

Fintech Reshaping Finance: India's Global Leadership Journey

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Abstract

A Fintech Company or Fintech is a company or business that provides financial services using technology. The purpose of the present study is to understand Fintech's impact, assess India's Fintech landscape, explore future trends, examine adoption challenges and study the Role of Public and Private Initiatives. The primary data is collected through questionnaires distributed via Google Forms, facilitating direct interaction with industry professionals, students, and others related to the research topic. The research adopts a Qualitative Research methodology, focusing on non-numerical data such as opinions and experiences. It is concluded that the impact of fintech on India's financial landscape is evident in its shift from traditional to modern practices, emphasizing cost efficiency, speed, and security. This transition positions India as a potential global fintech and crypto hub, projecting substantial economic growth and job opportunities by 2030. The pivotal role of both public and private initiatives is crucial in propelling India's prominence in the dynamic realm of financial technology.

Keywords: [Fintech, Financial Services, Public & Private Initiatives]

Introduction

A Fintech Company or Fintech is a company or business that provides financial services using technology. They typically provide online only banking app-based mobile banking and other software applications and help to enhance or simplify financial services it helps increase efficiency such as automating delivery and usage or adopting new technology for more capacity as financial services and technology merge in fintech organizations like investment banking wealth management trading and research monetary processes like these are continuously being reshaped fintech are mostly disrupting the banking and financial services industry by providing creative solutions to old problems as the industry is expanding at a fast pace and by the end of 2023 the worldwide fintech sector is estimated to reach 310 billion dollars between 2018 and 2023 this will result in an annual growth rate of 24.8 percent businesses are finding new ways to handle their money as a result of this expansion as a result formally difficult and time-consuming procedures are becoming much more straightforward and accurate with the help of this technology.

Objective of the Study

Understand Fintech's Impact: Investigate and analyze the impact of Fintech on the financial services sector, including changes in traditional banking models, the emergence of digital currencies, and the influence on global finance.

Assess India's Fintech Landscape: Evaluate the current state of Fintech adoption in India, considering transaction values, growth projections, and the position of Indian Fintech firms in the global market.

Explore Future Trends: Investigate emerging trends in Fintech, with a focus on technologies like Blockchain

and their potential role in shaping the future of financial services in India.

Examine Adoption Challenges: Identify and analyze challenges hindering Fintech adoption, especially concerns related to security, and assess how these challenges impact the industry's growth.

Study the Role of Public and Private Initiatives: Examine the role played by both public and private initiatives in fostering Fintech growth in India and understand how collaborative efforts contribute to the country's prominence in the global Fintech landscape.

Research Methodology

Research methodology is a critical aspect of any research conducted during our study period. It involves identifying diverse solutions from unbiased sources, such as real market surveys and direct interviews with individuals in the industry, including professionals, students, and those with relevant knowledge. Through this approach, we pose questions regarding our research topic, particularly inquiring about the past trajectory and future expectations of FINTECH. Analyzing the responses to these questions enables us to construct a solid framework for our project.

Data Collection Method

The primary data is collected through questionnaires distributed via Google Forms, facilitating direct interaction with industry professionals, students, and others related to the research topic. This method aims to gather real-time insights into perceptions, experiences, and opinions regarding the evolution of Fintech.

Research Type

The research adopts a Qualitative Research methodol-

ogy, focusing on non-numerical data such as opinions and experiences. Qualitative methods, including surveys, participant comments, observations, and Google Forms, contribute to a deeper understanding of subjective aspects in the Fintech industry.

Source of Data Collection

Primary data is collected through a Google Forms questionnaire, capturing respondents' perspectives on various Fintech-related aspects. The qualitative nature of responses enhances the richness and depth of the data for a holistic analysis.

How fintech works?

Fintech assists both customers and businesses since it simplifies financial transactions and makes them more accessible and therefore more affordable it makes it possible to perform exceptionally safe transactions inside an internal network by using artificial intelligence big data, and encrypted Blockchain technology overall fintech seeks to decrease the number of procedures required in a transaction and as a consequence save time and money for all parties involved utilizing smartphone apps such as Venmo or cash app it is feasible to send money to other people at any time of day or night without having to leave your home payment via check or cash, on the other hand, would need the participation of the receiver in the process of depositing the money.

