



FINTECH

ALGORITHMS, ANALYTICS &
AUTOMATION



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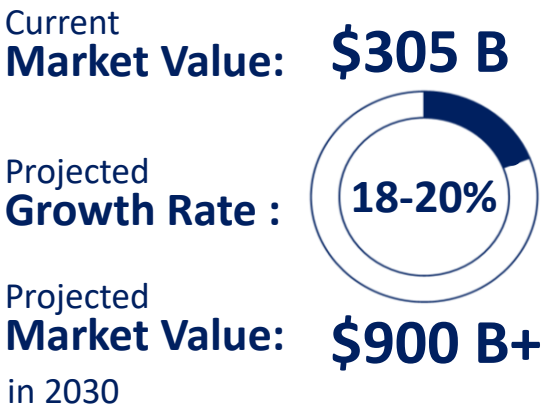
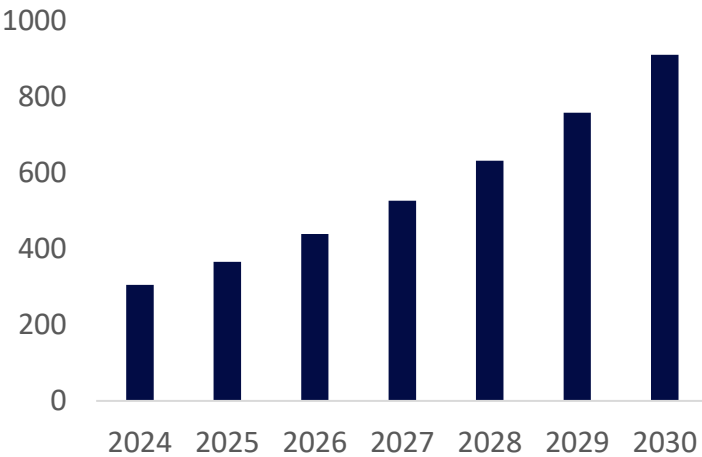


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Key Contributors



FINTECH MARKET VALUE PROJECTION



KEY SEGMENTS & GROWTH DRIVERS

Payments & Merchant Services:

Largest revenue pool, consolidating between processor and platform players.

Embedded finance & BAAS

Rapid adoption by non-bank platforms, drives cross-sell and higher lifetime value.

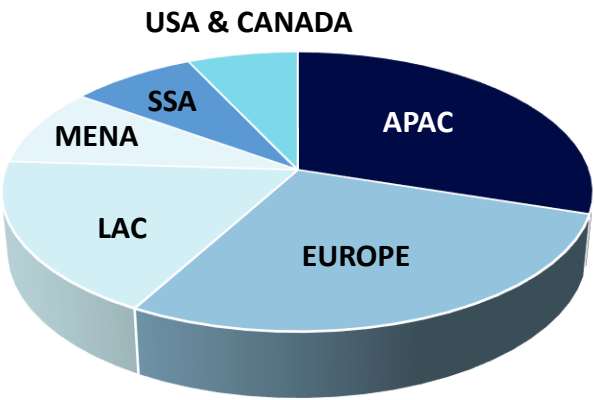
Wealthtech & Fintech SaaS:

Market normalizing after rapid expansion and improved unit economics.

Lending & BNPL:

Rising demand for digital advisory and B2B SaaS (core banking, fraud, treasury).

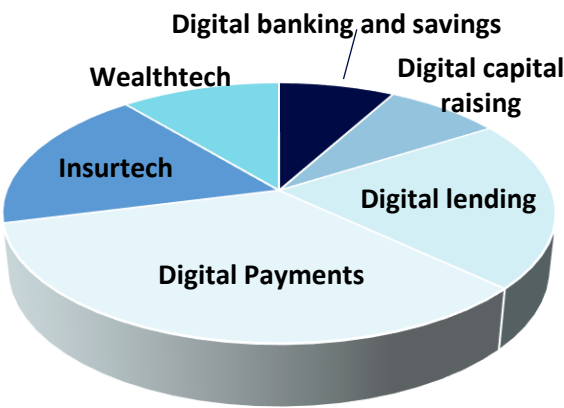
Distribution By Region



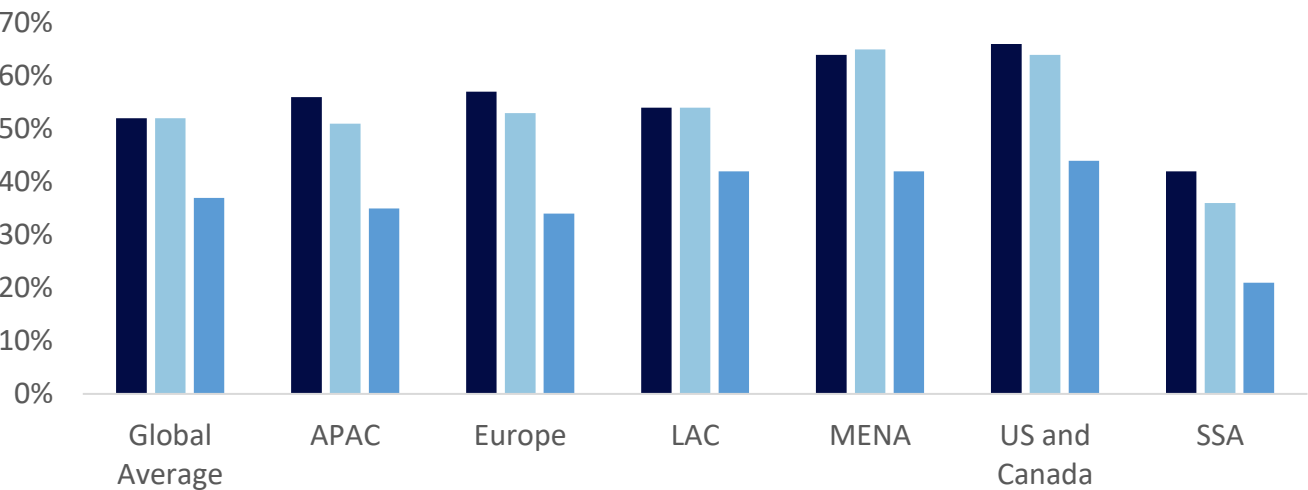
- APAC is not just a consumer market but a major fintech hub, due to high digital adoption and strong innovation ecosystems in countries like India and Singapore.
- While fintech infrastructure and innovation remain strong in Europe, capital is flowing into North America possibly because of larger exit opportunities and scale.
- MENA, SSA, and LAC are fast-growing, mobile-first fintech regions driven by young populations and financial inclusion needs, offering high potential despite lower investment.

