

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

I
J
R
C
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

[Ulrich's Periodicals Directory ©, ProQuest, U.S.A.](#), [Cabell's Directories of Publishing Opportunities, U.S.A.](#), [Google Scholar](#),

[Indian Citation Index \(ICI\)](#), [J-Gate, India](#) (link of the same is duly available at [Inflibnet of University Grants Commission \(U.G.C.\)](#)),

[Index Copernicus Publishers Panel, Poland](#) with [IC Value of 5.09 \(2012\)](#) & [number of libraries all around the world](#).

[Circulated all over the world & Google has verified that scholars of more than 7835 Cities in 197 countries/territories are visiting our journal on regular basis.](#)

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	ROLE OF COMMERCIAL BANKS AND FARM CREDIT IN INDIA <i>VENKATA VISWANATH RAPAKA</i>	1
2.	OPPORTUNITIES AND CHALLENGES OF FINTECH IN POST-COVID SCENARIO IN INDIA <i>KAPIL AJAY PANJWANI & Dr. JYOTI JOSHI</i>	4
	REQUEST FOR FEEDBACK & DISCLAIMER	8

FOUNDER PATRON**Late Sh. RAM BHAJAN AGGARWAL**

Former State Minister for Home & Tourism, Government of Haryana

Former Vice-President, Dadri Education Society, Charkhi Dadri

Former President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

CO-ORDINATOR**Dr. BHAVET**

Former Faculty, Shree Ram Institute of Engineering & Technology, Urjani

ADVISOR**Prof. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR**Dr. NAWAB ALI KHAN**

Professor & Dean, Faculty of Commerce, Aligarh Muslim University, Aligarh, U.P.

CO-EDITOR**Dr. G. BRINDHA**

Professor & Head, Dr.M.G.R. Educational & Research Institute (Deemed to be University), Chennai

EDITORIAL ADVISORY BOARD**Dr. TEGUH WIDODO**

Dean, Faculty of Applied Science, Telkom University, Bandung Technoplex, Jl. Telekomunikasi, Indonesia

Dr. M. S. SENAM RAJU

Professor, School of Management Studies, I.G.N.O.U., New Delhi

Dr. JOSÉ G. VARGAS-HERNÁNDEZ

Research Professor, University Center for Economic & Managerial Sciences, University of Guadalajara, Guadalajara, Mexico

Dr. CHRISTIAN EHIIBUCHE

Professor of Global Business/Management, Larry L Luing School of Business, Berkeley College, USA

Dr. SIKANDER KUMAR

Vice Chancellor, Himachal Pradesh University, Shimla, Himachal Pradesh

Dr. BOYINA RUPINI

Director, School of ITS, Indira Gandhi National Open University, New Delhi

Dr. MIKE AMUHAYA IRAVO

Principal, Jomo Kenyatta University of Agriculture & Tech., Westlands Campus, Nairobi-Kenya

Dr. SANJIV MITTAL

Professor & Dean, University School of Management Studies, GGS Indraprastha University, Delhi

Dr. D. S. CHAUBEY

Professor & Dean (Research & Studies), Uttaranchal University, Dehradun

Dr. A SAJEEVAN RAO

Professor & Director, Accurate Institute of Advanced Management, Greater Noida

Dr. NEPOMUCENO TIU

Chief Librarian & Professor, Lyceum of the Philippines University, Laguna, Philippines

Dr. RAJENDER GUPTA

Convener, Board of Studies in Economics, University of Jammu, Jammu

Dr. KAUP MOHAMED

Dean & Managing Director, London American City College/ICBEST, United Arab Emirates

Dr. DHANANJOY RAKSHIT

Dean, Faculty Council of PG Studies in Commerce and Professor & Head, Department of Commerce, Sidho-Kanho-Birsha University, Purulia

Dr. SHIB SHANKAR ROY

Professor, Department of Marketing, University of Rajshahi, Rajshahi, Bangladesh

Dr. S. P. TIWARI

Head, Department of Economics & Rural Development, Dr. Ram Manohar Lohia Avadh University, Faizabad

