savings in India.³² The magnitude of the microsavings opportunity can be understood by the fact that household financial savings are estimated at around 8.2% of India's GDP.



In developing countries, the market for microinsurance is estimated at between 1.5 to 3 billion policies. As of now, microinsurance policies provide coverage to 135 million people or just 5% of the potential market.³³ The market could grow to a whopping 1 billion policies in the next 10 years, which is seven-fold today's estimated size.

Driven by the expansion of digital infrastructure, investment-tech has opened up the micro-investment market. India's mutual funds industry has grown exponentially in the last two years. The industry's assets under management increased by over 40% from USD 17.5 trillion to USD 24.5 trillion between 2017 and 2019. Microinvesting offers an opportunity worth USD 100 trillion only in the mutual funds segment with less than 2% of India's population as active investors.³⁴

Impact investment in this area needs to focus not only on the savings needs but also the credit needs of the less advantaged, offering a diversified product portfolio, cutting down transaction costs, identifying ultra-poor groups and their preferential form of savings and setting up flexible rules and benefits. The most prevalent business models in microsavings are:

- **Compulsory deposits** such as Life Insurance, Unit Linked Insurance Fund, Public Provident Fund and pension schemes.
 - **Demand deposits** such as bank current account and savings accounts.
 - **Time deposits** including certificate of deposit, fixed deposit and term deposit.
- Popular models of microinsurance include:
- **Traditional model**, i.e., sales using agency forces
 - **Intermediary model**, sales through financial services companies or insurance partners
 - **Aggregator model**, sales through retailers, mobile network operators, etc.
 - **Community-based model**, in which a group of customers pools risks among themselves.

Popular models of financial planning and investment include Systematic Investment

Plans, Mutual Funds, Online trading platforms and advisor networks.

Many Indian startups are offering technology-enabled consumer centric products aimed at providing social protection to the economically weaker sections of the society. Micro savings start-ups in India include Sply, Wizely, M-Gullak, Kaleidofin and Dvara SmartGold. Startups in the microinsurance segment include Bimaplan and Gramcover. Only 44 microinsurance products are available in India, of which 20 are group products and 24 individual products. Financial planning and investment startups facilitating SIPs, mutual funds and stock investment include Nivesh, Sqrrl, Zerodha, Upstox, Groww, Fisdom and Piggy.

Investors considering risk should note that, despite increased adoption of consumer saving products, demand has been disproportionately low. Fintech companies receiving funding on grounds of affordable, scalable, accessible, adaptable business models spend a lot of their initial funding in building their customer base, especially in segments like consumer savings products. The target customers for these products are primarily underserved and unbanked population which reside in remote and unfamiliar territories, hence building a business model with such customer segment is often a risky proposition. Moreover, the rates offered by fintech savings platform providers are always on the higher side, in aggregate terms, which raises a question mark on the sustainability of such fintech businesses.

³¹<https://nextbillion.net/insurance-in-crisis-indonesia-partnership-innovation/>

³²https://m.rbi.org.in/Scripts/BS_ViewBulletin.aspx?Id=18994

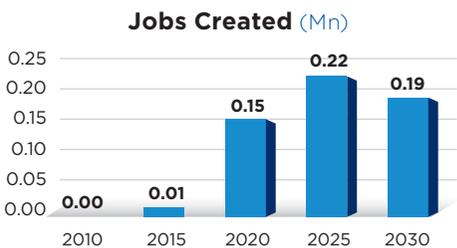
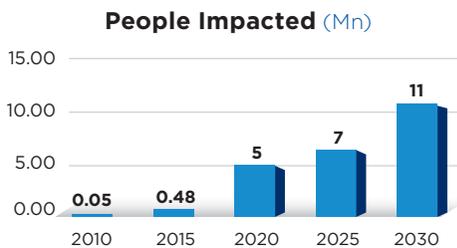
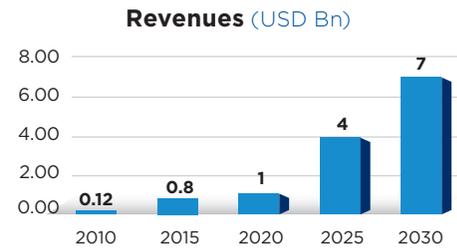
³³Insurance in Developing Countries- Lloyd's

³⁴<https://www.amfiindia.com/Themes/Theme1/downloads/BCG-Banner7.pdf>

INVESTMENT IDEA **5****Digital Invoice Discounting/Factoring**

Invoice discounting, also known as factoring, is an instrument through which a company's unpaid accounts receivables are used as collateral for a short-term loan from a finance company. The global factoring services market was valued at USD 3.2 trillion in 2020 and is projected to reach USD 9.2 trillion by 2025.³⁵ With over 5,000 companies providing factoring services, Asia Pacific is one of the fastest growing factoring markets in the world. Currently the global factoring market is highly fragmented, with a large number of domestic and international players. The rising GDPs of developing economies along with increased global trade, standard regulatory requirements, gaps in business financing, and technological advancements are driving the growth of factoring services across the globe.

The Indian invoice discounting market represents a USD 100-billion-dollar opportunity with over USD 160 million bills discounted by MSMEs on a monthly basis. The funding gap for India's MSMEs is as wide as USD 330 billion.³⁶ Although traditional banks still finance more than 80% of the working capital demands of businesses, alternate financing solutions such as digital invoice discounting are bridging the widening financing gap in working capital. To strengthen the concept of bill discounting and give more power to the MSME segment, the RBI launched an online bill-discounting platform called Trade Receivable Discounting System (TReDS) in 2017. The rapid adoption of online bill discounting platforms can be gauged by the fact that over USD 2.7 billion worth of bills were discounted on online platforms in 2020,³⁷ which is not even 10% of the financing gap of MSMEs. Disruptive digital models using advanced technologies such as blockchain



and the persistent working capital woes of businesses presents a tremendous opportunity for fintech players to transform business lending in the country.

The growing focus on e-commerce, mobile governance and digital economy has also revolutionised the way lending is provided to the MSME segment. The poor shape of informal banking has underscored the need for technology integration in debt financing and has led to the introduction of many alternative models. Some existing models in MSME lending include:

- **Marketplace lenders**, who interact with borrowers directly and own the loans while the platform serves as an intermediary. Examples are Lendingkart, Innoviti and Faircent.
- **Balance sheet lending**, where the online platform typically acts as a matchmaker for borrowers and institutional or retail lenders, taking on the risk of lending themselves, most often as an NBFC. Examples are Instakash and Capital Float.
- **Invoice Lending**, or alternate invoice lending models for the short-term working capital needs of MSMEs plagued by issues like delay in customer payments. Examples include Loanzen and KredX.
- **Supply Chain Finance**, through which suppliers receive early payment on their invoices, enabling both buyers and suppliers to optimise their working capital. Also known as reverse factoring this instrument is applicable only to B2B buyer-seller relationships, where the seller has a limited ability to cater to larger customers. Examples include CredAble, Artfine and LivFin.

channels. With an estimated 63 million MSMEs in India, employing over 150 million people and accounting for 45% of the country's industrial output, the MSME segment is the backbone of the country's economy. Yet only about 11% of MSMEs in India have access to a formal source of funding.³⁸ Investors are also realising the unprecedented opportunity in the MSME invoice discounting segment. Some recent funding examples include:

- M1xchange, a digital invoice discounting platform for MSMEs, which raised USD 10 million led by Amazon along with existing investor Beenext Asia in April 2021. Since its launch over three years ago, M1xchange has discounted invoices totalling USD 1.7 billion across 10,000 MSME suppliers
- Invoice discounting platform Kredx, which raised USD 26 million as part of its Series B round led by Tiger Global Management in December 2019

Digital invoicing has its share of risks and limitations. Some investors perceive invoice discounting as a stigma on the company, hence, excessive reliance on invoice discounting may not be viewed positively by all stakeholders. The cost of discounting means a reduction in profit margins, reduced scope of other borrowings, funding against poor quality debtors, etc., which are some of the major concerns that limit investment in invoice-discounting companies.