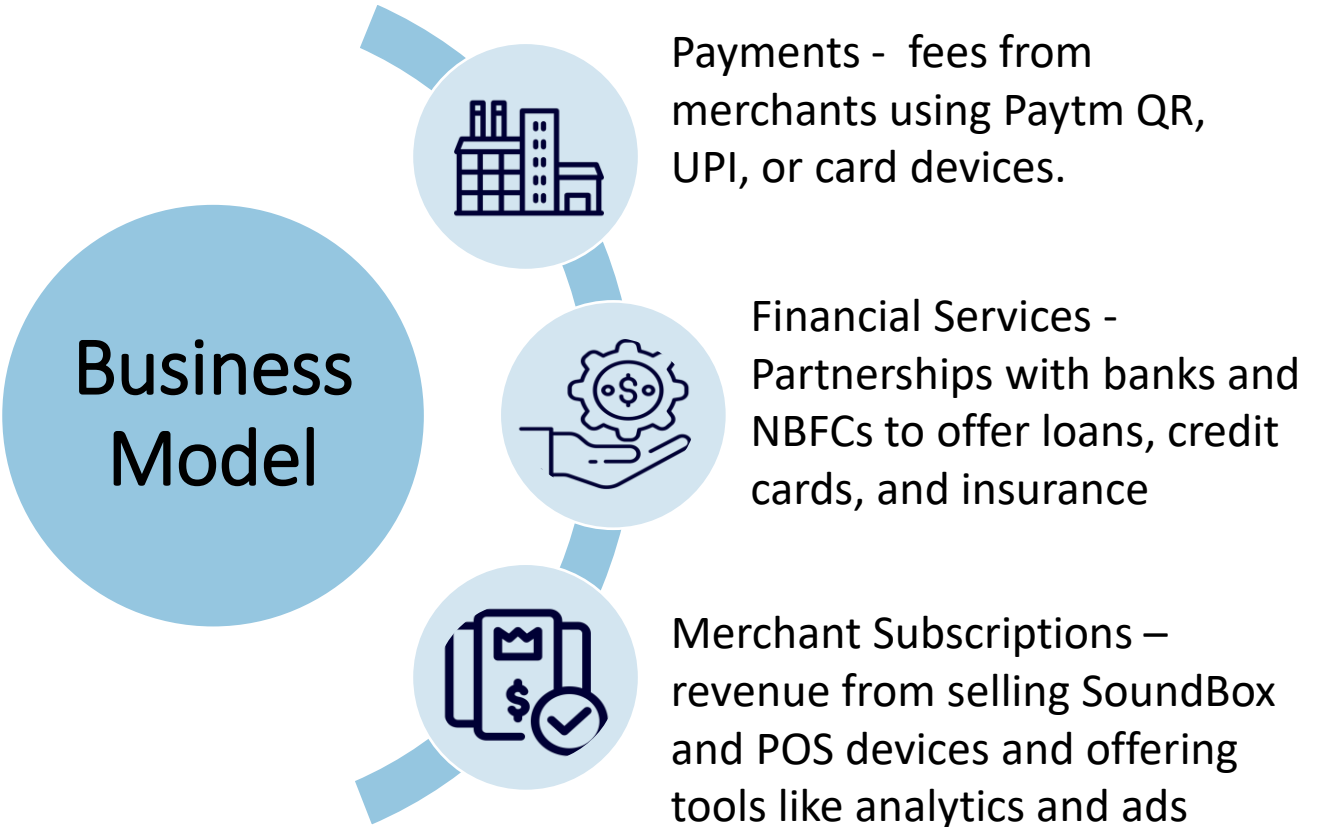
Distribution By Business Model

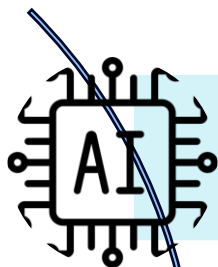
- Payments and money-movement models make up the largest share of global fintech, driven by universal demand, low entry barriers, and strong digital adoption.
- Digital lending is rapidly growing, especially in emerging markets where banking penetration is lower.
- More fintechs are moving from consumer-facing apps to infrastructure and platform models, showing a clear industry shift toward building the rails rather than just the front end.



Rate of Customer Growth (2020-23)







Paytm is embedding artificial intelligence (AI) across all its products, from user onboarding and fraud detection



The company is intensifying its focus on merchant solutions, wealth management, and growing its loan distribution segment, which has shown significant growth.



Paytm has focused on achieving and sustaining profitability. Recent reports for Q1 and Q2 FY26 indicate positive financial momentum, with growing revenue and improving EBITDA margins

S

- Strong brand with a large user and merchant base across India
- Diversified ecosystem: payments, banking, lending, insurance

W

- Profitability challenges and high operating costs
- Heavy dependence on regulatory approvals

O

- Growing digital payments and fintech adoption
- Expansion into financial services for merchants

T

- Intense competition from global fintechs
- Regulatory changes impacting operations and growth

Overview

Stripe is a fintech infrastructure company founded in 2010 by brothers Patrick Collison and John Collison. It's headquartered in South San Francisco, California and Dublin, Ireland, positioning itself globally.

Goal

Stripe builds payment-processing software, APIs and financial tools that help businesses accept payments, manage billing, automate revenue operations, issue cards and more

Business Model



Stripe operates mainly on a business-to-business (B2B) and API-led model.



it offers tools and application programming interfaces (APIs) that allow other businesses to easily integrate payment systems into their websites or apps.

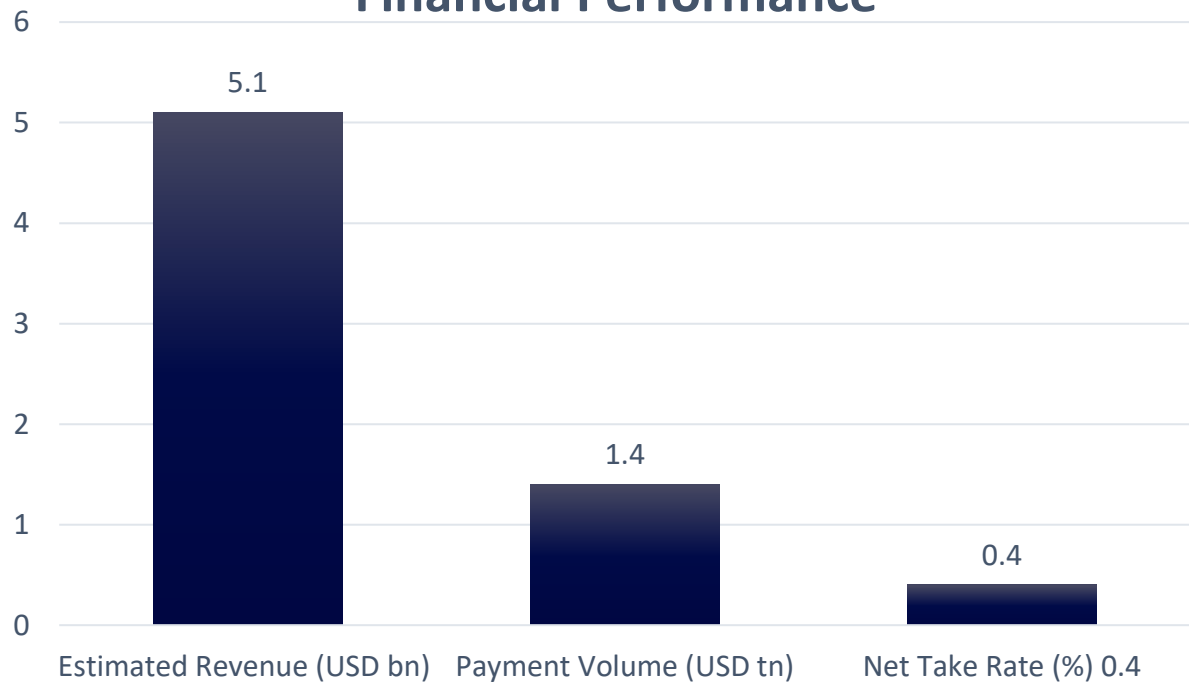


Its services include :Stripe Payments
Stripe Billing Stripe Connect, Stripe Radar

REVENUE MODEL

Stripe makes most of its income by charging transaction fees a small percentage on each payment processed through its system. It also earns from premium services such as fraud prevention, subscription billing, and business financing. It also earns from value-added tools and APIs offered to businesses.

Financial Performance



Stripe generates strong revenue by processing extremely high payment volumes despite low margins. This shows a scalable, efficiency-driven business model built on scale rather than pricing power.

The low take rate also makes Stripe highly competitive, helping it attract and retain a large gloabl merchant base.

Overview

Increase in revenue per active user indicates strengthening customer stickiness and cross-sell potential.



Paytm leads with largest revenue base

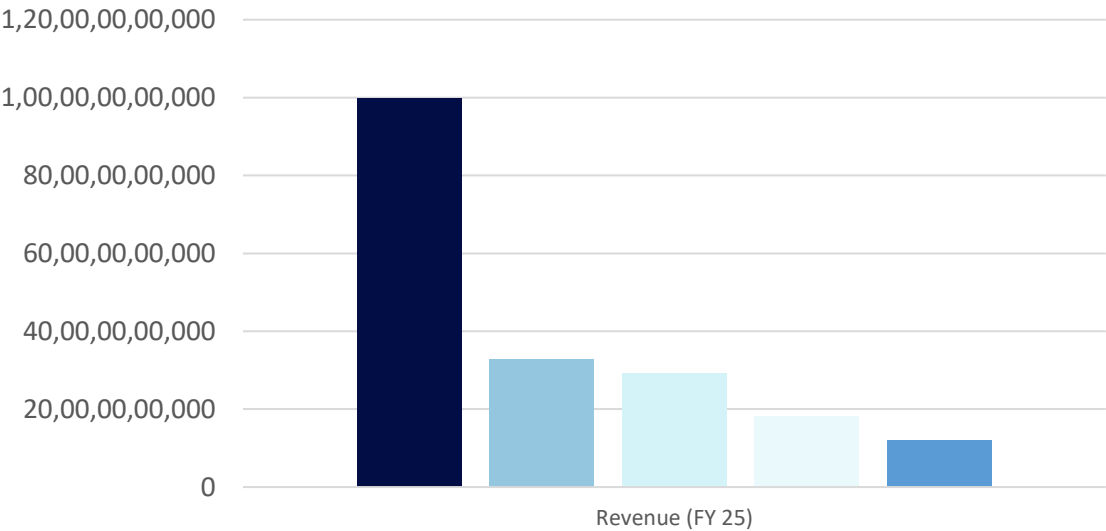


PhonePe follows with strong TPV-led revenue



Razorpay remains the highest margin-merchant

Fintech Revenue Comparison (FY-25)



■ Paytm (One 97) ■ PhonePe ■ Razorpay ■ BharatPe ■ MobiKwik

High-level view: scale, monetization and operating leverage.