The benefits of fintech include:

1. Costs are being reduced innovating the financial technology sector not only results in cost savings for enterprises but also benefits the customer in addition since there are no overhead costs connected with conventional organizations such as wages rent and advertising these firms may save money on these expenses and use the money saved to invest in their customers it has been shown that automation of many processes is more effective in things like predicting loan risk more precisely and that it also requires less human presence which lowers the cost of services that they deliver to clients.
2. Speed and ease of use faster and easier are certainly two of the most notable benefits faster transaction procedures and systems have resulted from technological improvement in a wide range of companies and sectors a range of delivery alternatives is available including an expedited delivery technique to further enhance the speed of the transfer procedure in certain fintech systems the traditional method of

transferring money outside of the nation was to visit a bank office or utilize an internet banking program only a limited number of banks were open for business fintech enabled payment systems where transactions may be executed at any time and from any location do not have these limitations.

3. The approval rate is faster for online or digital lenders fintech innovations have made the application an approval procedure feasible within a day there is a pressing need for services to be delivered quickly and this may be accomplished with little information from the consumer as a result of automation and the usage of artificial intelligence many customers prefer to engage with machines rather than people.
4. The fintech adoption is hampered by concerns about security which is unfortunate financial technology still has to show that it is safe and secure despite its many advantages data theft or penetration may bring a financial institution to its knees with only one security breach when it comes to dealing with the consequences of a security breach there may be inadequate financial and human resources as a result fintech companies often invest a significant amount of money in their network and physical security as a consequence clients may be certain that their personal information is secure what the future holds for fintech. Financial technology is used to provide back-office support for bankers and trader's venture capitalists haven't put much money into this area.

In the case of India, financial technology, or fintech for short is becoming the new norm for the country people are transitioning from using cash to purchase goods and services to becoming a cashless society and this is happening all across the entire country. According to to invest India an investment promotion agency the country is expected to have a fintech transaction value estimated to be over 138 billion us dollars by 2024 up from just 66 billion dollars in 2019 this has paved the way for the nation to be a leading digital payment sub around the world moreover the fintech firms that operate in the ecosystem are reported to be the world's third largest and by 2025 these fintech companies will be valued at around 150 billion dollars surpassing 2020's valuation at just 50 billion dollars.

The future of fintech lies in the new emerging term called Blockchain while Blockchainbitcoin crypto are the new hype in recent years in India it's becoming

more than just that according to a report by chain analysis India was the second highest country in crypto adaptation far above the United States which was ranked at 8th globally this is then suggested two things one is that India is quick on jumping on the boat for new digital innovations which could be attributed to the growth in its fintech recently and it also means that India is in the position to become both a global fintech hub and a global crypto hub right now however the industry is still in its infant stage data from NASCOM shows that crypto tech only provides an estimate of about 50 000 employees around India with 230 startups operating in the field but all of these are already promising signs crypto tech is poised to be a tremendous winner by 2030 it is estimated that it will create 184 billion dollars in economic value to the Indian economy and create 800 000 jobs.

But the real question is how India became one of the largest fintech markets globally and how it went from traditional to contemporary was it because of the covid 19 lockdown or was it through strong execution by the public and private enterprises?

During the preceding years these and other digitalization symptoms have become buzzwords in the trade press in huge multinational banks venture capitalists and digital incubators have emerged eastern technology companies constructed messaging super apps with millions of users and banking services integrated to compete with Western regulated nations.

This shows how these, unprecedented advances in financial technology have transformed the way individuals and institutions interact with formal financial services. Innovations in mobile payments, digital currencies, distributed ledger technology, and peer-to-peer marketplace lending have created new opportunities for

the financial sector. In particular, highly focused and cost-efficient financial services will challenge conventional value chains, business models, and market positions which will transform the nature of the financial industry.

Thus the impact of fintech on India's financial landscape is evident in its shift from traditional to modern practices, emphasizing cost efficiency, speed, and security. This transition positions India as a potential global fintech and crypto hub, projecting substantial economic growth and job opportunities by 2030. The pivotal role of both public and private initiatives is crucial in propelling India's prominence in the dynamic realm of financial technology.

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