From an investment viewpoint, the MSME sector has become a big priority sector not only in the broader economy but also in the Indian startup ecosystem. Many startups have emerged to solve the growing need for business financing, thanks to the government's push in encouraging lending through multiple

³⁵Adriot Market Research (<https://www.globenewswire.com/>)

³⁶<https://financialstory.in/ocen-expectations-from-next-digital-public-good/>

³⁷<https://yourstory.com/smbstory/working-capital-msmes-fintech-invoice-based-financing/amp>

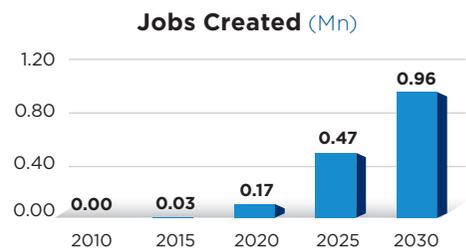
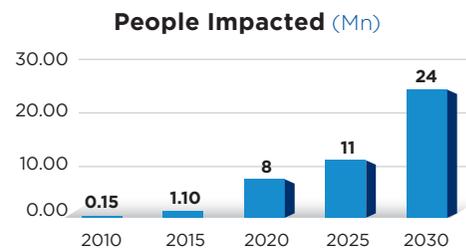
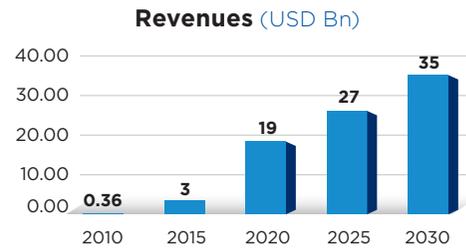
³⁸The new wave Indian MSME, An action agenda for growth; KPMG

INVESTMENT IDEA **6****Digital Finance Ecosystem Actors**

As the digital finance ecosystem galvanises financial inclusion, data has come to have an important role in providing low-cost differentiated products to suit the varied demands of customers. Business entities engaged in collecting and streamlining digital financial data form the backbone of the lending industry. Digital lenders have largely moved to embedded finance to provide a quick, reliable and seamless lending experience to customers. Embedded finance is estimated to be a global market opportunity of over USD 7.2 trillion by 2030, up from USD 3.6 trillion in 2020.³⁹ Emerging digital business models that use plug-and-play technology through an integrated set of digital finance ecosystem actors enable businesses to easily manage and sell highly regulated and relatively complex services such as lending as an embedded service.

In India, digital finance lending, the most data-centric segment of the digital finance ecosystem, is poised to grow from USD 110 billion in 2019 to USD 350 billion by 2023. Increasing Internet penetration and an untapped customer base of 300 million people without access to formal credit are expected to drive the growth of digital lending in the country.⁴⁰ For low-income customers, the data generated through their transaction history forms a key component for financial institutions to analyse the credibility of their loan application.

IndiaStack was the first step towards bringing digital finance ecosystem actors together and using an open set of application programming interfaces (APIs) to bring a presence-less, paperless and cashless technology experience to stakeholders. The ease with which APIs can provide services such as Aadhar authentication, eKYC, Digital Locker and FASTag on a unified software platform has



transitioned India's financial sector into the digital age. Another major development in digital finance lending is the origination of the Open Credit Enablement Network (OCEN). To facilitate the lending process,

especially for people and businesses that lack of a credit history, the OCEN network provides a digital interface between various stakeholders and hence democratises access to credit in India. The network allows lenders to take lending decisions and process loan applications within seconds through a set of APIs.

OCEN provides a standard set of tools that allows lenders to partner with any fintech player and integrate the network without any effort at the lender's end. Some of the new roles emerging in an Open Credit Ecosystem for India are:

- **Account Aggregators:** According to the RBI, these are licensed non-banking financial companies engaged in providing the service of retrieving or collecting such financial information pertaining to its customers. Examples are CAMSFinServ, and NESL Asset Data Ltd.
- **Lending Service Providers (LSP):** agent entities that facilitate affordable low-cost loans to customers in line with their specific requirement from lenders. Examples are Incred and Navi.
- **Data Empowerment and Protection Architecture (DEPA):** Released by NITI Aayog, DEPA is a framework that allows individuals to access their data seamlessly and securely and share it with third-party institutions.
- **Derived Data Providers:** Sharing historical lending data with underwriters and lenders with consumer consent to help make informed decisions.

Other emerging opportunities in the lending value chain include lenders, underwriting modellers, credit bureaus, payment service providers and technology providers.

The launch of OCEN in July 2020 is destined to change the way lending services are provided in the country,

especially for the MSME segment. The OCEN framework can leverage the strengths of all digital finance ecosystem actors on a strong and robust digital infrastructure to help lenders provide access to credit. Platforms such as Sahay and Sahamati are already acting as enablers of digital conglomeration of multiple digital finance ecosystem actors and OCEN network. Currently, OCEN is in a pilot stage with lending partners such as State Bank of India, HDFC Bank, ICICI Bank, IDFC FIRST Bank, Axis Bank, and Bajaj Finserv being on-boarded to test its feasibility. FinTechs like JustPay and OkCredit are also part of the pilot projects. Technology service providers such as Setu and Apollo Finvest have already published APIs to integrate with OCEN. Around 30 consumer-facing companies in various fintech segments such as tax and legal filing apps, invoice discounting, payment gateways, neobanks, khata apps, and AgriTech companies have applied to become part of the OCEN value chain.

Risks in this sector involve the challenges that arise when multiple stakeholders integrate to provide seamless, secure, reliable and safe financial services to end users. Some of the major obstacles preventing digital finance ecosystem actors from fully serving the unbanked are a lack of interoperability, consumer protection issues, competition issues, regulation for digital finance actors, security of transaction, quality of service, interpretation of big data, and protecting digital identity. The risk of some actors taking advantage of their proprietary services to create an oligopolistic market in some segments such as account aggregators must also be considered.