Unit Economics and Common Size FY25



Scale vs profitability Trade-off is
Clear Across Models

Metric/ Company	Paytm (One97)	PhonePe	Razorpay	BharatPe	MobiKwik
Revenue (FY 25)	₹ 9,978 cr (↑31%)	₹ 3,287 cr (↑21%)	₹ 2,905 cr (↑19%)	₹ 1,824 cr (↑15%)	₹ 1,192 cr (↑34%)
Total Payment Volume (TPV / GMV)	₹ 21.4 lakh cr (↑44%)	₹ 18.7 lakh cr (↑33%)	₹ 19.6 lakh cr (↑27%)	₹ 2.3 lakh cr (↑39%)	₹ 1.16 lakh cr (↑203%)
ARPU (Revenue / Active User)	₹ 515 per MAU	₹ 205 per MAU	₹ 11,800 per merchant	₹ 1,750 per merchant	₹ 68 per MAU
Take Rate (Revenue / GMV)	~0.47 %	~0.18 %	~0.15 %	~0.80 %	~1.03 %
Marketing & Promotion Spend % of Revenue	9%	11%	6%	14%	5%
Customer Acquisition Cost (CAC)	₹ 210	₹ 140	₹ 3,500 per merchant	₹ 580	₹ 34 per user
Lifetime Value (LTV)	₹ 1,820	₹ 1,040	₹ 19,000 per merchant	₹ 2,900	₹ 230 per user
Contribution Margin	30 % (↑ from 17 %)	28%	41%	33%	30 % (₹ 361 cr)
EBITDA / Profit Margin	-11 % (loss)	-8 % (loss)	5%	-9 %	-6.6 % (EBITDA loss)
Active Users / Merchants	9.5 cr MAUs / 3.8 cr merchants	20 cr MAUs / 5 cr merchants	1.4 cr merchants	1.2 cr merchants	17.6 cr users / 4.6 lakh merchants

Merchant Platforms Deliver Stronger
ARPU and Lifetime Value



Narrowing Losses: Core net loss (PAT) significantly improved to ₹93 Cr, despite one-time accounting charges impacting the reported bottom line.

(Quarter ending, in ₹ Cr)	Jun-24	Sep-24	Dec-24	Mar-25 (Excl. UPI Incentive)	QoQ Growth	Description for Q4 FY 2025 results (excluding UPI incentive)	Mar-25 (Reported, incl. UPI Incentive)
Revenue from Operations	1502	1660	1828	1841	1%	Growth persisted despite a festive season surge in Q3 FY 2025, with payment revenue and processing costs declining 3% and 9% QoQ due to seasonality	1911
Contribution Profit	755	894	959	1001	4%		1071
Contribution Margin %	50%	54%	52%	54%	189bps	Increase in share of high margin Financial Services revenue	56%
Indirect Expenses	-1301	-1080	-1000	-991	-1%	Leveraged AI to reduce non-sales employee cost	-991
EBITDA Before ESOP cost	-545	-186	-41	11	nm	Achieved EBITDA Before ESOP profitability, as per guidance	81
Margin %	-36%	-11%	-2%	1%	282bps		4%
ESOP Cost	-247	-218	-182	-169	-7%	ESOP cost continues to reduce, with Q1 FY 2026 cost estimated at ₹75 ₹100 Cr, a significant reduction as against ₹169 Cr in Q4 FY 2025	-169
EBITDA	-792	-404	-223	-158	-29%		-88
PAT (Excluding exceptional items)	-840	-415	-208	-93	-55%	PAT close to breakeven	-23
Exceptional Items*	0	1345	0	-522	nm		-522
PAT	-840	930	-208	-615	196%		-545



Path to Profit: Reached EBITDA profitability (before ESOP) of ₹11 Cr by optimizing costs and scaling high-margin financial services.

ARPU and Take-Rate

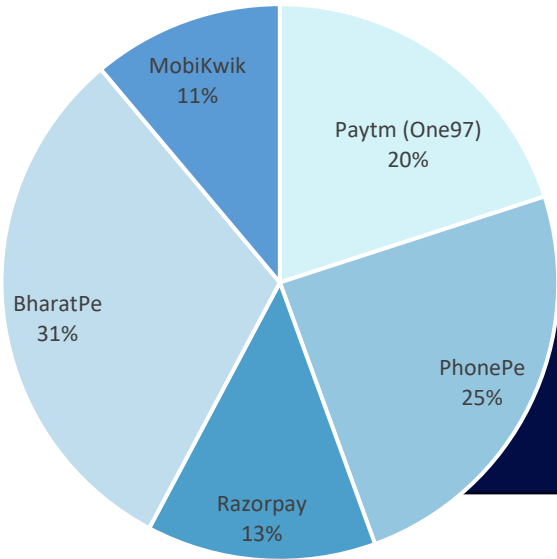
Razorpay has the highest ARPU due to merchant product stack

Paytm monetizes payments + financial services to maintain a balanced ARPU

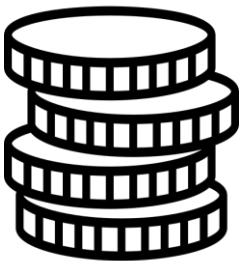
Key Drivers of Sustainable Profitability

BharatPe's take-rate is elevated because of lending + QR revenue

PhonePe's take-rate is the lowest — means margin pressure

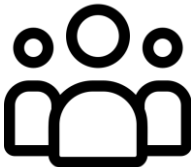
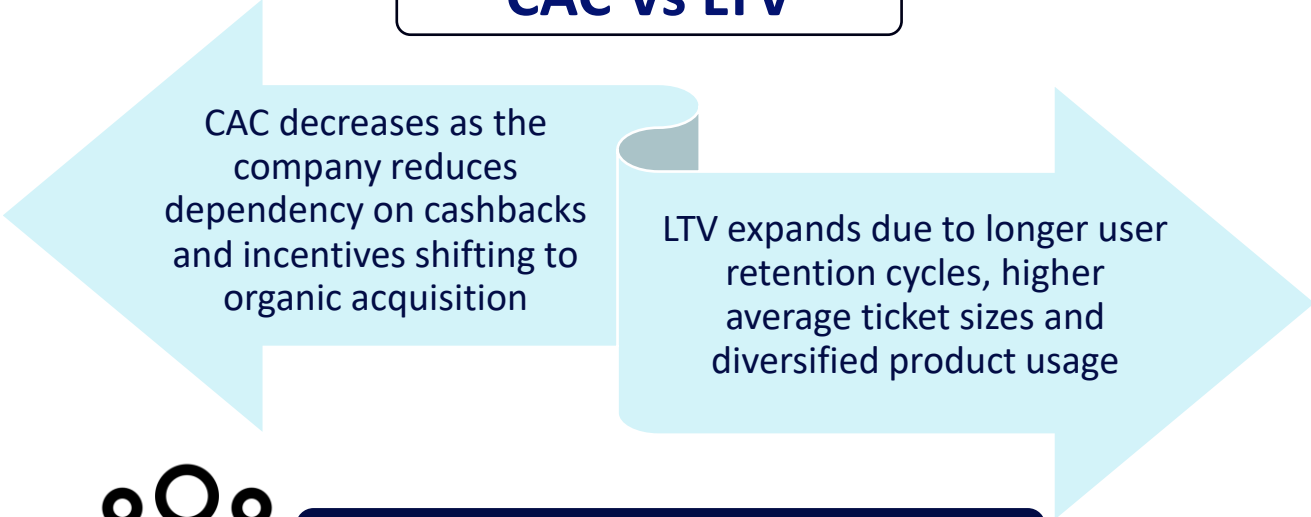


