

# Emerging trends for Financial Services in New Age India



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# Major areas of financial services in India

- ✓ **Transactional Banking.**
- ✓ **Financial Lending.**
- ✓ **Investment in Financial assets.**
- ✓ **Insurance and Risk Management.**
- ✓ **Investment Banking.**

# Engines of change

- ✓ **Actions of Regulators**
  - RBI, SEBI, IRDA.
- ✓ **Fintech.**
- ✓ **Changing profile of customers**
  - Millennials.

# Engines of change

- ✓ Peer to Peer payments. Within the country & out of country.
- ✓ Emergence of payment portals & crypto currency.
- ✓ No physical activity in transaction of funds - Cheques / Demand Drafts.
- ✓ No delay in transfer of funds.

# Financial Lending

- ✓ Credit related appraisals will be driven by complete electronic process. Information from independent sources to be processed.
- ✓ Swift Credit related appraisals. Robust and agile risk management to spur lending.
- ✓ Retail lending will become highly tech driven and competitive.



# Investment in Financial Assets

- ✓ Significant portion of present day – physical assets would get converted into financial assets.
  - Real Estate – REIT.
  - Infrastructure Assets – InvIT.
  - Precious Metals – ETF, Sovereign Gold Bonds.
  - Commodities – ETF.
- ✓ Global investing - The new normal
  - Global stock/ETF selection.
  - Valuations.
  - Currency advantage.

# Investment in Financial Assets

- ✓ Investments in stock market (Direct Equity)
  - Activation of Fintech Platforms.
  - Emerging interest of millennials.
- ✓ Equity oriented managed products would face challenge.
  - Equity Mutual Funds.
  - PMS (Portfolio Management Services).

# Investment in Financial Assets

- ✓ **Fixed Income options to expand.**
  - **Corporate Bonds.**
  - **Corporate Fixed Deposits.**
  - **Perpetual Bonds.**
  - **Bonds with subordinate debt status.**
  - **Reduced intervention of the Government in Fixed Income options.**



# Insurance and risk management

- ✓ Insurance industry, in general, to expand exponentially.
- ✓ Large scale usage of fintech in the entire delivery chain.
- ✓ Substantial increase in Wallet share.
- ✓ Insurance products used as a tax arbitrage might decline.

# Investment banking

- ✓ **Steady rise in investment banking activity.**
- ✓ **Promoters to opt for M & A before going for NCLT.**
- ✓ **Consolidation of various businesses.**

# Food for thought for startup ecosystem

- ✓ Emergence of lot of platforms and information providers, but lack of solution providers.
- ✓ Overcrowded world of fintech.  
How to stand apart?
- ✓ Threat of copycats.
- ✓ Combination of physical setup coupled with fintech.  
Amazon, Uber, Cloud kitchen.

# Correct positioning

- ✓ For Financial Services manufactures.
- ✓ For Financial Services intermediaries.
- ✓ For Financial Services users

# Thank you...

# Question ?