³⁹<https://www.simon-torrance.com/blog/EmbeddedFinance1>

⁴⁰<https://gomedici.com/indias-open-credit-enablement-network-ocen>

INVESTMENT IDEA 7

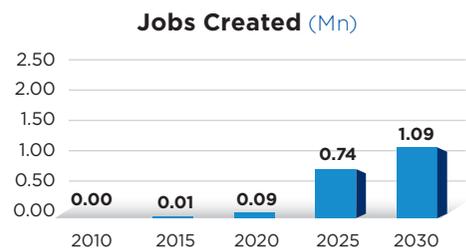
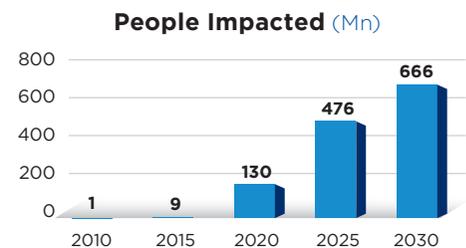
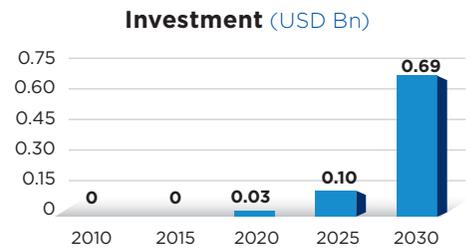
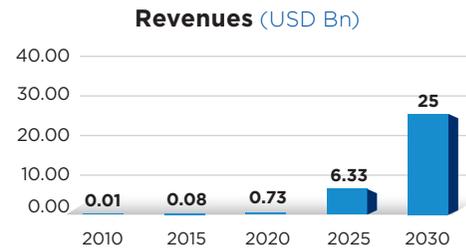
Neo Banking

Neo banks are digital-only banks without any physical branches. Also known as challenger banks and smart banks, they provide a low-cost, personalised banking experience to users through easy-to-use APIs. Neo banks provide virtually all the services to retail as well as corporate customers that a traditional bank does. An advanced customer interface with minimal manual intervention and generally quick customer response makes neo banks a preferred option for new-age banking customers.

Globally neo banking reached approximately USD 20 billion in size in 2019 and is expected to grow at a CAGR of around 46.5% to reach USD 394.6 billion by 2026.⁴¹ Fintech startups all over the world are partnering with traditional banks to provide neo-banking services as a layered offering. Currently, more than 50% of all fintech customers are using neo-banking services and more than 67% of all neo bank customers are millennials. As per Finnovate Research, globally, customer acquisition costs for conventional banks are USD 200 compared to USD 1-38 for a neo bank.⁴² The advantage of neo banks is that they use their own technology stack to customise customer-centric product unlike a traditional bank. Their mobile-centric, transparent, easy-to-use and innovative features make neo banks the preferred choice for today's digital age generation.

There are mainly three types of neo-banking institutions:

- **Non-licensed fintechs:** These fintechs collaborate with traditional banks to operate as a supplementary arm providing digital-only banking services to customers at a much lower cost. They include Jupiter, Open, Payzello, Slice, Yelo, NiYo and Fi.



- **Digital initiatives of traditional banks:** These are built on their parent banks' funds. They are separate, mobile-only applications of traditional banks that

provide all banking services through the digital medium. They are aimed primarily at targeting the millennial population. Examples are Digibank (DBS), Yono (SBI) and Kotak811.

- **Licensed challenger banks:** These are standalone digital banks that act as an additional service segment of a company such as a telecommunication service provider, to offer digital banking service to existing customers. Examples are Airtel Payments Bank, Paytm Payments Bank and NSDL Payments Bank.

Since 2018, neo banks in India have attracted almost USD 200 million in investment across 34 rounds.⁴³ There are 27 neobanks in India, all at initial stages of investment, with RazorPay X receiving the maximum funding of USD 124.7 million to date from investors including Matrix Partners, Tiger Global, Sequoia, GMO Ventures and Ribbit Capital. Paytm Payments Bank tops the list in terms of revenue, with an annual turnover of over USD 200 million.⁴⁴ The scalability of neo banks in acquiring large number of customers at a low cost, their customisable in-house-built technology platform and their ability to address customer needs in a convenient way has increased investors interest in neo banking.

Although most neo banks in India are at initial stages of their operations, many have been able to raise funds, some even raised seed rounds of USD 5-20 million without even launching their products. India's neo banking model is predicted to raise USD 394 billion by 2026.⁴⁵ Another driver of the growth of neo banks in India is the presence of the second largest unbaked population in the world, an estimated 190 million people.⁴⁶ The biggest positive that came out of Covid-19 pandemic is the rapid adoption of digital medium of transaction, especially by those who wouldn't have

dreamt of going digital for banking. India is home to the largest youth population in the world. Currently more than 87 percent of neobanking clients are millennials and netizens. As service sector increase its share in the country's GDP, from the current 55 percent, and more millennials join the workforce, along with neobanks increasing their service offerings through innovation, the adoption rate of neobanks will increase manifold leading to an end of branch banking in years to come.

Indian regulations do not permit fully digitised banks. The biggest roadblocks to the growth of neo banks in India is the restrictions on deposits (up to USD 0.1 million) and a ban on lending. No payments bank has achieved significant scale in India. Assuming that traditional banks can figure out a revenue model for neo banks, the latter seem to have a smaller target addressable market. Nevertheless, some estimates say that neo banks can serve more than 20 million customers over the next three years, a large enough number to sustain several thriving neo banks. The risk of consumer inertia and the barrier to switch in financial services are still very high in India. Neo banking platforms may have to add more service offerings with a variety of choice at a nominal price to provide real value for customers.

⁴¹<https://yourstory.com/2021/01/neo-banking-next-banking-revolution-businesses/amp>

⁴²<https://transfin.in/what-are-neobanks-in-india-revolution-in-banking-in-india>

⁴³<https://www.thehindubusinessline.com/money-and-banking/investments-into-neobanking-space-dip/article35134896.ece>

⁴⁴<https://twimbit.com/insights/india-the-new-hub-of-neobanks>

⁴⁵The Rise of Neo Banking in India (<https://www.entrepreneur.com/article/360957>)

⁴⁶The World Bank (<https://worldbank.org/>)

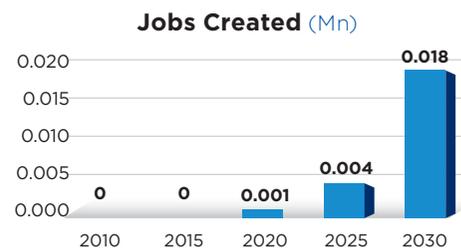
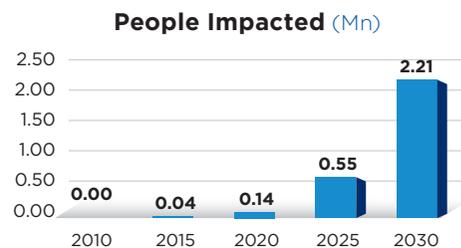
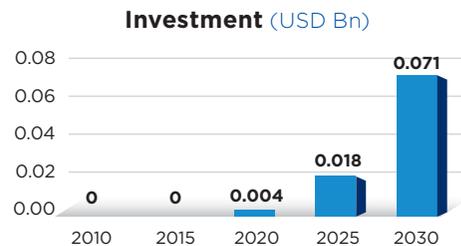
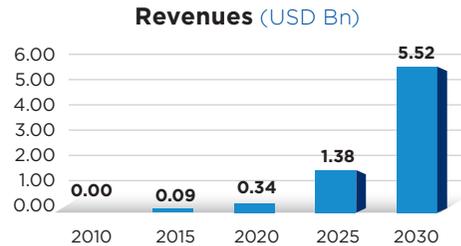
INVESTMENT IDEA 8

Agritech Funding Platforms

Although agriculture is the largest employer in the country, accounting for more than 50% of the working population, the sector contributes a meagre 18% to India's GDP.⁴⁷ Low technological integration, age-old practices, unskilled workforces, lack of financing options, under penetration of private sector players, and large dependency on government policies have restricted the growth of the sector. Opening the gates for agri fintech funding platforms with the potential to provide hassle-free loans to farmers could be a missive catalyst of the sector's growth.