Marketing & Promotion Spend % of Revenue

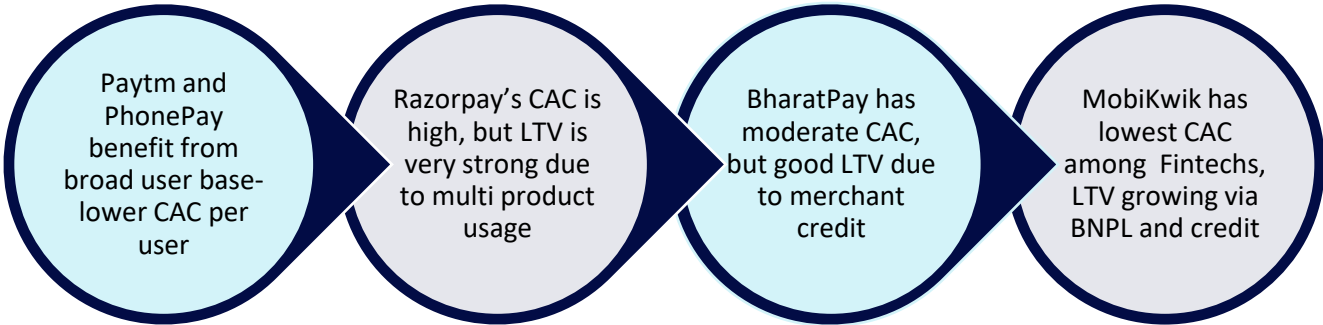


Fintech unit economics are improving through growth in revenue per user, disciplined CAC, higher take-rates, and better operating leverage. Stronger margins reflect efficient cost structures, deeper user engagement, and expanding high-margin product lines

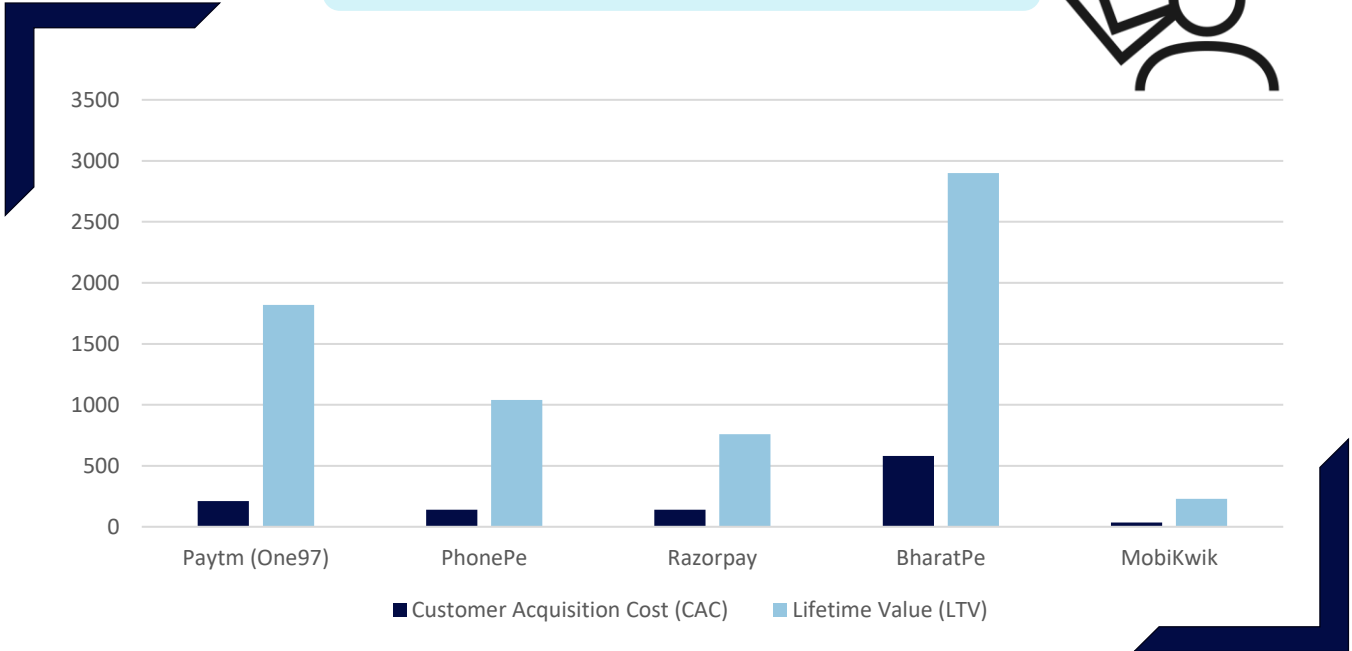
CAC Vs LTV



Customer Value Analysis



CAC and LTV Analysis



Strategic industry insights



Fintech Growth Drivers

Unit economics across fintech players are converging toward sustainable, margin-driven growth.

Payback periods are shortening, signalling maturing customer relationship

Monetization is shifting from pure payments toward high-margin verticals

Key levers: Scale payments, incentive optimization, credit underwriting merchant retention.

Companies with credit+ subscription are better placed for margin expansion.

Strategic priority: building a balanced model- payments+ financial services+ merchant value

Risk: over dependence on UPI (low take-rate), credit losses, CAC rising if scale slows.

Scale efficiencies are improving due to reduced reliance on incentives and better fixed-cost leverage

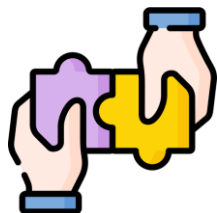
High LTV/CAC ratios indicate scalable, profitable growth without heavy marketing spend.

Companies with richer data ecosystems demonstrate higher cross-sell potential and better LTV per user.



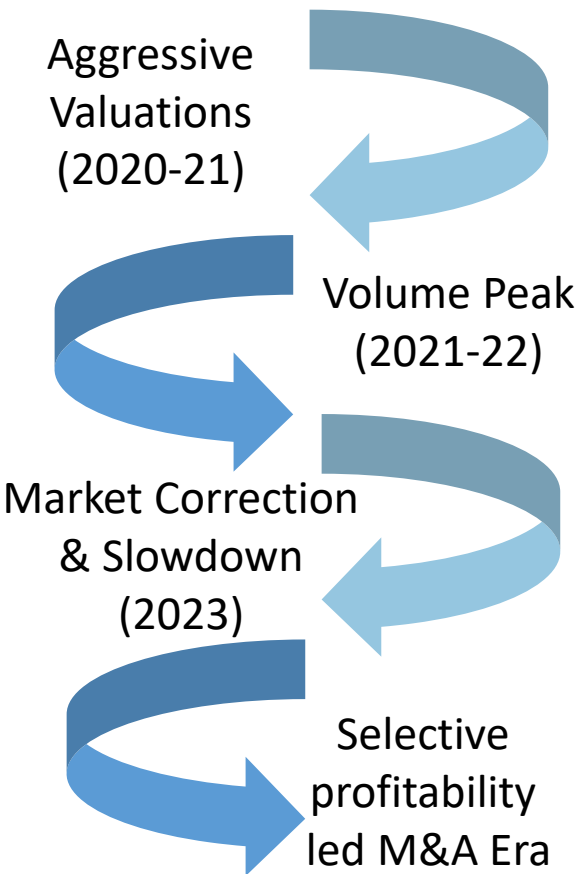
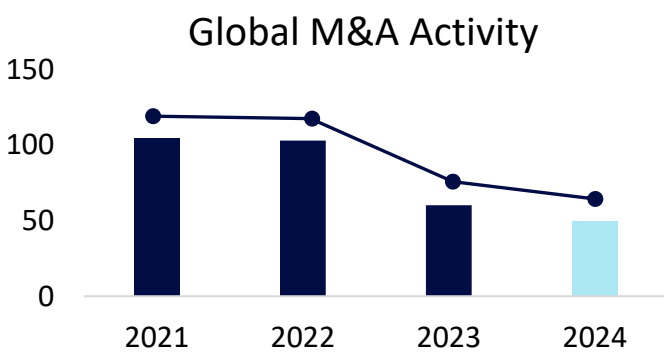
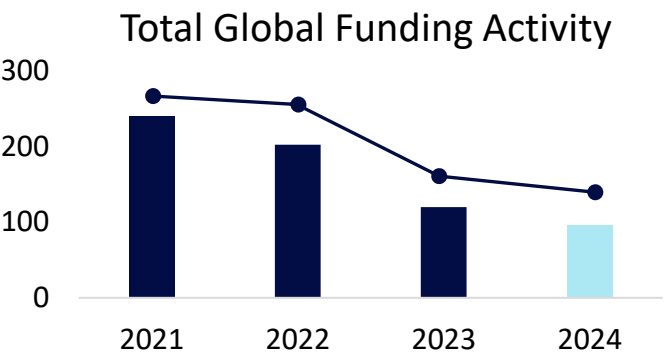
Competitive Positioning

Prioritize cross-sell to existing users to maximize LTV without increasing CAC.



