



STARTUP  
INDIAN

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**THE STARTUP NEWSLETTER**  
**SPECIAL ISSUE ON FINTECH**

## In this Issue:

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CRED Makes Some Noise	3
Startup Indian Virtual Market (SIVM)	4
India Stack and its New Member	6
Right Now Podcast – SPAC for Indians	8
Paytm's Fintech Gameplan	9
Paytm's Financial Health Check-up	10
Crypto – Point of View	11
Everything 5 – Curated Content on Fintech	12
What Else is Buzzing?	14



# CRED MAKES SOME NOISE

In the latest OH MY GOD events, we have Fintech Startup, Cred, turning into a Unicorn in just 3 years since inception! In simple terms, Cred gives rewards to its members for paying their credit card bills on time.

-The last time we were valued for encouraging 'good behavior' from a crowd was when we were monitors in our schools and our value was "Such a good boy!" (Not frustrated)-

**The WOW factor:** Cred's valuation jumped from \$806 million to \$2.2 billion in a span of just THREE months (Read that again).

Here's our list of what makes sense (in descending order):

- Between January and April, Cred must have closed deals with some major e-commerce sites to allow payments through CRED-pay (CRED-pay allows CRED members to use CRED reward coins for making payments), an idea flagged off in Dec'20.
- The investors must have gotten hold of the entrackr.com report (obviously) that says that its Topline is expected to zoom by 208 times, taking it to INR 108 Cr in Fy'21 from INR 0.52 Cr in Fy'20.
- Revival of the economy must be implying rising credit scores, allowing more people to join the elite CRED club (For CRED membership a credit score of at least 750 (which is a lot) is mandatory)...love to obsess over details? [HERE](#) is all of it.



# STARTUP INDIAN VIRTUAL MARKET (SIVM)

DRUMROLLLLLL!!!!

You read and hear about Startups everyday. There are some whose businesses make sense to you while others', not so much. You can foresee that some of them are really likely to succeed.

So... here's a chance to quantify your knowledge and foresight. Till now you'd open this newsletter to learn about the next big change. Now, you can also assess how good you are at analyzing it.

We've created the STARTUP INDIAN VIRTUAL MARKET (SIVM). You put your virtual bets on Indian Unicorns that impressed you and find your name at the top of the leaderboard. Simple!

The best part? The leaders of SIVM get treated EVERY MONTH with Gift hampers having Confectionaries, Goodies and Discount Vouchers of Startups functioning around us...and and and a printed copy of our latest Newsletter (that smells of glossy paper).





**KNOW MORE & PLAY NOW**

# INDIA STACK AND IT'S NEW MEMBER

## INDIA STACK



Presence-less  
Layer



Cashless Layer



Paperless layer



Consent layer

### What is India Stack?

As [www.indiastack.org](http://www.indiastack.org) puts it, India Stack is a set of APIs (something techy) that allows governments, businesses, startups and developers to utilize a unique digital Infrastructure to solve India's hard problems towards presence-less, paperless, and cashless service delivery.

### How does it enable that?

Through meaningful and systematic collaboration among Aadhaar (Unique Identification), eSign (Aadhaar OTP based e-signatures), eKYC (Aadhaar OTP based KYC), UPI (Laser-speed Bank transfers) and Digilocker (Aadhaar linked Digital Locker for electronically saving documents like Driving License, Voter ID, School Certificates, etc.). The legacy banking companies and startups alike are learning more by the day on ways to utilize the India Stack to its full potential. Jio for example used Aadhaar, eSign and eKYC to provide SIM cards that changed the Indian telecom landscape and everything around it.