India's agriculture sector is USD 370 billion in size. Indian agritech companies have received USD 1 billion in funding in between 2017 and 2020, making it the third-ranked country in terms of agritech funding. On the back of technological advancements, regulatory changes and Covid-19's impact, the sector is projected to grow to a USD 30 billion–USD 35 billion market by 2025.⁴⁸

Despite the presence of many agritech startups in the country, there are very few lending solutions for farmers. The dearth of financing options can be gauged by the fact that less than 20 agri fintech platforms are operating in the country, as per Tracxn. The agri financing requirement for private trade in the country is close to USD 95 billion, almost 25% of the total size of the sector. Existing regulations and insignificant technological interventions in agriculture lending make it difficult for the sector to match the standards of developed countries. More than 145 million farmers in the country depend on loans for their farming needs, with more than 51 percent of them not having access to formal credit. The remaining who have access to credit, still depend



on informal sources of credit. The Kisan credit card is the primary source of loans from commercial banks for millions of farmers. With increasing rate of technology

adoption and agritech platforms reaching remote locations, agri fintech platforms are all set to replace Kisan credit cards in broader farm lending.

Some recent innovations in agricultural financing are as follows: a) expanding access to rural finance- by linking community-based financial organisations to larger formal financial intermediaries and or agri fintech startups; b) promoting rural-/ community-based easy-to-understand financial products such as crowdfunding for and from farmers; c) innovative group-based, mutual credit guarantee schemes by sharing default risk; d) easing access to collateral in farm households by reducing collateral requirements; e) providing financial services along with farm consultancy; f) value chain financing- by facilitating credit across the farm value chain; g) loan purchase order and receivables financing through financing for working capital; and h) lead firm financing through upstream financing of other players including producers and traders.

The emergence of IndiaStack has directly benefitted the agriculture lending ecosystem by creating a national digital infrastructure to facilitate lending. Convenient Aadhaar-enabled KYC, opening of millions of Jan Dhan bank accounts, and the National Payment Corporation of India payment infrastructure have enabled agri fintech lenders to fast forward lending for the farmer community. Many agri-fintech startups have come up in the last decade, working towards improving market linkages for smallholder farmers and making credit more accessible at every step of the agri value chain. Some recently funded agri-fintech startups include:

- Samunnati, which raised USD 13 million in Series D funding in January 2021 from FMO, Entrepreneurial Development Bank and Triodos Investment Management

- FarMart, which raised USD 2.4 million in pre-Series A funding in May 2021 led by Omidyar Network India and Avaana Capital

- Jai Kisan, which raised USD 30 million in a Series A round led by Mirae Asset, Syngenta Ventures, and existing investors in May 2021.

Lending in rural areas is predominantly serviced by experienced bankers who have extensively worked in the rural credit space and have good rapport with the local community. Agri fintech lenders need to earn the trust of the farmer community along with providing real value to the customers in order to gain a sizeable market share. Risks are considered to be high in agriculture due to two core issues: the risk of diversion and the risk of migration, which can lead to the high incidence of non-performing assets. There are many challenges around funding, partnerships and access to data for scaling agri-financing solutions. Some of the key limitations include limited funding for early stage agritechs; high risk perceptions among investors with respect to policy, long gestation period, and climate risk; and lack of leverage for lenders such as credit guarantee schemes. Lenders are also reluctant to offer credit to small and marginal farmers due to poor access to customers, limited information and an unpredictable environment. There is a very high cost of servicing farmers from remote locations, because of high perceived risk of default in such locations. Added to that is the perceived unreliability of such data. In such a scenario agri-techs have to devote significant resources to gather farm and farmer-related data.

⁴⁷<https://yourstory.com/2021/04/agri-financing-next-era-evolution-agriculture/amp>

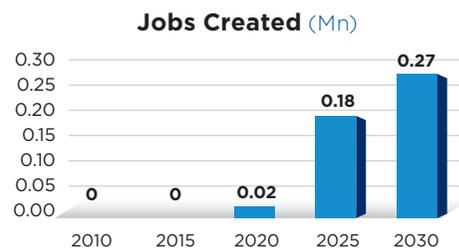
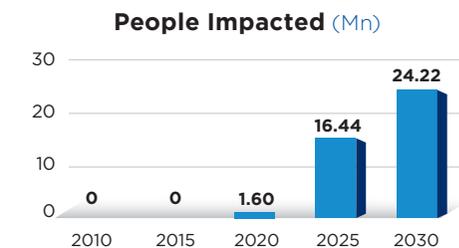
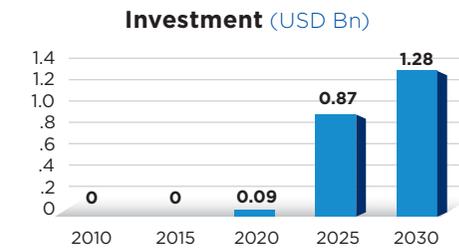
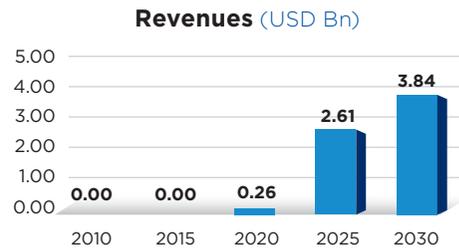
⁴⁸https://www.bain.com/globalassets/noindex/2021/bain_brief_indian_agriculture_ripe_for-disruption.pdf

INVESTMENT IDEA **9****Blockchain for Impact Investing**

Blockchain is a decentralised and immutable digital ledger of financial transactions that can be securely distributed across a peer-to-peer network. The technology has the potential to galvanise financial inclusion for more than 2 billion unbanked adults worldwide. Blockchain can seemingly provide endless possibilities in impact investing by reducing the costs of transaction, increasing traceability and eliminating the need for physical documentation in a decentralised manner. The unique feature of digitally recording and tracking the progress of social impact activities makes it a dynamic tech platform to design products and services tailored to impact investing.

The total global market for blockchain technology was USD 7.31 billion in 2018 and is expected to reach USD 60.12 billion by 2026. Blockchain has the potential to add as much as USD 300 billion to USD 400 billion of annual economic value globally by 2027.⁴⁹ Blockchain spend in India increased by 103.4% during 2018 to reach USD 154.8 million. Over 2019 to 2025, spend on blockchain is expected to grow at a CAGR of 47.3%, increasing from USD 289 million in 2019 to USD 4,348.3 million by 2025.⁵⁰ As per a recent publication by NITI Aayog, the Indian government is working towards a vibrant blockchain ecosystem that will project India as the blockchain hub to promote research and development. It also emphasizes on the creation of IndiaChain, a national infrastructure for deployment of blockchain solutions with inbuilt fabric, identity platform and incentive platform⁵¹.

International institutions, governments, impact investors and private companies are identifying ways in which blockchain can take impact investing to the next level in every sector including health, financial inclusion and agriculture. Blockchain has



already started to create positive social impact through the development of trusted permanent records, distribution of international aid and providing universal financial inclusion. More than just a means

of securely and instantaneously sending currencies around the world at low cost, blockchain allows the creation of impact-oriented digital assets and data collection that can accelerate the flow of impact investments worldwide.