Invest in risk analytics and customer lifecycle automation to enhance profitability.

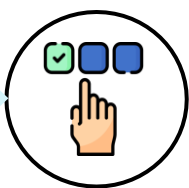
Dealmaking Continues to Plateau



“The fintech industry is shifting from a growth at all costs mindset to a disciplined focus on profitability and sustainable business models.”



“Deal activity has shifted from rapid, high-volume transactions to fewer, more selective and quality-focused deals.”



“Fintechs are moving away from high burn rates toward stronger unit economics and disciplined cost control.”





GlobalPayments



Deal Size: \$ 24.25 Billion

Deal Timing: April, 2025

- ✓ With this deal, Global Payments becomes more of a *pure-play commerce solutions provider*, sharpening its strategic focus.
- ✓ Gains access to Worldpay's e-commerce, embedded payments, geographical presence and gateway technology.



Deal Size: \$ 13.5 Billion

Deal Timing: 1H of 2026

- ✓ Issuer Solutions is a global leader in credit processing, also adds fraud, loyalty, and value-added services to FIS's existing suite.
- ✓ By selling its Worldpay stake and buying this cash-generating business, *FIS is replacing a non-cash-generating investment with a high-margin revenue stream.*



Deal Size: \$ 14.2 Billion

Deal Timing: October 2025

- ✓ Larger servicing book *improves Rocket's ability to recapture existing clients for new loans and cross-sell other services.* All stock transaction, 25:75 split between Mr. Cooper and Rocket.
- ✓ Access to Mr. Cooper's nearly 7 million clients and significant customer interaction data *boosts Rocket's ability to use analytics, AI, personalize offerings and drive efficiencies.*

Deal Size: \$ 2.2 Billion
Deal Timing: Q4,2025



- ✓ TPG takes a majority interest; Corpay buys a minority stake (33 % of equity) for US\$ 500 million.
- ✓ AvidXchange is a *strong player in accounts payable (AP) automation and payments for the middle market.*
- ✓ Corpay is already a payments-provider, so *combining with AvidXchange expands their payment & AP stack.*

Deal Size: \$ 2.9 Billion
Deal Timing: May,2025



- ✓ Access to Deribit's leadership in crypto derivatives, *Deribit is one of the world's largest crypto options platforms by open interest and trading volume.*
- ✓ Enables Coinbase to offer the full suite (*spot trading, futures, perpetuals, and options*) under one roof.
- ✓ Deribit has a strong institutional client base and non-U.S. presence, *helping Coinbase expand internationally and into higher-margin derivatives markets.*

FixNix – RegTech Player from India



OVERVIEW

FixNix is a prominent SaaS-based provider specializing in governance, risk, and compliance (GRC) solutions. Founded in 2013, the firm offers its RegTech platform to organizations of all sizes, helping them manage audit, risk, assets, policies, continuity, and controls efficiently.

KEY SOLUTION AREAS

Audit
Management

Risk &
Compliance
Management

Asset and
Policy
Management

Market Context

The GRC and compliance market is projected to grow at a **CAGR of 14.5% (2016–2021)**, driven by rising adoption of cloud-based solutions and integrated risk analytics. Financial institutions and banks increasingly turn to RegTech to reduce compliance costs and enhance transparency.

Business Model

FixNix’s success stems from a **flexible pricing strategy** — subscription-based, licensing, and SaaS (“pay-as-you-go”). This lowers the entry barrier for small firms, allowing them to adopt RegTech early and manage costs effectively.

Technology Stack

1

- Predictive Analytics using ML algorithms for binary logic and risk modeling.

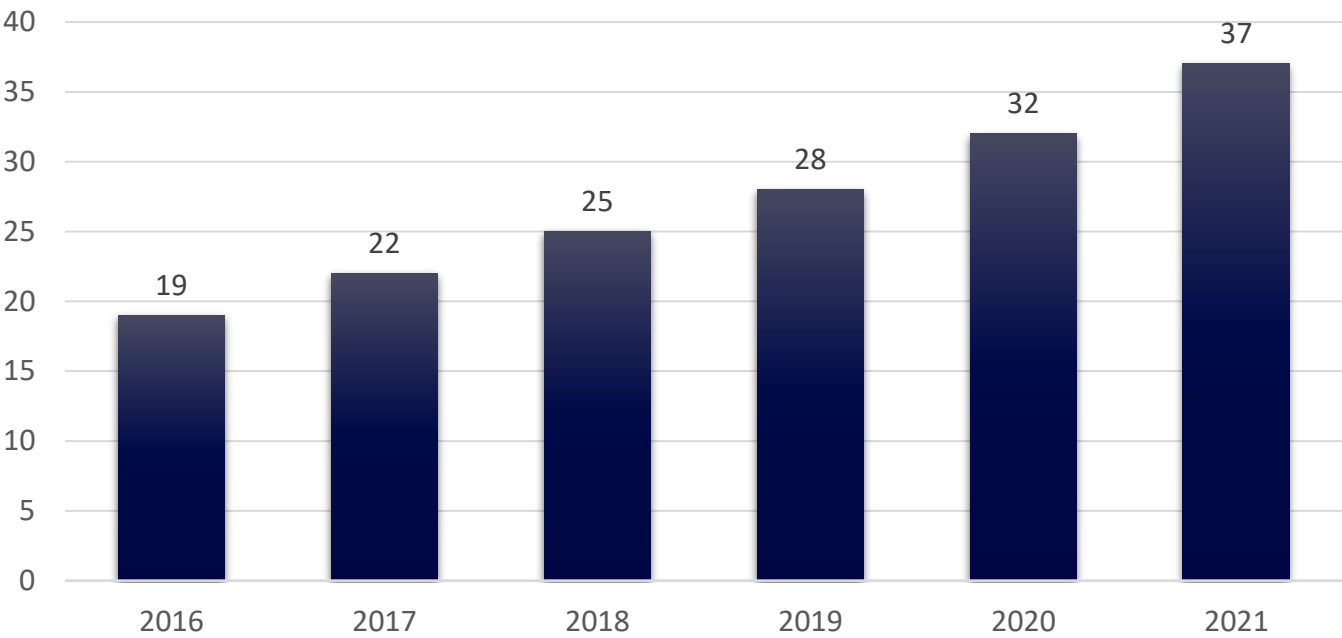
2

- Integrations with **Watson Analytics** and **Azure Data Lake**, supported by Hadoop-based infrastructure.

3

- Regulatory Data Lake for unstructured data handling (e.g., dark pools, trade risk).

Market Size and Growth



INSIGHTS

FixNix demonstrates how emerging Indian RegTech firms can use pricing flexibility and strategic partnerships to gain early market traction. By aligning with regulators and leveraging predictive analytics, the firm positions itself as a scalable, cost-effective solution for compliance transformation in developing financial markets.

Exponential Growth

- The market nearly doubled in five years, rising from \$19 billion in 2016 to \$37 billion by 2021, driven by the global demand for digital compliance.

Competitive Scalability

- FixNix leveraged pricing flexibility and strategic partnerships to provide cost-effective, scalable GRC solutions for emerging financial markets.

iProov – RegTech Player from the UK

Established in
2011 and
Headquartered
in **London**



Focuses on
**secure, user-
friendly
authentication**
for online
services

Specialises in
**Biometric and
Identity
Verification
Technologies**

Core Competencies

- Biometrics & Deep Learning
- Cybersecurity & Authentication
- FinTech Innovation & Access Control

Operations & Scale

- **Annual revenue: USD 20.5 million**
- **Team:** 11–50 employees
- Supported by **Microsoft Accelerator London**
- Employs **17 different web technologies..**

Key Applications

- Onboarding (Remote KYC)
- Strong Customer Authentication (SCA) under PSD2
- Secure Access Management
- Border Control

Technology Innovation

Anti-Spoofing & Liveness Detection

iProov's Flashmark™ technology uses controlled illumination to verify real human presence, protecting against spoofing attacks such as masks, recordings, and deepfakes.