Dr. SRINIVAS MADISHETTI

Professor, School of Business, Mzumbe University, Tanzania

Dr. ABHAY BANSAL

Head, Department of Information Technology, Amity School of Engg. & Tech., Amity University, Noida

Dr. ARAMIDE OLUFEMI KUNLE

Dean, Department of General Studies, The Polytechnic, Ibadan, Nigeria

Dr. ANIL CHANDHOK

Professor, University School of Business, Chandigarh University, Gharuan

RODRECK CHIRAU

Associate Professor, Botho University, Francistown, Botswana

Dr. OKAN VELI ŞAFAKLI

Professor & Dean, European University of Lefke, Lefke, Cyprus

PARVEEN KHURANA

Associate Professor, Mukand Lal National College, Yamuna Nagar

Dr. KEVIN LOW LOCK TENG

Associate Professor, Deputy Dean, Universiti Tunku Abdul Rahman, Kampar, Perak, Malaysia

Dr. BORIS MILOVIC

Associate Professor, Faculty of Sport, Union Nikola Tesla University, Belgrade, Serbia

SHASHI KHURANA

Associate Professor, S. M. S. Khalsa Lubana Girls College, Barara, Ambala

Dr. IQBAL THONSE HAWALDAR

Associate Professor, College of Business Administration, Kingdom University, Bahrain

Dr. DEEPANJANA VARSHNEY

Associate Professor, Department of Business Administration, King Abdulaziz University, Saudi Arabia

Dr. MOHENDER KUMAR GUPTA

Associate Professor, Government College, Hodal

Dr. BIEMBA MALITI

Associate Professor, School of Business, The Copperbelt University, Main Campus, Zambia

Dr. ALEXANDER MOSESOV

Associate Professor, Kazakh-British Technical University (KBTU), Almaty, Kazakhstan

Dr. VIVEK CHAWLA

Associate Professor, Kurukshetra University, Kurukshetra

Dr. FERIT ÖLÇER

Professor & Head of Division of Management & Organization, Department of Business Administration, Faculty of Economics & Business Administration Sciences, Mustafa Kemal University, Turkey

Dr. ASHOK KUMAR CHAUHAN

Reader, Department of Economics, Kurukshetra University, Kurukshetra

Dr. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

YU-BING WANG

Faculty, department of Marketing, Feng Chia University, Taichung, Taiwan

Dr. SAMBHAVNA

Faculty, I.I.T.M., Delhi

Dr. KIARASH JAHANPOUR

Dean of Technology Management Faculty, Farabi Institute of Higher Education, Karaj, Alborz, I.R. Iran

Dr. TITUS AMODU UMORU

Professor, Kwara State University, Kwara State, Nigeria

Dr. SHIVAKUMAR DEENE

Faculty, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

Dr. BHAVET

Former Faculty, Shree Ram Institute of Engineering & Technology, Urjani

Dr. THAMPOE MANAGALESWARAN

Faculty, Vavuniya Campus, University of Jaffna, Sri Lanka

Dr. VIKAS CHOUDHARY

Faculty, N.I.T. (University), Kurukshetra

SURAJ GAUDEL

BBA Program Coordinator, LA GRANDEE International College, Simalchaur - 8, Pokhara, Nepal

Dr. DILIP KUMAR JHA

Faculty, Department of Economics, Guru Ghasidas Vishwavidyalaya, Bilaspur

FORMER TECHNICAL ADVISOR

AMITA

FINANCIAL ADVISOR

NEENA

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

LEGAL ADVISORS

JITENDER S. CHAHAL

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

CHANDER BHUSHAN SHARMA

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

SUPERINTENDENT

SURENDER KUMAR POONIA

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography; Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** **anytime** in **M.S. Word format** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website ([FOR ONLINE SUBMISSION, CLICK HERE](#)).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____

THE EDITOR

IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF _____.