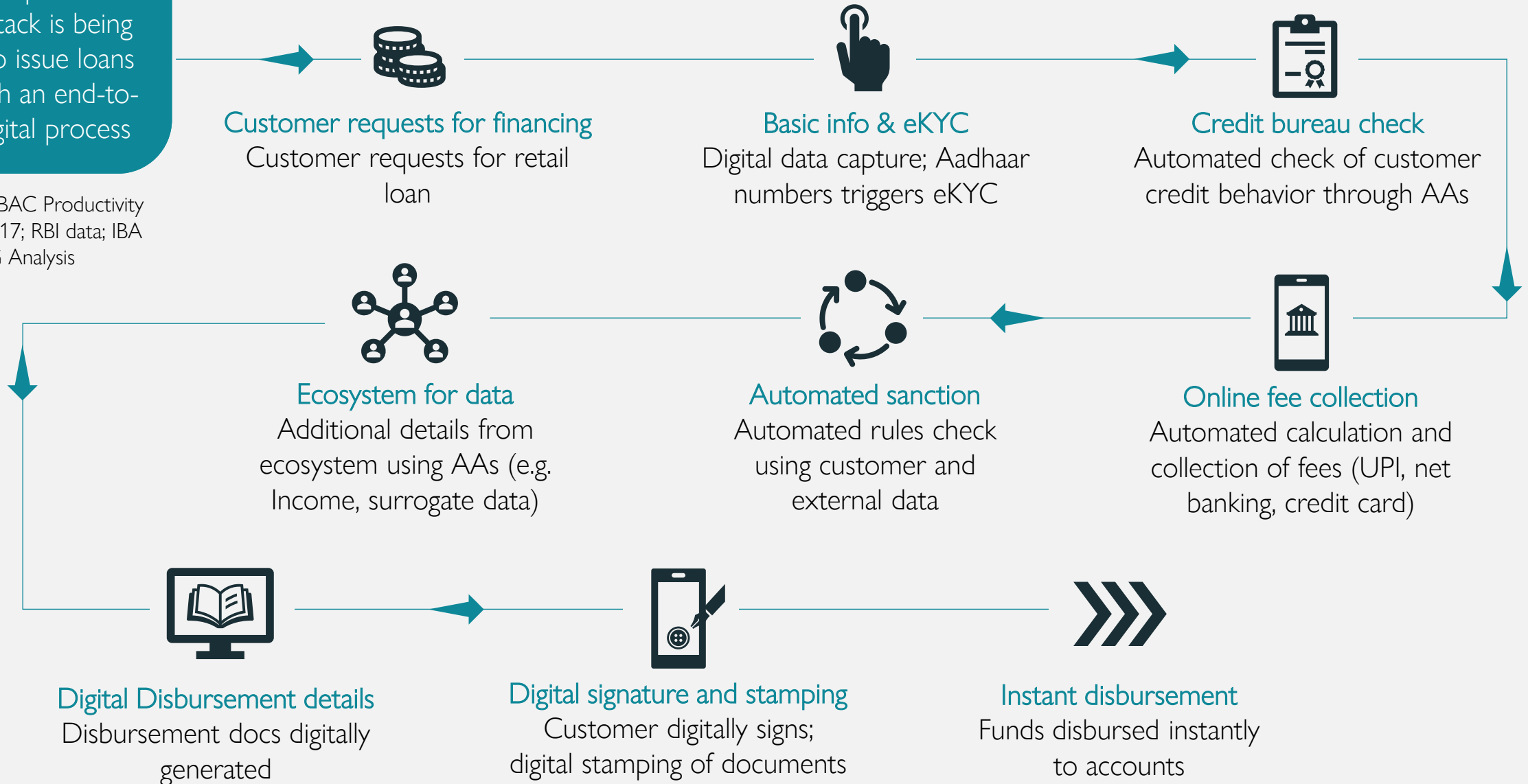
### The latest addition?

RBI's Accounts Aggregators (AAs). AAs will be institutions, established as NBFCs. As FinancialExpress puts it, AAs help unlock data from various Financial Information Providers (FIPs), including banks, NBFCs, mutual funds, insurance agencies, GST department, IT department, among others, and provide them to Financial Information Users (FIUs) that offer various products and services in the banking, financial planning, investments, insurance and other sectors. Read our entire article [HERE](#) on how AAs can drive the next revolution in the BFSI.



An example of how India Stack is being used to issue loans through an end-to-end digital process

Source: FIBAC Productivity Survey 2017; RBI data; IBA data; BCG Analysis



# PODCAST — SPAC FOR INDIANS

We know you've been hearing a lot about SPACs and how it has taken over the world of IPO by a storm. And probably you even googled it up and read a word or two about what it means, so that you're not all lost when your friends bring it up in a conversation. But there's little out there that tells you as to why, as an Indian, any of it makes sense. Because afterall if Virgin Galactic, a US company, raises capital in a new way and gets itself listed on the US stock exchange, how on earth does it have any relevance to you. Right?