Cloud-Based, Cross-Platform Authentication

The solution delivers secure, cloud-native biometric authentication with a consistent user experience across different devices and platforms.



Trusted Identity Linking & Compliance

iProov links biometric identities to government-issued IDs, ensuring high assurance while maintaining GDPR and regulatory compliance.



Authentication
Flow

Onboard

Authenticate
& Access

Rebind
Devices

INSIGHTS

iProov illustrates how biometric innovation is reshaping digital identity verification. Its ability to combine **strong authentication**, **ease of use**, and **cross-device interoperability** sets a new standard for compliance with PSD2 and GDPR. As remote verification becomes central to digital finance, iProov's approach to anti-spoofing and liveness assurance establishes it as a leader in trustworthy RegTech authentication.



Company Overview and Functioning

Razorpay is a fintech company that provides digital payment and financial management solutions. Through its product Razorpay Route, the company enables educational institutions to manage and automate payment distribution among multiple stakeholders such as schools, staff, vendors, and partners using a centralized payment system.

Key Problem or Case Context

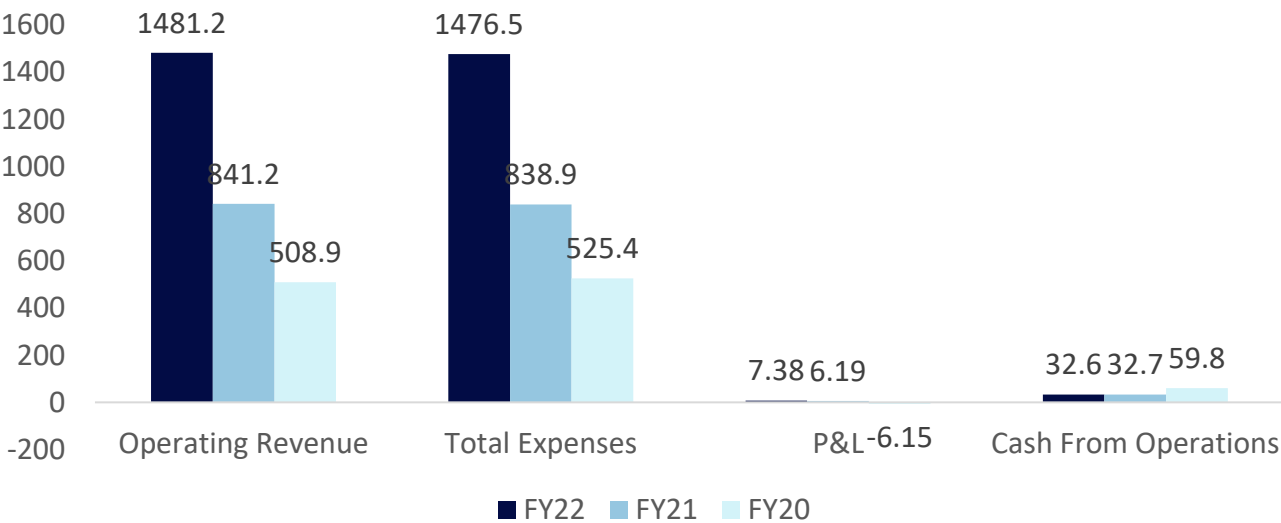
Schools and educational institutions handle multiple financial transactions, including fee collections, salaries, vendor payments, and commissions. Managing these multi-party payments manually creates reconciliation delays, accounting complexity, and increased administrative effort, highlighting the need for an automated and efficient payment-splitting mechanism.



Solution and Results

Razorpay Route solves this problem by allowing automatic splitting and simultaneous transfer of incoming payments to multiple accounts. This leads to faster settlements, reduced reconciliation efforts, improved accounting accuracy, greater transparency, and optimized cash flow for educational institutions.

RAZORPAY FINANCIALS



Green FinTech uses digital financial technologies such as AI, blockchain, and data analytics to support sustainable finance by reducing environmental impact, enabling green investments, and encouraging responsible, low-carbon economic activities.

What currently drives and will drive the green fintech market?



Regulatory drivers: New regulations particularly in the EU require financial institutions to report climate-related risks, increasing demand for compliance tools. Policies such as the European Green Deal and SFDR mandate transparent disclosure of environmental impacts.



Technological advancements: New technologies offer new possibilities. Blockchain, for example, helps offset trading and verification. APIs and embedded finance enable climate-focused financial products



Investment trends: Europe is leading in climate fintech funding, with European startups raising \$1.4 billion compared to \$881 million in the US. Climate-focused fintech startups raise more funding than other fintech startups. We expect this trend to grow and even mature in 2025

BENEFITS OF GREEN FINTECH



Cost Reduction Through Resource Efficiency

Green FinTech boosts resource efficiency and reduces operational costs using technologies like AI, IoT, and smart meters to track and optimize energy, water, and waste. Blockchain also streamlines supply chains by removing redundancies and lowering transaction costs



Access to Green Capital and Markets

Green FinTech provides easier access to green financing tools like sustainable loans and green bonds, helping businesses fund eco-friendly projects at competitive rates. It also enhances market reputation, attracting customers and partners who value sustainability and driving higher sales and customer growth.



Regulatory Compliance and Incentives

As environmental regulations become stricter globally, Green FinTech helps businesses meet compliance requirements efficiently through tools that track and report carbon emissions and other sustainability metrics. Many regions also offer financial incentives such as tax benefits and grants to organizations adopting sustainable



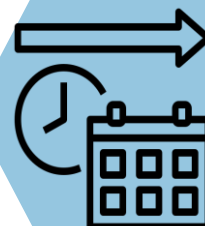
Enhanced Brand Reputation and Customer Loyalty

Adopting Green FinTech strengthens a company's reputation as responsible and future-focused, helping attract and retain customers who value sustainability. Businesses leading in eco-friendly innovation often set industry benchmarks and gain a competitive edge that can translate into market leadership.



Innovation and Long-Term Viability

Green FinTech drives innovation by supporting environmentally and economically beneficial technologies, helping businesses stay competitive and adapt to evolving market and regulatory demands. Investing in sustainable solutions also strengthens long-term resilience against resource shortages and environmental risks..





They provide banks and card issuers with the **Åland Index** to measure the CO₂e impact of customer purchases and enable financial institutions to embed carbon-impact metrics directly into services such as payments and savings.



They simplify access to climate-focused financial products such as EV, waste-to-energy, and biofuel financing, and also provide digital platforms that support green financing and carbon market services.



They provide loans for electric two- and three-wheelers and rooftop solar projects to support carbon reduction, while also building digital infrastructure that streamlines green financing.



They connect users' bank transactions to estimated CO₂ emissions and provide offset options and behavioral insights, while offering APIs that allow banks and financial apps to embed carbon tracking features directly into their services.



They help businesses and financial institutions track emissions across their operations and supply chains, and integrate with banking and fintech platforms to provide built-in carbon insight capabilities..

KEY FINDINGS



137 countries & currency unions, representing 98% of global GDP, are exploring a CBDC. There is a new high of 49 CBDC pilot projects around the world.



Emerging markets are driving global retail CBDC growth to reduce cash use, enhance financial inclusion, and improve regulatory oversight.



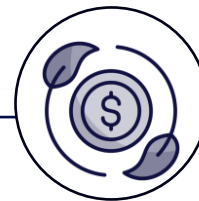
Emerging markets are driving global retail CBDC growth to reduce cash use, enhance financial inclusion, and improve regulatory oversight.



Since Russia's invasion of Ukraine and the G7 sanctions response, cross-border wholesale CBDC projects have more than doubled



The ECB is advancing a "global euro moment" as it pilots the digital euro, aiming to strengthen the euro's international role.



Digital yuan (e-CNY) is still the largest CBDC pilot in the world.

CBDCs are digital forms of a country's fiat currency, issued and regulated by the central bank and legally equivalent to physical cash



Unlike cryptocurrencies, they are government-backed, offering secure, stable, and low-cost digital payments instead of decentralized and volatile value.



Driven by cashless and blockchain innovation, many nations are adopting CBDCs to improve financial inclusion, lower transaction costs, and strengthen monetary policy.

Issues Addressed by CBDCs

Reduces third-party and Banking Risk

CBDCs remove reliance on private institutions, limiting risks from bank failures and placing remaining risk directly with the central bank

Cuts Transaction and Infrastructure Costs

They lower cross-border transaction costs and eliminate the need for expensive financial infrastructure to reach the unbanked.