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript titled ' _____ ' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR

Designation/Post* :

Institution/College/University with full address & Pin Code :

Residential address with Pin Code :

Mobile Number (s) with country ISD code :

Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No) :

Landline Number (s) with country ISD code :

E-mail Address :

Alternate E-mail Address :

Nationality :

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation etc. **The qualification of author is not acceptable for the purpose.**

NOTES:

- a) The whole manuscript has to be in **ONE MS WORD FILE** only, which will start from the covering letter, inside the manuscript. **pdf. version is liable to be rejected without any consideration.**
 - b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail:**
New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)
 - c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.
 - d) The total size of the file containing the manuscript is expected to be below **1000 KB.**
 - e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.
 - f) **The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.
 - g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.
2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters, centered and fully capitalised.**
 3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name, designation, affiliation (s), address, mobile/landline number (s), and email/alternate email address** should be given underneath the title.
 4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
 5. **ABSTRACT:** Abstract should be in **fully italic printing**, ranging between **150 to 300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA. Abbreviations must be mentioned in full.**
 6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
 7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aea-web.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.
 8. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER. It should be free from any errors i.e. grammatical, spelling or punctuation. It must be thoroughly edited at your end.**
 9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
 10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
 11. **MAIN TEXT:**

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:**INTRODUCTION****REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESIS (ES)****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****LIMITATIONS****SCOPE FOR FURTHER RESEARCH****REFERENCES****APPENDIX/ANNEXURE****The manuscript should preferably be in 2000 to 5000 WORDS, But the limits can vary depending on the nature of the manuscript.**

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR, centered, separately numbered** & self-explained, and the **titles must be above the table/figure. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.**
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. **The author (s) should mention only the actually utilised references in the preparation of manuscript** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper.** The author (s) are supposed to follow the references as per the following:
- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
 - Use (ed.) for one editor, and (ed.s) for multiple editors.
 - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
 - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
 - The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
 - For titles in a language other than English, provide an English translation in parenthesis.
 - **Headers, footers, endnotes and footnotes should not be used in the document.** However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

OPPORTUNITIES AND CHALLENGES OF FINTECH IN POST-COVID SCENARIO IN INDIA

KAPIL AJAY PANJWANI
RESEARCH SCHOLAR
UNIVERSITY OF LUCKNOW
LUCKNOW

Dr. JYOTI JOSHI
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
LAL BAHADUR SHASTRI GIRLS COLLEGE OF MANAGEMENT
LUCKNOW

ABSTRACT

Financial technology, or Fintech, is a budding concept which has gained pace during post-covid times. It uses various technologies such as blockchain, artificial intelligence, cloud computing & big data. As FinTech provides digitalized transactions with easiness it has been proving more user friendly with passing of time. Both emerged and emerging nations have been witnessing the fast growth in the fintech segment, with India consistently ranking amid the first three technology integrated financial start-ups universally. This qualitative paper mainly contains the opportunities and challenges faced by the firms that are using technology to deliver the financial services in India.

KEYWORDS

fintech, technology.

JEL CODES

G23, O33.

INTRODUCTION

Technology has evolved and shaped our workplaces in many ways, through the adoption of tools like the internet & email for communications, word processing, spreadsheets and presentation for office productivity, e-databases for record keeping and robots and AI for automation. It has boomed beyond belief within the past 10 years and has taken over various industries. One such major impact has been on finance industry. The use of technology in finance to provide services to its customers is called financial technology or FinTech. It is an amalgamation of finance and technology. The financial services are provided by technology start-ups, e-commerce companies or large tech companies. The industry has been growing and is now being recognised globally. One of the main aims of FinTech is to provide financial services in virtual form with the help of technology and making things more user-friendly. The four key areas of FinTech comprises of Artificial Intelligence, Block Chain, Cloud computing and big data.

India is one of the fastest growing & adopting market of FinTech in the whole world. India ranked the highest globally in the FinTech adoption rate with China. There have been numerous start-ups in the past few years which provide financial services to its clients. Using Smartphones for mobile banking, investing or borrowing serves are examples of technologies whose main aim is to give access to financial services in an easy and user-friendly manner.