Managing assets on a blockchain has a number of advantages, from which impact investing could potentially benefit: greater transparency, enhanced security, improved traceability, increased efficiency and speed of transactions, and reduced costs. Blockchain's unique ability to store data unalterably without relying on any intermediary or central authority allows it to preserve its integrity and eliminates the risk of fraud and hacking. Some sectors where blockchain can be used for social impact are:

- **Education:** tracking the progress of students journey throughout the training program for eligibility of rewards
- **Agriculture:** eliminating third parties engaged in data collection, enabling supply chain management and providing direct benefits to the farmers
- **Healthcare:** creating digital health records to enable qualified access for patients to treatment under various sponsored schemes

Apart from facilitating financial inclusion in every sector, blockchain is widely used in democracy and governance, human rights, digital identity, and land records, among other areas. Blockchain not only facilitates collaboration with various stakeholders of the impact investing value chain but also ensures transparency in benefit distribution.

Some uses of blockchain in impact investing include 'impact tokens'. These are a unit-based measurement metric that can be easily quantified to represent an impact related to a UN sustainable development goal (SGD). These tokens can be used to make performance-based payments,

track impacts through supply chains or substantiate claims on supporting SDGs. Investing in projects with a real positive impact is now within everyone's reach. Some of the most popular applications of blockchain in impact investing includes: Building Blocks platform by the World Food Programme to make payments to refugees, Moeda cooperative investment platform for financial inclusion, Amply by ixo Foundation to allow benefits reach the beneficiaries through impact tokens. These beneficial projects prove that it is perfectly possible to combine philanthropy and profitability. Blockchain is one of the most suitable investment channels for investing in responsible projects, providing a solid infrastructure on a large scale. Some global impact investors utilising blockchain technology include Aidos (USA), HashMarket (Spain), Crypto Tron (Thailand), Rainier AG (Russia) and RaiseV (Netherlands).

Although blockchain is considered the most trustworthy technology for transactions, there are still concerns regarding lack of standardisation and a potential lack of interoperability with other blockchains. As with any emerging technology, challenges and doubts exist around blockchain's reliability, speed, security of smart contracts and scalability. The biggest barriers to blockchain adoption in order of concern are regulatory uncertainty, lack of trust among users, ability to integrate networks, separate blockchains not working together, inability to scale, intellectual property concerns, and audit/compliance concerns.⁵²

⁴⁹<https://www.financialexpress.com/opinion/why-india-must-harness-blockchain-gains/1130015/>
⁵⁰India's spend in Blockchain (<https://www.globenewswire.com/>)

⁵¹https://www.niti.gov.in/sites/default/files/2020-01/Blockchain_The_India_Strategy_Part_1.pdf

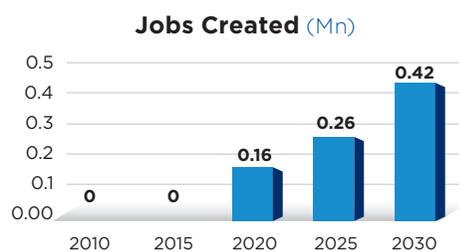
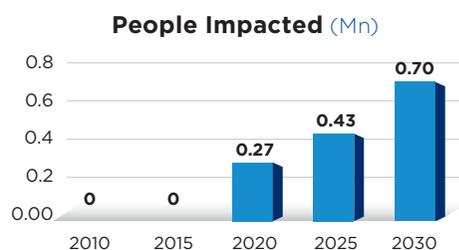
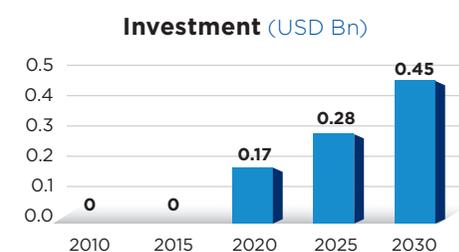
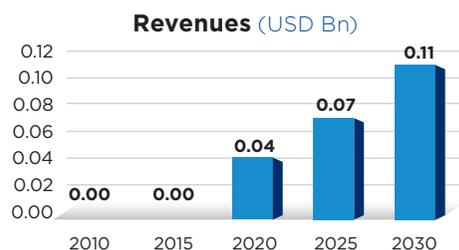
⁵²PwC's Global Blockchain Survey 2018

INVESTMENT IDEA 10

Impact Bonds

Impact Bonds are performance-based investment instrument that mobilises private capital to fund social projects, creating a positive social impact along with generating returns for the investors. The return is paid either by a donor or a public sector agency only if the desired outcome is achieved. There are two types of impact bonds; Social Impact Bonds (SIB) and Development Impact Bonds (DIB). Both types of bonds serve the same purpose, the only difference being the outcome funder. In a SIB, government is the outcome funder whereas in a DIB, the outcome funder is a donor or a foundation. Origination and implementation of impact bonds in India is still very nascent, with only four DIBs launched to date and the MoU for India's first SIB signed recently in January 2021. However, through innovation in product design and with a clear sense of purpose, impact bonds have the potential to encourage large scale socially responsible investments.

As of 2021, 206 impact bonds have been raised in 35 countries across 6 sectors. The majority of the deals are contracted in just a few countries. Those in the U.K. (69), the US (26), the Netherlands (15), Portugal (13), and Australia (10) make up 69% of the total number of Impact Bonds. This amounts to over USD 434.24 million in upfront investment in social services and USD 460 million in total outcome funding committed.⁵³ India is the leading emerging market in terms of contracted Impact Bonds. Impact bonds are high value bonds that can create visible social impact, if implemented well. The very nature of impact bonds, paying the investor based on the outcome, encourages investors to push the implementation partner for authentic, measurable, data-driven performance within the stipulated time. The segments generally



targeted by impact bonds include education and healthcare. The scale and scope of impact bonds to create value not only for beneficiaries but also for investors present a significant opportunity for impact investing.

Impact bonds are pure-play, outcome-based funds that are originated with the outcome funder and facilitated with the investor. The outcome funder is willing to pay for results but is not ready to take risks. The investor takes on the entire risk of the project in identifying the credibility of the implementation partner and supporting intermediaries. Other key partners such as the implementation agencies and intermediaries are primarily service partners and are paid for the services they render. The investor's motive is to generate returns through a measurable social outcome.

Building a robust impact bond market requires a range of drivers or facilitating factors that have enabled countries to contract impact bonds. These include qualified service providers, willingness of governments to engage, strong intermediaries, technical assistance for project development, standardisation of procedures, existing experience with public-private partnerships, and technology for data collection and analysis.⁵⁴

Approximately 9,00,000 beneficiaries have been targeted through Impact Bonds in developing countries. The target size of the projects ranges between 150 to 6,00,000 beneficiaries.⁵⁵ India also ventured into impact bonds to achieve social outcomes in sectors such as education and health. The four development impact bonds in India are the highest number of impact bonds contracted in a developing country. Despite the small number, the projects target more than 80% of impact bond beneficiaries globally. A brief snapshot of the 4 DIBs in India is as follows:

- **Educate Girls:** Launched in 2015, the first DIB of India was implemented by the non-profit Educate Girls as the service provider, UBS Optimus Foundation as the investor, and Children's Investment Fund Foundation as the outcome payer. The project covered 166 schools in 140 villages in the district of Bhilwara, Rajasthan.

- **Quality India Education:** Led by a consortium of investors including UBS Optimus Foundation, British Asian Trust, Michael & Susan Dell Foundation, and Tata Trust, this was the largest education DIB in the world to improve the educational outcome of 300,000 students in Delhi and Gujarat.

- **Haryana Early Literacy:** Operational from 2019-20, the DIB targets 115,000 children and 7,500 teachers as beneficiaries. IndusInd bank and SBI Foundation are the outcome funders with Central Square Foundation as the investor.