Supports Global Currency Strength

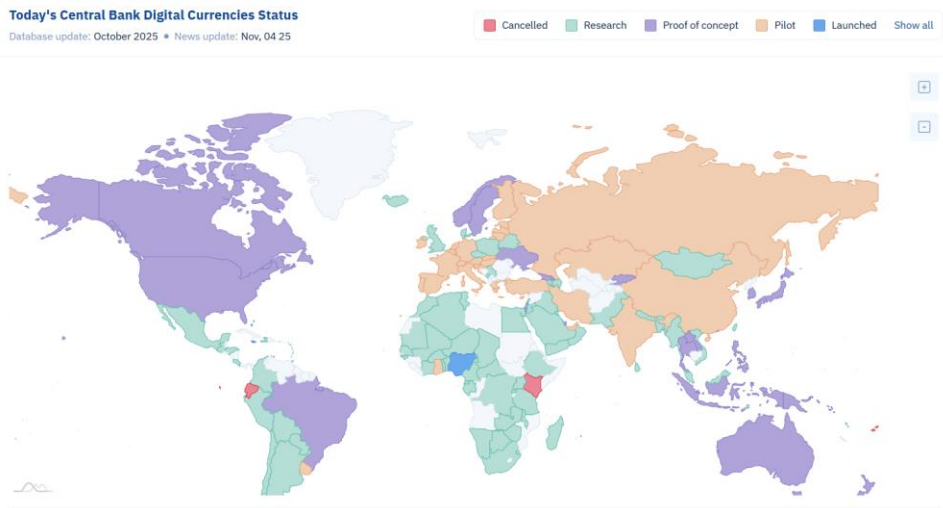
A CBDC can help maintain national currency dominance, such as the U.S. dollar by strengthening its role in global digital finance.

Economic Uncertainty

If the U.S. financial system shifts significantly, its impact on household costs, investments, reserves, banking, interest rates, and the broader economy remains uncertain

Stability Risks

A shift to CBDCs could introduce uncertainty in financial stability, as limited central bank liquidity may be unable to support large withdrawals during crises.



Monetary Policy Rule

Central banks implement monetary policy to influence inflation, interest rates, lending, and spending, which in turn affects employment rates.

Privacy Concerns

Cryptocurrencies value privacy, but CBDCs require some level of government monitoring to prevent financial crimes, money laundering, and terrorism financing.

India's RBI is reshaping money through the Digital Rupee. Launched in 2022, wholesale and retail CBDC pilots integrate with UPI and fintech wallets, with features like offline use and programmable money. Built on India's strong digital payments base, it enables greater financial inclusion, smarter benefit transfers, and innovation in merchant payments, marking a shift from payments to full digital-money ecosystems

India's Future Plan For CBDC

To allow for targeted and efficient government benefit transfers (subsidies, grants, etc.), ensuring funds are used for their intended purpose

A major focus is on testing new functionalities



Cash, but Digital !

To ensure seamless integration with existing banking systems and platforms like UPI, easing the adoption of the e₹

To enable transactions in areas with limited or no internet connectivity,

OVERVIEW

RegTech (Regulatory Technology) enables financial institutions, NBFCs, and FinTechs to streamline **compliance, risk monitoring, identity verification, reporting, and data security** through technology-driven solutions. With rapid digitisation across financial services and tighter regulatory frameworks—especially post the **Digital Personal Data Protection (DPDP) Act 2023**—RegTech has become one of the fastest-expanding enterprise FinTech categories.

KEY DRIVERS

Faster digital onboarding and e-KYC via India Stack APIs.

Stricter RBI focus on data protection and consumer rights.

Demand for automated compliance and audit workflows.

Increased need for governance, risk management, and cybersecurity.



Identity Management / KYC

Identity management can be described as the foundation layer of RegTech. India’s digital public infrastructure (Aadhaar, PAN, GST, DigiLocker, e-Sign) enables automated and secure onboarding.

Technologies in focus

Video-KYC (V-CIP) for remote verification.

Biometric and facial-recognition-based verification.

API-driven onboarding integrated into lending and payments journeys

“Opportunity to build advanced KYC solutions leveraging facial recognition, secure customer interaction channels, and AI/ML-based monitoring tools.”

AML & Fraud Risk Management (FRM)

This is considered as the largest opportunity area in RegTech. The drivers identified are

RBI’s tighter AML guidelines and stronger monitoring expectations.	Increase in digital fraud, mule accounts, and identity theft.	Need to screen Politically Exposed Persons (PEPs), cross-border transactions, and suspicious transaction reporting (STR).
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SOLUTIONS

Real-time transaction monitoring using AI/ML.

Network-analysis tools that detect hidden relationships or mule rings.

Integration of multiple databases (sanctions, PEPs, credit bureaus).

Risk-scoring engines using behavioural data.



FUTURE TRENDS

Data-driven, intelligence-based fraud analytics.

Cloud-native platforms to allow multi-entity AML systems.

Cross-sector opportunities in real estate, gold trade, and digital assets, which are coming under compliance scrutiny.

Governance, Risk & Compliance (GRC) / Reporting

This area covers policy automation, consent management, reporting, and internal compliance. Financial institutions need *plug-and-play compliance stacks* to meet evolving norms. RegTech firms are building compliance dashboards, documented audit trails, and real-time regulatory reporting capabilities.

The DPDP Act 2023 has created fresh demand for

Consent and data-usage management

Data-breach alerts

Access-control systems

Third-party risk monitoring

GRC tools are also expanding into risk modelling, policy workflow automation, and compliance analytics, helping institutions meet multiple regulatory frameworks simultaneously.

CYBERSECURITY

OVERVIEW

Cybersecurity is presented as a core pillar of RegTech, not a separate silo. The cyber-risk equals to compliance-risk, since regulators are holding institutions accountable for data breaches



KEY SOLUTIONS



Early-warning systems for anomalies and data leaks

Encryption, multi-factor authentication (MFA), and secure access controls.

Security-audit services and vendor-risk monitoring

Data-breach monitoring and reporting in line with DPDP obligations.

Evolution & Future of RegTech

AI/ML-enabled compliance engines



Cloud-native, API-first architectures

Real-time monitoring and risk scoring



Embedded compliance within core workflows

OVERVIEW

Enterprise WealthTech refers to the technology infrastructure that enables banks, asset managers, and other financial institutions to deliver digital wealth-management and investment experiences to their customers. The India's wealth-tech market is expanding quickly as retail investors, high-net-worth individuals (HNIs), and institutions increasingly shift toward digital platforms for investment and portfolio management. Enterprise WealthTech solutions focus on powering these digital journeys at scale through APIs, portfolio engines, and automation tools.

The rise of WealthTech has been driven by

The growing role of digital investment-distribution platforms and regulatory push toward investor protection.

Financial institutions' need to provide integrated advisory, risk, and portfolio services digitally and surge in mutual funds.

Major Trends



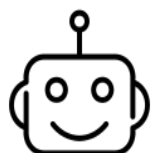
Increasing adoption of APIs and digital infrastructure to support multi-asset investing

Use of AI/ML for portfolio analytics, risk profiling, and advisory recommendations.



Development of B2B2C platforms that help banks, brokers, and advisors serve end-clients online.

Integration of goal-based planning and robo-advisory tools within banking channels.



Enterprise WealthTech Stack

Onboarding and KYC modules – for investor identification and digital account opening.



Product marketplaces – enabling access to mutual funds, ETFs, and other asset classes.



Portfolio-management engines – providing consolidated views, goal tracking, and analytics.



Advisory and analytics tools – for risk assessment, asset allocation, and recommendation engines.



Reporting and compliance layers – to meet regulatory guidelines and ensure transparent investor communication.



KEY GROWTH DRIVERS



Digital transformation in distribution and advisory channels.



Demand for personalized portfolio experiences using data analytics.



Regulatory changes promoting transparency and investor-protection norms.

Technology Evolution



The use of data-driven decision-making and AI-based risk engines.



Implementation of open-architecture APIs for multi-product distribution.



Development of intelligent dashboards for relationship managers and advisors.



Integration of behavioral analytics for goal tracking and investment nudging.

Enterprise WealthTech in the FinTech Ecosystem

Enterprise WealthTech is becoming a critical infrastructure layer within India's broader FinTech ecosystem.