Post Demonetisation the need of financial technology has been on a rise. Online transactions gained more popularity as compared to old techniques of money transfer and other banking services. More demand for financial technology in India was seen during COVID-19 times. Many FinTechs began to work hard in respond to the pandemic. Many had been shoring up their capital and funding from investors and lenders. Other firms applied cost-effective measures including employee layoff. The companies were trying to lower their fixed cost and laid down the strategy that whatever expenses occur should be variable one's. FinTech industry has also been encouraged by schemes launched by the government such as Jan Dhan Yojana. The government of India has launched many successful fintech innovative products like Immediate Payment Services (IMPS), Unified Payment Interface (UPI), Bharat Interface for Money (BHIM) and Aadhaar-enabled Payment System (AePS).

Currently, there are more than 6500 start-ups of fintech in India. The market size of fintech is \$50 Bn in 2021 and is estimated at ~\$ 150 Bn by 2025. As of June 2022, India has 23 FinTech companies which have gained 'Unicorn Status' with a valuation of over \$1 Bn.

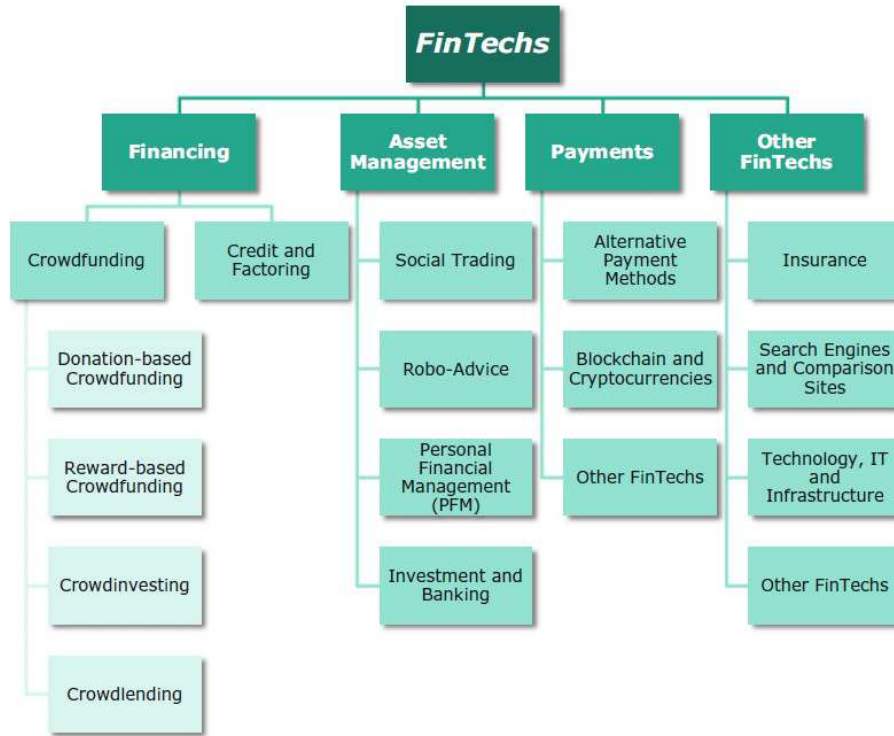
LITERATURE REVIEW

Guild (2017) analysed the effect of technology on the firms providing financial services and also how the recent innovations and developments shape technological concoctions in FinTech. Examples of FinTech innovations include the digital transfer of cash from one country to another, etc. The centre of attention of his paper was that finance has been approached by FinTech by millions of people in developing economies like India. He examined that the capacity of technological innovation can revolutionize the global financial sector by making FinTech more comprehensive, regionalize and impartial. He wrapped up his discussion by proposing that if there is forceful implementation made to transform the market by means of policymaking & regulatory interference, it might lead to unintended consequences, which would also not guarantee the accomplishment of policy goals.

Badruddin (2017) in her research paper introduced an exploration paper proposing that the fintech advancement has decreased expenses and promoted the entry of microfinance model. She wound up her paper by stating that, despite the difficulties the finance industry has, it is clear at this point that the present scenario is conducive for Fintech.

