



IIMC CASE RESEARCH CENTER (IIMCCRC)

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MARCH 2019

## MOBIKWIK'S FULL SERVICE FINTECH PLATFORM BET: WILL IT BE A WINNER?

On 11<sup>th</sup> July, 2018 MobiKwik, the mobile wallet company, announced the launch of instant loan of INR 5000 on its app in partnership with Bajaj Finserv. Described as first of its kind instant credit disbursement product, it had been designed to target the new to credit customers (NTC) – people who do not have any credit score and therefore, find it difficult to get credit from bank. The key feature of the product was it could be disbursed in just 10 seconds over the app and can be paid back over 3 months with only a loan processing fee of INR 349 being charged and no other interest payment. This launch was in line with MobiKwik's vision outlined post its payment bank application rejection where it had decided to reinvent itself into a full-fledged financial services provider via partnership with banks and NBFCs. MobiKwik's newly articulated vision is *"to enable a billion Indians with one tap access to digital payments, loans, investments and insurance by the year 2022."* Mobikwik wanted to effectively provide all banking services without being a bank<sup>1</sup>. According to MobiKwik's founder and CEO, Bipin Preet Singh<sup>2</sup>:

*"MobiKwik has decided that it will no longer be just a wallet or a mobile payment app. Our vision is to make it a 'smartmoney' app. Money that one has should not be just restricted to making payments, but also use it in a smart way."*

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<sup>1</sup> The MobiKwik story that Economic Times never told, by Bipin Preet Singh, 14<sup>th</sup> June 2018, Medium. Retrieved from <https://medium.com/@BipinSingh/heres-our-side-of-the-story-b3a285a3b36f> on 6<sup>th</sup> August 2018.

<sup>2</sup> Nothing To Fear: MobiKwik, by Naina Sood, 18<sup>th</sup> November 2017, Businessworld. Retrieved from <http://www.businessworld.in/article/Nothing-To-Fear-MobiKwik/18-11-2017-131754/> on 8<sup>th</sup> May 2018.

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*This case was written by Professor Indranil Bose at the Indian Institute of Management Calcutta and Nishant Kashyap. The case was prepared solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation.*

Post the launch of instant micro-loan on its app, MobiKwik made a slew of other announcements in line with its vision of a full stack FinTech play. In October 2018, it announced a new product called 'Boost' – where a loan of upto INR 60,000 could be sanctioned and disbursed in 90 seconds. MobiKwik also acquired an online wealth management platform – Clearfunds, a direct mutual fund investment platform that deployed analytics and process automation to create an automated investment advisory service. It also tied up with online platform called 'SafeGold' - a digital platform for buying and selling of gold, to offer digital gold on its app. **Exhibit 1** provides more details.

Starting out in 2009 as a mobile recharge platform, MobiKwik had come a long way by 2018 to set its eyes on becoming a full service FinTech platform. MobiKwik's journey had been a roller coaster ride where from being an early pioneer with many firsts to its credit it got relegated to a challenger with its well-funded rival PayTM growing at a much faster pace. Regulators hiccups such as losing out on payment bank license and tightening regulations on wallet industry had further added to the company's woes. Therefore, this renewed vision was an attempt by MobiKwik to be able to grow beyond its wallet legacy and effectively challenge PayTM's market dominance. Will MobiKwik's full service fintech platform bet succeed? Can it help the company derive a competitive edge over PayTM and eventually win the great Indian FinTech race?