Just as payments and lending have matured, wealth management is now evolving into a digital-first model, driven by

Increasing investor participation

Seamless access to financial products

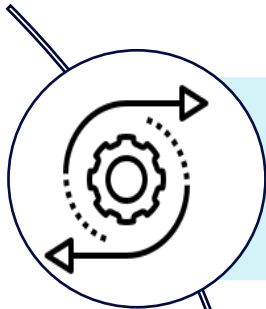
The ability to deliver advisory experiences across multiple channels



Enterprise WealthTech platforms position as enablers for banks, AMCs, wealth-advisory firms, and distributors to build scalable, compliant, and customer-centric investment platforms.



Future Outlook



Personalised and hybrid advisory solutions combining AI with human judgement



Cloud-native, scalable platforms that support multi-product distribution.



Deeper integration with capital-market and insurance infrastructure.



Global expansion of Indian WealthTech players serving NRI and offshore investors.

There is stronger collaboration between WealthTech startups and incumbent institutions, resulting in co-created solutions that merge trust, compliance, and technology innovation.

Risk Factors

Regulatory & Compliance Pressures



Monetization takes longer for pure-payments businesses compared to lending-led models.



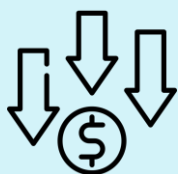
Frequent policy changes (KYC, lending caps, MDR rules) can alter revenue flows overnight.



Higher compliance costs impact contribution margins, especially for lending-led models.



Dependence on Third-Party Infrastructure



Network downtimes or changes in interchange/MDR pricing can reduce revenue certainty.

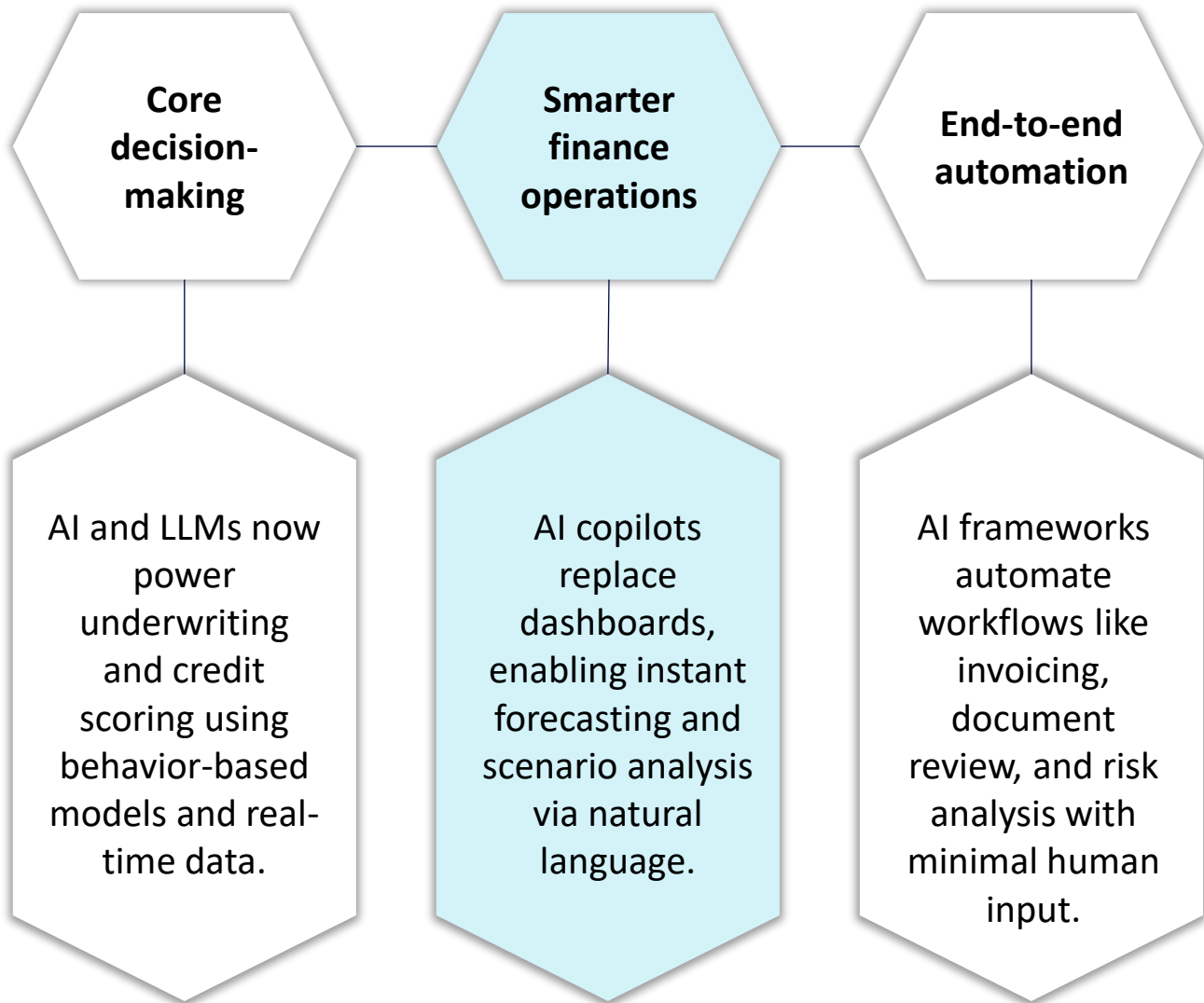


Market saturation in urban regions slows user growth and reduces conversion

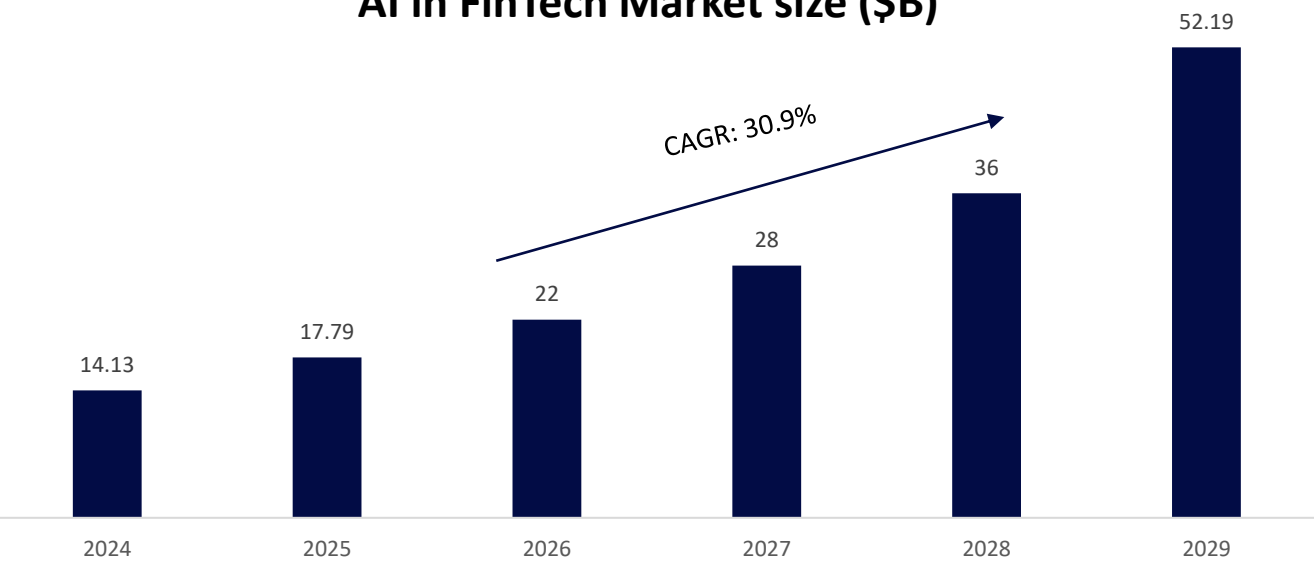


Weak underwriting models can distort LTV by inflating short-term revenue but increasing long-term losses.

AI & Automation



AI in FinTech Market size (\$B)



KEY CONTRIBUTORS



KRITEE
President



PARISHI JAIN
PR Director



PRATEEK BANTHIA
Junior Associate



SIDDHI YADAV
Junior Associate



KESHAV GOYAL
Junior Associate



AKSHIT KOHLI
Junior Associate



SUBHIKA LAKHERA
Junior Associate

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