- **The Utkrisht Impact Bond:** The world's first and largest health DIB, this targets 6,00,000 pregnant women as beneficiaries to reduce maternal and new-born mortality rates. USAID and MSD for Mothers are the outcome funders with UBS Optimus as the investor.

Some key barriers to scale for the impact bond market include misunderstanding of the impact bond model, the need for adaptations to the local context, staff turnover and lack of knowledge in commissioning organisations, constrained commissioner organisational capacity, and lack of data on impact bonds success. Other barriers include access to data, and challenges associated with the more rigorous evaluation methodologies that often require the identification of a counterfactual group. Impact bond development may also be held back by a lack of experience, restrictions placed on the use of outcome funding, and lack of government interest in capacity building around the instrument itself.

⁵³<https://government.economictimes.indiatimes.com/news/economy/impact-bonds-an-emerging-market-opportunity-for-innovative-financing/81562236>

⁵⁴https://www.brookings.edu/wp-content/uploads/2020/09/Impact_Bonds-Brief_1-FINAL.pdf

⁵⁵Impact Bonds: An emerging market opportunity (<https://government.economictimes.indiatimes.com/>)

100 Startups & Investors

Investment Idea	Startups- Investment Stage/ Last Funding Type				
	Angel/Seed	Series A	Series B	Series C	Series D+
<p>INVESTMENT IDEA 1</p> <p>Digital Payments</p>	<p>Startup: PayKun (2018) Investors: Bootstrapped</p> <p>Startup: Easebuzz (2015) Investors: 8iVentures, Guild Capital, Varanium Capital Advisor</p> <p>Startup: PhonePe (2015) Investors: Flipkart, Tiger Globe Management, Walmart</p> <p>Startup: FIA Technology Services (2012) Investors: IBAC, Millennium Alliance</p>		<p>Startup: Cashfree (2015) Investors: Apis Partners, Y cobinator, Smilegate</p> <p>Startup: Instamojo (2012) Investors: Gunosy Capital</p> <p>Startup: Freecharge (2010) Investors: Sequoia Capital, Tybourne Capital Management, Valiant Capital Management, Sofina</p>	<p>Startup: Ezetap (2011) Investors: JS Capital Management, Social Capital and Horizons Ventures</p> <p>Startup: CitrusPay (2011) Investors: Sequoia Capital, Ascent Capital, Beenos, Zone Startup india</p>	<p>Startup: Bharatpe (2018) Investors: Northern Arc, Sequoia Capital</p> <p>Startup: Paytm (2010) Investors: Silicon Valley Bank, Intel, Sapphire Ventures, Soft Bank, Ant Financial, Alibaba</p> <p>Startup: Mswipe (2011) Investors: Matrix Partners, Falcon Edge, B Capital Group, Axis Bank, JS Capital, DSG Consumer Partners, Ola, Epiq Capital Advisors</p> <p>Startup: Cred (2018) Investors: Sequoia Capital, Ribbit Capital, DST Global, Coatue, Falcon Edge Capital</p>
<p>INVESTMENT IDEA 2</p> <p>Digital Lending</p>	<p>Startup: Cashkumar (2012) Investors: KJMC, Operator VC, Smavin Investment & Trading</p> <p>Startup: LendenClub (2015) Investors: Artha Venture Fund, Transworld Group</p> <p>Startup: Credy (2016) Investors: Y Cobinator, Khosla Ventures, Next Ventures, Musha Ventures</p> <p>Startup: ePayLater (2015) Investors: Pravega Ventures, GMO Global Fintech Fund, ICICI Bank</p> <p>Startup: iLend (2012) Investors: 50K Ventures, Brand Capital, Angaros Group Pte Ltd</p>	<p>Startup: Simpl (2015) Investors: Green Visor Capital, IA ventures, DIA Investment</p> <p>Startup: Flexmoney (2015) Investors: Pravega Ventures, Z5 Capital, Kortschak Investments</p> <p>Startup: Quiklo (2015) Investors: Accel partners</p>	<p>Startup: Vivriti Capital (2017) Investors: Creation Investments, Aspada Investments</p>	<p>Startup: Faircent (2013) Investors: Das Capital, Gunosy Capital, Starharbor Asia, M&S Partners</p> <p>Startup: Kissht (2015) Investors: Vertex Ventures SEA and Sistema Asia Fund</p>	<p>Startup: NeoGrowth (2013) Investors: LeapFrog, Omidyar Network, IIFL Asset Management, Aspada Investments, Khosla Impact</p>

Investment Idea	Startups- Investment Stage/ Last Funding Type				
	Angel/Seed	Series A	Series B	Series C	Series D+
<p>INVESTMENT IDEA 3</p> <p>Insurtech -Life & General Insurance</p>	<p>Startup: Bimaplan (2020) Investors: Titan Capital, Y Combinator, Dream Incubator, RaSa Future Fund, FinSight Ventures, 2 a.m. Ventures, Amino Capital</p> <p>Startup: GramCover (2016) Investors: EMVC, Flourish, Omidyar Network India, Omnivore</p> <p>Startup: Finsall (2018) Investors: Unicorn India Ventures, SEA Fund</p> <p>Startup: Bimape (2020) Investors: iSeed, Y Cominator, Light Speed Indian Partners, Titan Capital, Gemba Capital</p> <p>Startup: Policy Bachat (2014) Investors: Unfunded</p>	<p>Startup: Toffee Insurance (2017) Investors: Omidyar Network, Accion Venture lab, Flourish Venures, Kalaari Capital, Yellow Woods</p>		<p>Startup: Digit Insurance (2016) Investors: A91 Partners, TVS Capital, Faering Capital, Sequoia Capital, Fairfax Financial Holdings</p> <p>Startup: Coverfox (2013) Investors: International Finance Corporation, Ageon Digital Investment, Accel India, SAIF Partners, Transamerica Ventures</p> <p>Startup: RenewBuy (2015) Investors: Apis Partners, Lok Capital, IIFL Wealth</p>	<p>Startup: Acko (2016) Investors: Amazon, Accel Partners, SAIF Partners, Catamaran Venture, RPS Partners, Intact Venture, Munich Re Venture</p> <p>Startup: Turtlemint (2015) Investors: GGV Capital, Jungle Ventures, Nexus Ventures Partners, American Family Ventures, Trifecta capital Advisors, Sequoia Capital India, Mass Mutual Venture</p>
<p>INVESTMENT IDEA 4</p> <p>Consumer Saving Products</p>	<p>Startup: BankSathi (2020) Investors: Angel investors</p> <p>Startup: Siplly (2020) Investors: Inflection Point Ventures</p> <p>Startup: moneyClub (2016) Investors: Venture Catalyst, LetsVenture</p> <p>Startup: Finlok (2017) Investors: Bharat Inclusive Initiative</p> <p>Startup: Sqrrl (2016) Investors: Equanimity Investments</p> <p>Startup: Tarrakki (2018) Investors: Startup Reseau, Afthonia</p>	<p>Startup: Kaleidofin (2017) Investors: Flourish, Omidyar Network India, Blume Ventures, Bharat Inclusion Seed Fund</p> <p>Startup: OroWealth (2015) Investors: Social capital, Powerhouse Ventures, B Dash Ventures</p>		<p>Startup: IndWealth (2018) Investors: Steadview Capital, Tiger Global Mangement, Dragoneer Investment Group</p> <p>Startup: Scripbox (2012) Investors: Omidyar Network, Flourish Ventures, Accel Partners</p> <p>Startup: RenewBuy (2015) Investors: Apis Partners, LOK Capital, IIFL Wealth</p>	