Dorflleitner et al. (2017) in their research paper categorised companies in the FinTech industry into four major segments based on their distinctive business models. These are Financing, Asset Management, Payments and other finTechs. Fig 1 illustrates this categorization.

FIG 1: SEGMENTS OF FINTECH INDUSTRY



Vijai (2019) in his scholarly work focused on the evolution along with the opportunities and challenges of FinTech in India. According to him, FinTech makes a transaction speed and secure for the user. The Indian government is encouraging innovative ideas related to FinTech Industry. It is beneficial for economy of India because of its unique features like safety, speed, easiness to use and cost effectiveness.

Krishna & Anusha (2019) in their research paper explored that the act of accepting and using the FinTech in India was shockingly quite high. The Indian users have started using recent innovations & appreciate the use of mobile phones for transactions in their day-to-day life such as Unified Payment Interface (UPI), etc.

Sudhir (2020) in his research paper concluded that India is the world's leader in embracing the fintech and is one of the markets for being considered as one of the markets for fintech innovation of digital payment that is expanding the fastest. Likewise, almost all of the users of India who are digitally active are conscious of various fintech services available for making fund transfers and digital payments.

Vijay *et al* (2020) analysed about financial technology and stated that it is concerned with any novel development that embraces monetary exchanges of individual or commercial nature. Since the introduction of the ATM and credit card in the 1950's, FinTech had been upsetting our world.

Isha (2020) in her research paper investigated about FinTech to be an innovation which is currently being recognized by the whole world in the field of finance. At a lower cost the banks and financial institutions have a target-based market to offer their customers better financial products. It is implied that the customer prefers lower cost even before better quality. India is now a Data rich country from its previous position of being a data poor country.

Ashwini (2020) in his paper contemplated that India is home to the second-largest global fintech cluster, with 2565 active start-ups as opposed to 737 in 2014. India gets its bulkiest share from start-ups via payments followed by loaning, wealth tech, personal finance, insurtech, regtech, etc.

Sumeet and Adarsh (2021) in his research paper analysed about fintech that it looks modern but in reality, it has a quite important background.

Rajeshwari and Vijai (2021) analysed on how fintech has been changing the conventional financial establishments and is forming the financial area on a regular ground. Fintech provides the customers with faster financial management. The advancement of fintech industry is indispensable for both domestic and international financial markets.

Shree *et al* (2021) analyzed factors that influence the payment behaviour of people such as "perception", "trust in digital payments" and "experience with online frauds". Though there are different variables like age, gender, etc. that are dependable components which influence a person's decision of using these services frequently. A person's knowledge of FinTech and his faith on the progressive innovation plays an important role.

Saniya & Dr. Lakshmi (2022) in their research paper "Fintech in India- Demographics affecting the Fintech services" interpreted the relation between the general demographics of people and their adaptation of new fintech developments & innovations. It was discovered that the age and sex of people are likely to have a significant impact on the adaptation of technology enabled financial services.

NEED OF THE STUDY

India witnessed the demonetization of notes in 2016. After demonetization, the government of India appealed to its citizens to make a shift from the cash system to cashless digital payment platforms to keep a check on fraud and corruption. Additionally, with the help of prime regulatory bodies like RBI and SEBI our government is leaving no stone unturned in order to make its long-held desire of becoming a cashless economy come true. Pradhan Mantri Jan Dhan Yojana, setting up of National Centre of Financial Education, India Stack, E-RUPI etc. are a few worth mentioning steps of government that are having a hand in making India a digital economy and sparking the fintech revolution in India. Considering this background, it is the need of the hour to study the challenges and opportunities faced by the firms that are integrating technology to deliver financial services.

OBJECTIVE OF THE STUDY

To explore the opportunities and challenges of fintech firms in India.

RESEARCH METHODOLOGY

A comprehensive review of the literature on fintech and its development was undertaken to define the scope of the study and ensure its objectivity. The selection criteria were based on top-cited research papers on google scholar website. Some key data and trends were taken from websites of leading market research organizations.

DISCUSSION**OPPORTUNITIES**

The digitalization of financial services and money has created many opportunities for the FinTech firms. It is to build more wide-ranging and well-organized financial services and encourage economic development.