So allow us to tell you where India lies amongst all the buzz around SPACs, whether such a concept exists in India and if not, how can it be made possible. Click on the link below and head on to the conversation where the writers at the Startup Indian talk all about it...



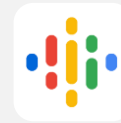
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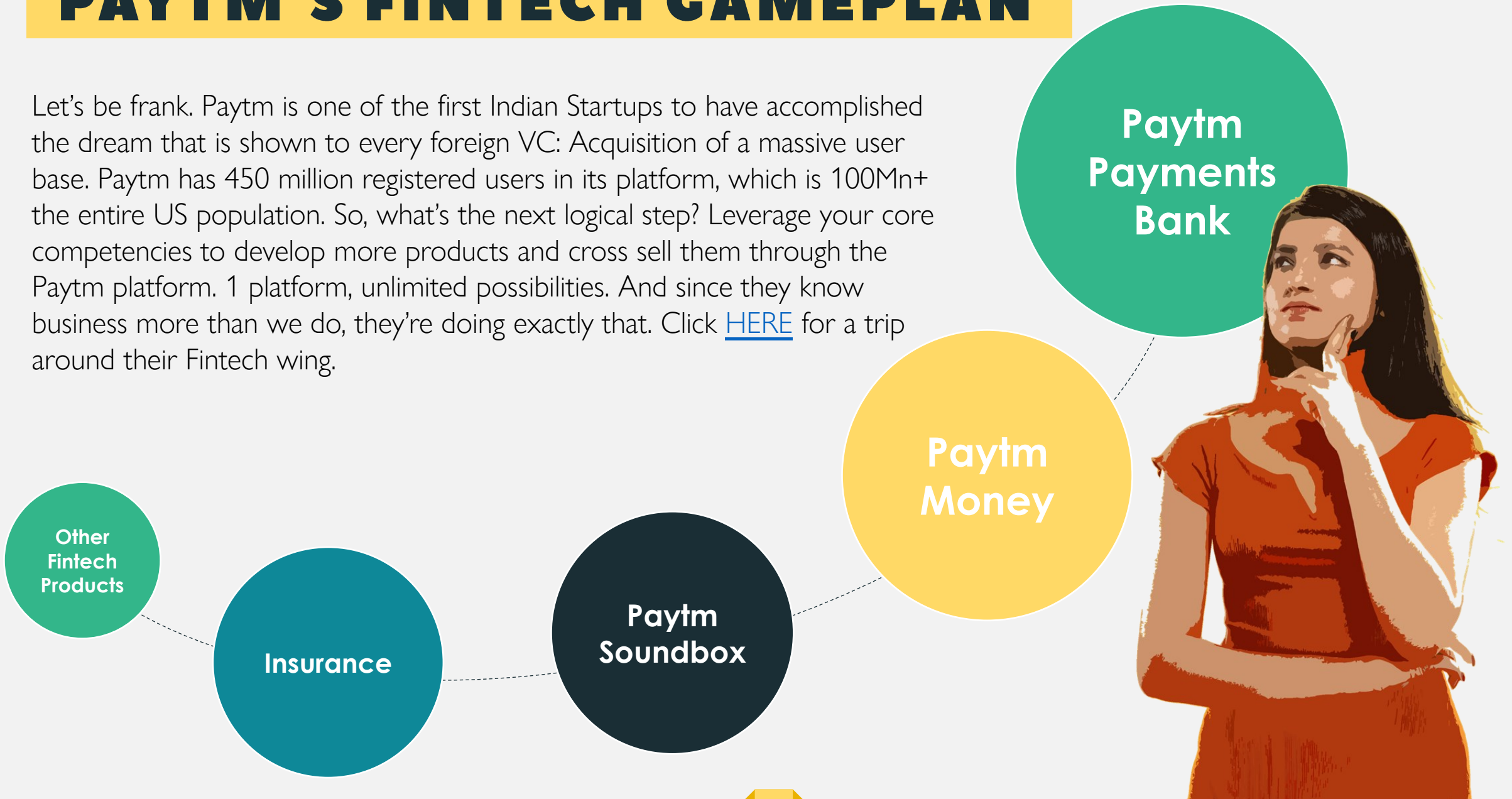
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# PAYTM'S FINTECH GAMEPLAN