Investment Idea	Startups- Investment Stage/ Last Funding Type				
	Angel/Seed	Series A	Series B	Series C	Series D+
INVESTMENT IDEA 5 Digital Invoice Discounting / Factoring	Startup: Credochain Technologies (2018) Investors: Bharat Incusion Initiative, ICICI Securities Startup: Finovate Capital (2018) Investors: Singularity Ventures Startup: GetUnion (2017) Investors: Unfunded Startup: Livfin (2017) Investors: KFW DEG, Ncube Capital Partners	Startup: Priority Vendor (2014) Investors: Lightspeed Venture Partner, Catamaran Startup: Mixchange (2016) Investors: Beenext Asia, MayField, SIDBI Ventures Startup: CreadAble (2017) Investors: Alpha Capital, OAKS Asset Management, V Ocean Investment	Startup: KredX (2015) Investors: Tiger Global Management, Sequoia Capital, Prime Venture Partners Startup: Drip Capital (2014) Investors: Sequoia Capital, GC1 Ventures, Wing Venture Capital, Y Combinator	Startup: Indifi (2015) Investors: Accel, Omidyar Network, Elevar Equity, Flourish Ventures, CDC Group	
INVESTMENT IDEA 6 Digital Finance Ecosystem Actors	Startup: Rupifi (2020) Investors: Quona Capital, Ankur Capital Startup: GyanDhan (2016) Investors: Gray Matters Capital, Sundaram Finance Startup: Kaarva (2018) Investors: Lead Angels, Better Capital	Startup: CASHe (2016) Investors: Surendra Kedia Family Private Trust, Kotak Mahindra Bank, Northern ARC, IFMR Capital, BlackSoil Startup: InCred (2016) Investors: Moore Capital, Elevar, Alpha Capita, FMO, InvestCorp	Startup: CreditMantri (2012) Investors: IDG Ventures, Elevar Equity and Accion Startup: CreditVidya (2013) Investors: Bharat Innovation Fund	Startup: EarlySalary (2015) Investors: Chiratae Ventures and Eight Roads Ventures Startup: Kinara Capital (2011) Investors: Gaja Capital, GAWA Capital, The Michael and Susan Dell Foundation and Patamar Capital	Startup: Capital Float (2013) Investors: Ribbit Capital, Amazon, SAIF Partners, Sequoia Capital

Investment Idea	Startups- Investment Stage/ Last Funding Type				
	Angel/Seed	Series A	Series B	Series C	Series D+
INVESTMENT IDEA 7 Neo-banking	Startup: Kosh (2019) Investors: Y Combinator Startup: Finin (2019) Investors: Unicorn India Ventures, Aster Ventures, Angellist, Fresh Juice Startup: KRED (2019) Investors: Barclays Accelerator, Techstars Startup: InstantPay (2013) Investors: RB Investments Pte. Ltd., Kaleden Holdings Startup: epiFi (2019) Investors: Ribbit Capital, Hillhouse Capital, Sequoia Capital Startup: Yelo (2018) Investors: Matrix Partners India, Omidyar Network India, Flourish, Better Capital	Startup: Jupiter (2019) Investors: Sequoia Capital, Matrix Partners, Globel Founders Capital, Rocket Internet Startup: Chqbook (2017) Investors: Earlsfield Capital, Innoven Capital, Aavishkaar Capital, Madison Capital, Sweat Equity Partners	Startup: Open (2017) Investors: Tiger Globe Management, Speedinvest, Angellist, 3One4Capital, Beenext, Tenglin Ventures Capital Startup: Niyo (2015) Investors: Prime Ventures, Social Capital, Horizon Ventures, Tencent		
INVESTMENT IDEA 8 AgTech Funding platforms	Startup: Aggois Business Solutions (2017) Investors: Redwood Trust and Tracxn labs Startup: Unnati (2017) Investors: NABVENTURES Startup: FarmInfinity (2020) Investors: Equity-Crowdfunding, Funded By Govt of India Startup: FarMart (2015) Investors: Avaana Capital, Omidyar Network India, Lets Venture, Catalyst Fund Startup: BharatAgri (2017) Investors: India Quotient, Better Capital, O21 Capital Startup: Whrrl (2018) Investors: Bharat Inclusion Initiative, a-IDEA Startup: Origo Finance (2016) Investors: Northern Arc (Conventional Debt)	Startup: Jai Kisan (2017) Investors: Arkam Ventures, NABVENTURES, Blume, Prophetic Ventures, Better Capital, Mirae Asset, Syngenta Ventures Startup: Ergos (2012) Investors: CDC, Aavishkaar Capital and Chiratae Ventures			Startup: SamUnnati (2014) Investors: Nuveen Investment, Elevar Equity, responsAbility and Accel Partner

Investment Idea	Startups- Investment Stage/ Last Funding Type				
	Angel/Seed	Series A	Series B	Series C	Series D+
<p>INVESTMENT IDEA 9</p> <p>Blockchain for Impact Investing</p>	<p>Startup: ChitMonks (2016) Investors: Unicorn India Ventures</p> <p>Startup: Nuo (2018) Investors: Dragonfly Capital Partners, Singapore Angel Network, Polychain, ConsenSys</p> <p>Startup: WazirX (2017) Investors: BNB, BUSD and WRX digital assets</p>	<p>Startup: InstaDapp (2018) Investors: Standard Crpto, DeFi Alliance, Longhash Ventures</p> <p>Startup: CoinSecure (2014) Investors: Angel investors</p> <p>Startup: ZebPay (2014) Investors: Angel Investors</p> <p>Startup: KoineArth (2018) Investors: YourNest Venture Capital, Inventus India, Lumis Partners</p>	<p>Startup: CoinDcx (2017) Investors: Block.one, DG, Jump Capital, Uncorrelated Ventures, Coinbase Ventures, Polychain Capital, Mehta Ventures, Alex Pack</p> <p>Startup: Coin Switch (2017) Investors: Ribbit Capital, Paradigm, Tiger Globe Management</p> <p>Startup: Signzy (2015) Investors: Arkam Ventures, Mastercard, Kalaari Capital and Stellaris Venture Partners</p>		

Investment Idea	Startups- Investment Stage/ Last Funding Type				
	Angel/Seed	Series A	Series B	Series C	Series D+
<p>INVESTMENT IDEA 10</p> <p>Impact Bonds</p>	<p>Name: The Haryana Early literacy Outcomes DIB Investors: Central Square Foundation, IndusInd Bank, SBI Capital Markets Partners: Social Finance India Funded beneficiaries: Language and Learning Foundation Year: 2019-2020</p> <p>Name: Educate Girls DIB Investors: UBS Optimus Foundation Partners: Children's Investment Fund Foundation (CIFF) Funded beneficiaries: Educate Girls, Instiglio Year: 2015-2018</p> <p>Name: Quality Education India DIB Investors: British Asian Trust, Michael & Susan Dell Foundation, Comic Relief, the Mittal Foundation, Lawrence Ellison Foundation, BT, UBS Optimus Foundation Partners: TATA Trusts Funded beneficiaries: Kaivalya Education Foundation, Gyan Shala, Society for All Round Development, Pratham Infotech Foundation Year: 2018-2022</p> <p>Name: The Utkrisht Impact Bond DIB Investors: UBS Optimus Foundation Partners: USAID and MSD for Mothers, Palladium Funded beneficiaries: Population Services International and Hindustan Latex Family Planning Promotion Trust (HLFPPT) Year: 2017-2020</p>				

Author Bios



Amit Bhatia, Founder & CEO, Aspire Impact & Aspire Circle

Amit Bhatia (www.amitb.in), is the Founder of Aspire Impact & Aspire Circle, was formerly Inaugural CEO of G7's Global Steering Group for Impact Investment (2017-20); Founding CEO of India's Impact Investors Council (2014-2017); Founding CEO of WNS Knowledge Services; and Founder of McKinsey Knowledge Centre.