1. **Digital Payment Services** – Digitalization has revolutionised the financial sector. There has been technological and fundamental transformation on a huge level and it is becoming the new normal. There has been elimination of paper work in various sectors of the economy. Nobody wants to stand in a queue to pay their electricity bills or deposit money in their bank account. People now conveniently perform digital transactions with one click. This is the benefit of digitalization.
2. **Blockchain Technology** – Blockchain technology has been revamping the fintech industry in myriad ways. To avoid redundancy of data and have more transparency the use of blockchain is advantageous and due to this more and more banks, insurers and other financial institutions are motivated to invest in research into potential applications of this technology.
3. **Acceptance by people** – The educated gentry of India are accepting & using FinTech on a daily basis such as Zomato, Paytm, Google pay, Phone pay. Majority of mobile phones in India have these applications or FinTech apps.
4. **Government Support** – Government is also supporting new start-ups by reducing compliances along with monetary support. The Tamil Nadu government in its fintech policy 2021 has announced an incentive scheme for firms who have invested more than ₹50 crore and provided employment to 300 people or more in less than 3 years, on a case-to-case basis.
5. **Skilled Employees** – Tier-I prestigious institutions like IIMs, IITs are producing lots of skilled employees who have knowledge of FinTech.
6. **Introduction to 5G technology** - Government has been testing 5G technology in various parts of India and is about to introduce it in the coming months. 5G will have more bandwidth, lower latency and high device density which will make it faster than 4G. This is an opportunity for the potential firms to invest into Fintech industry.
7. **Entry of new firms** – The increased traffic on websites & applications has urged the potential businessmen to invest in the fintech market. There has been entry of new firms post-demonetization. As per one research paper, after demonetization the digital transactions has raised approx. 22% in India.

CHALLENGES

Every coin has two sides. Despite having abundance of prospects Fintech has many challenges to face in India. Some of the challenges which FinTech industry are facing or will face in future, with reference to Indian context, are as under:

1. **Data privacy and application security challenges** – Cyber-attacks continue to be a matter of utmost concern for fintech firms. These attacks lead to high cost on system repair. The loss of public trust, which is typically irrecoverable, is one of the primary consequences of a cyberattack. Therefore, the fintech companies face a challenge of maintaining high security to avoid data leakage.
2. **Regulatory and compliance laws** –The commencement of business for a fintech start up involves a lot of stages such as registering for GST, getting legal contracts and agreements, obtaining intellectual property, registering domain, etc. The Reserve Bank of India came up with a scheme namely 'Differentiated banking license' for granting 'on-tap' licenses to businesses that are interested in providing financial or banking services (Sahoo, 2018).
3. **Lack of expertise** – The fintech app development services require expertise. The customer only understands the website or application when it has good User Interface. Developing of website and applications require expert persons for which the firms will have to pay higher remuneration. New firms therefore face a problem of getting the services of experts.
4. **Human Touch** – The use of more and more technology has wiped away the human component. The loss of human interaction has made people realise that they are communicating with the machines. The fintech companies need to persuade people, especially the aged one, to abandon conventional methods and redirect themselves to fintech services.
5. **Poor Infrastructure** – Technological infrastructure is still not developed when it comes to India. Poor connectivity is one of such examples. Still a huge amount of population does not have bank accounts which is required for online transactions. Low literacy level is also a hindrance. So, people prefer to go for cash transaction rather than online transaction. Lack of Financial Literacy is one of the major issues for those who have bank accounts & internet connectivity.
6. **Lack of capital** – Like other industries, gaining confidence of investors is a difficult task. The developing nature of fintech industry imposes a challenge for companies to raise the seed capital and other investments on time.
7. **Non acceptance by some category** – In rural areas, there are still people who are not ready to accept technology. People still want to resort to old techniques. For instance, people feel comfortable to withdraw money through cheque or bank draft instead of ATMs where chances of fraud are high.

