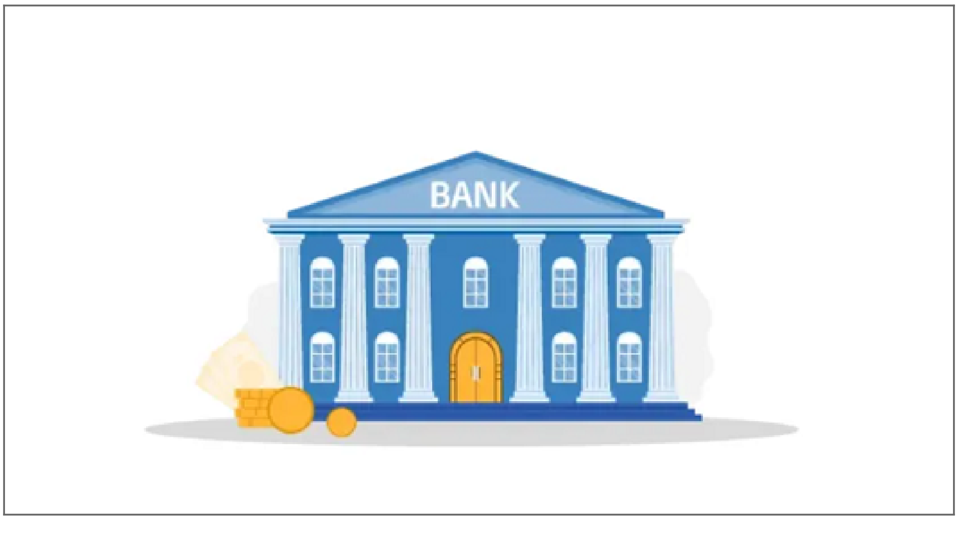
Invest in India's Digital Finance Story with Bajaj Finserv Banking and Financial Services Fund

Category: Business
written by News Mall | November 18, 2025

India’s growth journey is being powered by the rapid digitalisation of its financial system. From mobile-based payments to online lending and financial inclusion initiatives, technology is transforming how people access, use, and benefit from financial services.



Be a part of India's digital finance growth story with Bajaj Finserv Banking and Financial Services Fund NFO live now

The Bajaj Finserv Banking and Financial Services Fund, an open ended equity scheme, seeks to invest in companies that are part of this evolving financial landscape. The New Fund Offer is currently live from Monday, November 10, 2025, and will close on Monday, November 24, 2025. The scheme will reopen for subscription within five business days from the date of allotment.

How UPI is driving digital payments at scale

Over the past few years, India has emerged as a leader in digital transactions. The Unified Payments Interface (UPI) has made sending and receiving money as simple as scanning a code. This ease of use has helped drive a sharp increase in transaction volumes and values.

UPI transaction value has grown nearly five times, from Rs. 41 trillion in FY21 to Rs. 236 trillion in FY25. What started as a convenience in cities is now a part of everyday life even in smaller towns. Non-cash transactions among Indian households are expected to rise from 38% in FY23 to 62% in FY28, showing how digital payments are becoming a preferred mode of transaction.

This shift has strengthened the digital foundation of India's financial system, making it more inclusive, efficient, and accessible.

Source: MOFSL, Press Information Bureau, CareEdge, Mobikwik, Redseer

Digital lending expands financial access
Technology is also reshaping how credit reaches people and businesses. Digital lending platforms have opened new ways for individuals and small enterprises to borrow, often with faster processing and fewer barriers.

By FY28, Tier 2 and smaller cities are expected to contribute more than 80% of digital lending disbursements, estimated at around USD 60 billion. This shows that credit is no longer limited to metros or large institutions. The rise of fintech-led lending is helping people with limited credit history or lower credit scores gain access to funds, especially for personal loans and small business needs.

Such innovations are helping bridge long-standing credit gaps and support broader economic activity.

Source: Mobikwik RHP, Redseer, Internal; Reserve Bank of India Documents, Boston Consulting Group Report

Jan Dhan Yojana strengthens financial inclusion
While technology has driven innovation, government-led initiatives have strengthened access. The Jan Dhan Yojana is one of India's most significant steps towards inclusive finance. Over the last decade, the number of Jan Dhan accounts has grown nearly 18 times—from 33 million in FY14 to 540 million in FY24. These accounts have accumulated deposits worth Rs. 2.3 trillion.

By connecting millions to the formal banking system, Jan Dhan has laid the foundation for direct benefit transfers. Subsidies, pensions, and other payments now reach beneficiaries directly, reducing leakages and improving efficiency.

This growth has deepened financial inclusion, ensuring that more people have access to basic financial services such as savings, credit, and insurance.

Source: Reserve Bank of India, Periodic Labour Force Survey (2023), GSMA (2023)

Fintech’s role in connecting the underserved
Fintech companies are playing an important role in making finance more inclusive. They are using data, mobile technology, and digital platforms to reach people who may not have had easy access to financial products earlier.

Fintechs have introduced innovative lending models that assess creditworthiness based on alternative data. They have higher participation among borrowers who are new to credit and among women entrepreneurs. With the growth of mobile internet and India Stack, fintech-led lending has expanded quickly, helping more people build credit histories and participate in formal finance.

By offering faster, simpler, and more customised financial solutions, fintechs are helping drive financial inclusion and consumer empowerment across India.

Source: Reserve Bank of India Documents, Boston Consulting Group Report

Investing in India’s financial megatrends
The Bajaj Finserv Banking and Financial Services Fund invests

in businesses aligned with long-term financial megatrends such as UPI adoption, digital lending growth, and financial inclusion through fintech and Jan Dhan initiatives. The fund’s portfolio* of 45–60 stocks is curated from around 180 – 200 companies that form part of India’s BFSI megatrend universe.

*The portfolio count is indicative, and actual number will depend on market conditions at the time of making investment.

By investing across banks, NBFCs, insurers, asset managers, and fintechs, it offers exposure to multiple growth drivers within India’s financial sector. For investors looking to align their portfolios with the digital transformation of India’s financial landscape, this fund may offer a suitable entry point.

Source: Mobikwik RHP, Redseer, Internal; MOFSL Report as published in April 2025

Conclusion

Digital finance is reshaping India’s economic landscape—from UPI payments to digital lending and Jan Dhan inclusion. Fintech innovation continues to expand access and efficiency, making financial services available to more people than ever before.

The Bajaj Finserv Banking and Financial Services Fund aims to offer a way to participate in these long-term shifts. By investing in companies that are part of India’s expanding digital finance ecosystem, the fund provides exposure to structural growth trends that may define the country’s financial future.

New Fund Offer Opens on: Monday, November 10, 2025
New Fund Offer Closes on: Monday, November 24, 2025
Scheme re-opens on: Within five business days of allotment date

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.