Let's be frank. Paytm is one of the first Indian Startups to have accomplished the dream that is shown to every foreign VC: Acquisition of a massive user base. Paytm has 450 million registered users in its platform, which is 100Mn+ the entire US population. So, what's the next logical step? Leverage your core competencies to develop more products and cross sell them through the Paytm platform. 1 platform, unlimited possibilities. And since they know business more than we do, they're doing exactly that. Click [HERE](#) for a trip around their Fintech wing.



# PAYTM'S FINANCIAL HEALTH CHECK UP

When the Government of India took huge swathes of cash out of circulation in 2016, India said #PaytmKaro. And the last time we checked, Paytm was valued at \$16 Billion as of 2019 – higher than any other Indian Startup. Ever since, it has been expanding its offerings – e-commerce, investments, travel bookings, insurance, payments bank, gaming, you name it, they've got it!

One might suggest that it is trying to build a super-app in India. And, why not? It has 450 million registered users (which is more than WhatsApp India user base), 150 million monthly active users (MAU) and a merchant base of 15 million partners, per Inc42.

With such encouraging numbers on the board, we had to peek into their financial report cards.

[HERE's](#) what it reveals.



# CRYPTO - POINT OF VIEW

## GOVERNMENT

“ I can only give you this clue that we are not closing our minds... There will be a very calibrated position taken. A lot of mixed messages are coming from across the world. The world is moving fast with technology, we cannot pretend that we don't want it.  
~ Nirmal Sitharaman

**POV:** From proposing an outright ban and penalty on possessing/trading/mining crypto assets, to hinting a grace period of 6 months in the upcoming bill on Cryptocurrency, the GOI has come a long way.  
But why would the Government want to curb a booming futuristic tech product you ask? Money laundering & evasion of taxes are two of the biggest concerns, that's made not only India, but policy makers across the globe, nervous of the pace at which this tech has been growing.

## CRYPTO EXCHANGE

“ Around 340 startups in India are in this field. There is an entire ecosystem around cryptocurrency in India - do we really want to destroy it?  
~ Nishchal Shetty, Co-founder of WazirX

**POV:** A crypto exchange makes money by charging a small commission for every trade. The Indian exchanges have witnessed exponential increase in trade volumes in 2021. The biggest one, WazirX, has doubled its users to 2 Million in Q1'21 alone. So, a ban on Crypto trading would simply shut their shops. Result? Aggressive lobbying before the regulators on all possible fronts. Given the recent announcements made by the authorities, it seems that their voices are not falling on deaf ears.



## CRYPTO INVESTOR

“ The money is multiplying rapidly every month and you don't want to be sitting on the side lines. Even though people are panicking due to the potential ban, greed is driving these choices.  
~ Cryptocurrency Investor

**POV:** Despite erratic summons from ED and the Income Tax Dept, Indians are not ready to let go of the opportunity to make quick bucks. To put the hype in perspective, today 8M Indians hold a whopping \$1.4 Billion worth of Cryptocurrency. Meanwhile, India's equity market has only about 16M traders. So, what's driving this surge? Probably the rally in prices - Bitcoin is up by over 90% in 2021, whereas the notorious Dogecoin is up by over 5700% in 2021. Name a stock that could give such a return. We'll wait.

# EVERYTHING 5

Here's our curated list of 5 industry reports, 5 podcasts & 5 videos that you can refer to for a deeper understanding of Fintech:



## PODCASTS



## REPORTS

**FinTechs in India – Key trends**  
December 2019

**Deloitte.**

**BCG** × **FICCI**

**INDIA FINTECH:  
A USD 100 BILLION  
OPPORTUNITY**

**Forging New Pathways**  
The next evolution of innovation in financial services



**Digital Payments  
Adoption in India, 2020**

**Indian Brokerage Industry**



## VIDEOS

**The Evolving Payments Landscape**

**Speaker : Kunal Shah**  
Founder Of CRED, Free Charge

**HOW I OVERCOME  
FAILURE | JACK MA**



**VIJAY SHEKHAR SHARMA |  
VISION FOR PAYTM**



**ZERODHA STORY BY NITHIN  
KAMATH**



**4 TRENDS IN INSURETECH**



# WHAT ELSE IS BUZZING?

- The time has finally come, as Zomato files for a whopping [\\$1.1B IPO](#) in India. What's interesting to note is that the company hasn't been making profits for the past 3 years. There's definitely more to it than meets the eye, so look out for our deep-down analysis on the IPO in next month's issue.
- Meanwhile, rival Swiggy has raised another \$800 million at a valuation of \$5 Billion. It almost seems like the two food aggregators are always competing against each other - for customers and investors alike. In case you've been wondering which one is better, read the [July](#) edition of our Newsletter.
- Urban Company is the [latest entrant](#) to Indian Unicorn Club, having raised \$190 M at a valuation of \$2 Billion. It's on-demand home services have given a big impetus to the gig economy in India and they did not shy away from pulling their muscles while India was locked at home. Result? Their valuation has doubled in less than two years. Whaaaaaat?
- Speaking of the Unicorn Club, India has already seen [12 Unicorns](#) emerging in 2021 so far. And it has exceeded the total number of Unicorns emerging in 2020. Wait...already?
- Time magazine has newly launched [TIME 100 Most Influential Companies](#) and the only two Indian companies who made it to that list are Reliance's Jio Platforms and Unicorn Edtech startup BYJU'S.
- Tata Group has received the [approval](#) of Competition Commission of India (CCI) to acquire ~ 64% of Big Basket for \$1.2

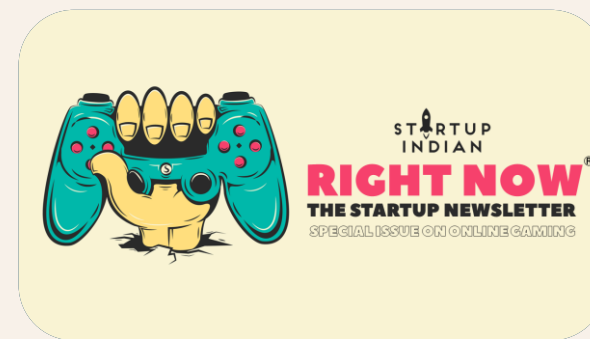
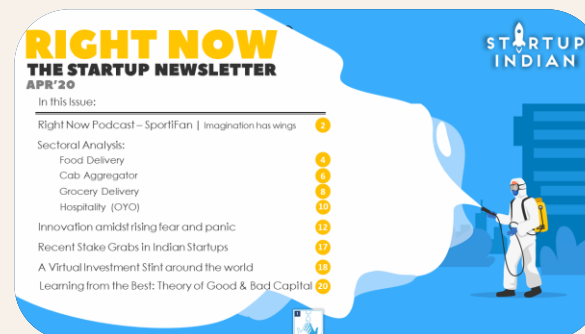
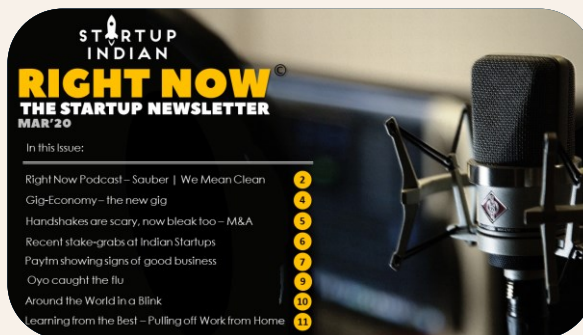
Billion. With big names including Tatas, Amazon, Reliance, Flipkart and Udaan, e-grocery is emerging as one of the most coveted startup segments.

- In a bid to fight COVID-19, Indian Unicorns have been rising to the occasion to do [their bit](#). While fintech startups like PayTm and Cred are raising money to combat oxygen crisis in India, Zomato has rolled out Prior delivery feature for COVID related food orders.





# PREVIOUS ISSUES






**Wow! This is Uber Cool!**  
**You made it to the end!**



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about our Newsletter 🤔

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