CONCLUSION

FinTechs have been developing in India on a large scale. By the pace of its emergence, the entrepreneurial potential of the Indians cannot be denied. The fintech industry market size is \$50 Bn and is estimated at ~150 Bn by 2025. The Fintech firms needs to be mentored well both technologically and monetarily. We can see a number of successful start-ups in some sectors and it is expected the same with other sectors as well. The Fintech industry has been encouraged by the government & regulatory bodies by providing different initiatives. RBI is continuously making efforts to promote fintech.

REFERENCES

1. Ashwini (2022): Top 50 FinTech Startups in India-List of Leading Fintech Companies in India 2022, Startup Talky, Viewed on 31 July 2022 <https://startup.talky.com/fintech-startups-in-india/>
2. Badruddin, A. (2017), "Conceptualization of the Effectiveness of Fintech in Financial Inclusion," International Journal of Engineering Technology Science and Research, Vol. 4, No. 7, pp. 960-965.
3. Dorfleitner, G., Hornuf, L., Schmitt, M., and Weber, M. (2017), "Fintech in Germany." Springer, Cham.
4. Guha, Debashish (2018): 10 uses of technology in 21st century jobs, India Today, Viewed on August 08, 2022 <https://www.indiatoday.in/education-to-day/jobs-and-careers/story/10-uses-of-technology-in-21st-century-jobs-1358394-2018-10-08>
5. Guild, J. (2017), "Fintech and the Future of Finance," Asian Journal of Public Affairs, pp. 17-20.
6. Gupta, S., and Agrawal, A. (2021), "Analytical Study of Fintech in India: Pre & Post Pandemic Covid-19," Indian Journal of Economics and Business, Vol. 20, No. 3, pp. 33-71.
7. Mankotia, Ashish (2022): BFSI- Fintech & Financial Services, Invest India, Viewed on August 30, 2022 <https://www.investindia.gov.in/sector/bfsi-FinTech-financial-services>
8. Paddalwar, S.S., and P, Lakshmi (2022): "Fintech in India – Demographics affecting the FinTech services" Paper presented at the 3rd International Conference on New Trends in Social Sciences, Milan, Italy, 14-31
9. Pant, S.K. (2020), "Fintech: Emerging Trends," Telecom Business Review, Vol. 13, No. 1, pp. 47-52.
10. Priya, P.K, and Anusha, K. (2019), "Fintech Issues and Challenges in India," International Journal of Recent Technology and Engineering, Vol. 8, No. 3, pp. 904-908.
11. Rajeshwari, P and Vijay, C. (2021), "Fintech Industry in India: The Revolutionized Finance Sector," European Journal of Molecular & Clinical Medicin, Vol. 8, No. 11, pp. 4301-4306.
12. Sahoo, Abhishek (2018): How to start a Finance company or Fintech in India?, MYADVO, Viewed on August 30, 2022 <https://www.myadvo.in/blog/how-to-start-a-finance-businessfintech/>
13. Sharma, Itesh (no date): Fintech challenges and opportunities, TatvaSoft, Viewed on August 26, 2022 <https://www.tatvasoft.com/outsourcing/2022/01/fintech-challenges-and-opportunities.html>

14. Shree, S., Pratap, B., Saroy, R., and Dhal, S. (2021), "Digital payments and consumer experience in India: a survey based empirical study," *Journal of Banking and Financial Technology*, Vol. 5, pp. 1-20.
15. Tanna, I. H. (2020), "FINTECH: OPPORTUNITIES AND CHALLENGES," *Vidhyayana Journal*, Vol. 6, No. 3, pp. 1-10.
16. Vijai, C. (2019), "Fintech in India-Opportunities and Challenges," *SAARJ Journal on Banking & Insurance Research*, Vol. 8, No. 1, pp. 42-54.
17. Vijai, C., Joyce, D., and Elayaraja, M. (2020), "Fintech in India," *International Journal of Future Generation Communication and Networking*, Vol. 13, No. 3, pp. 4143-4150.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as, on the journal as a whole, on our e-mail infoijrcm@gmail.com for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail infoijrcm@gmail.com.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

DISCLAIMER

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, neither its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal are exclusively of the author (s) concerned.

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