Abhishek Agrawal, Chief Regional Officer for Accion - Asia

Abhishek has worked with FINCA International as CFO and as advisor to Institute of Chartered Accountants (ICAI). Abhishek is Aspire Fellow; Ph.D. in Municipal financial reforms, a Chartered Accountant from ICAI & MBA in finance.



Vishakha Mulye, Executive Director, ICICI Bank

Vishakha Mulye is an Executive Director on the Board of ICICI Bank. Ms. Mulye, a Chartered Accountant, has been with the ICICI Group since 1993. She is responsible for domestic and international Wholesale Banking Group, Proprietary Trading Group, Markets Group and Transaction Banking Group at the Bank.



Aarti Wig, Country Director, Yunus Social Business

Aarti Wig is co-founder and heads Future Thinking, at Yunus Social Business. An Aspen Fellow in 2019, Asia 21 Fellow for young leaders making a difference in 2014 and is also on the BMW Foundation Responsible Leaders network. She holds Masters from London School of EconomicC.



Alison Eskesen, Vice President, Mastercard Centre for Inclusive Growth

Alison Eskeson has worked for over 20 years in development and finance, mobilizing nearly \$3 billion in capital for impact projects. Through strategic partnerships in over 30 countries, Alison has built a track record of measurable social and environmental results.



Alok Mittal, Co-Founder and CEO of Indifi

Alok Mittal is Co-founder and CEO of Indifi, India's leading full-stack platform for enabling debt financing for small businesses. He is also an active angel investor, co-founder of Indian Angel Network, and on the board of TIE (The Indus Entrepreneurs) Delhi



Anurag Agrawal, Partner, Aavishkaar

Anurag Agrawal is Partner at Aavishkaar. As CEO of Intelicap earlier, he setup the Investment Banking Practice and incubated I3N (Intelicap Impact Investment Network) - India's first impact focused angel network. He led incubation and acquisition of the 3 NBFCs - IntelleCash, IntelleGrow and Arohan.



Chetna Gala Sinha, Founder, Mann Deshi Bank

Chetna Sinha is the Founder of Mann Deshi Bank and its Foundation. Co-chair of World Economic Forum 2018, Co-chair of Financial Inclusion at W20 Summit 2018, Member of BRICS 2021 women's business alliance, she was awarded the Nari Shakti Puraskar - highest Indian civilian award for women by the President of India.



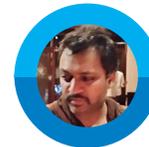
Eric Savage, Co-Founder & Ceo, Unitus Capital

Eric Savage is Co-founder & CEO of Unitus Capital. Eric has led the company in raising US\$3 billion for various impact businesses. UC also has an impact lending business and growth equity fund. Eric is a graduate of Duke and Harvard, and an Aspen Institute fellow.



Geeta Goel, Country Director, Dell Foundation India

Geeta Goel is the Country Director of Dell Foundation India. She manages the strategy and implementation in two key areas - Education and Family Economic Stability. She's on the Boards of Ujjivan, Janalakshmi, Swadhaar, Arohan, and Micro Housing Finance Corporation.



Himanshu Bansal, Regional Director, Mastercard

Himanshu Bansal leads Mastercard's digital inclusion focussed social impact business - Community Pass. He focuses on digitising the rural ecosystem through Mastercard's digital offline rails and AgriTech solutions in South/ SE Asia. Himanshu is a financial sector strategist, consultant, ex-banker from Citi and MBA-IIM Kolkata.



Hitesh Sethia, Head - Transaction Banking, ICICI Bank

Hitesh Kedia leads Transaction Banking at ICICI Bank. He has over 2 decades of global experience with expertise in the domain of technology led banking solutions in payments, trade finance and supply chain finance. Hitesh is a Chartered Accountant and alumni of Harvard Business School.



Kapil Mehta, Founder & CEO, SecureNow

Kapil Mehta is the co-founder of SecureNow, an award winning insurance broker, focused on MSMEs. He is an elected director in the Insurance Broking Association, the policyholder representative for a life insurer, and on the SME advisory board of a general insurer.



Madhur Mehta, CEO, MSPL Consulting

Madhur Mehta is an investment banker turned consultant. Madhur has worked with JPMorgan and Standard Chartered, raising financing for corporations, financials, governments and government agencies globally. Madhur has worked on sustainable finance projects that involve micro-finance, SMEs and women.



Pradeep Nair, Regional Director, India, Nepal & Sri Lanka, Ford Foundation
 Pradeep Nair has over 25 years of global experience across US and India. He started his career in Silicon Valley in technology and strategy then moved to the social sector, working for leaders like President Clinton, Mayor Bloomberg and Paul Volcker. He currently leads Ford Foundation in India.



Rekha Unnithan, Co-Head- Impact Investing, Nuveen
 Rekha Unnithan is the Co-Head for Impact Investing at Nuveen. She established the Impact Investing platform for TIAA. Rekha is a board member of Aeris, on Advisory Board of Operating Principles for Impact Management and serves as the Chair of the Emerging Markets Private Equity Association's Impact Council.



Saneesh Singh, MD & CEO, Dia Vikas Capital
 Saneesh Singh has spent 30 years in development banking, financial inclusion, SMEs and impact investments. He was part of the core team that initiated SIDBI's MF programme and currently leads Dia Vikas Capital-Opportunity International's largest impact investment operation globally.



Sanjay Phadke, EVP & Head - Vayana, Author- Fintech Future
 Sanjay Phadke is the EVP & Head of Global Platforms, Vayana Network. With 20 years of experience in Banking and Financial Services he worked with JPMorgan & HSBC, and led Edelweiss, ICICI, IDFC etc. Sanjay is an Engineer and an alumnus of Wharton Business School.



Suresh Sethi, Managing Director & CEO, NSDL e-Governance Infrastructure Limited
 Suresh Sethi is the MD & CEO of NSDL e-Governance Infrastructure Ltd. with over three decades of global experience in financial services. He was the Founder CEO & MD of India Post Payments Bank and has worked with Citigroup, YES Bank, Vodafone M-Pesa across India, Kenya, UK, Argentina & US.



Vipul Sharma, Founder-CEO, Chqbook
 Vipul Sharma is the Founder-CEO of Chqbook - a neobank for small business owners. He has built and led teams across Retail Assets & Insurance. He is passionate about customer experience and the interplay of technology and people in helping achieve customer delight

ACKNOWLEDGEMENTS: SPONSORS

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ASPIRE™

Aspire, founded by Amit Bhatia, focuses on impact leadership and ecosystem development through three initiatives: Aspire Education (www.aspireeducation.in) for education, Aspire Impact (www.aspireimpact.in) for ecosystems, and Aspire Circle (www.aspirecircle.org) for social leadership. Aspire, established in 2007, based in Gurgaon (India) is committed to making Impact a way of life.



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