



Juspay: Transforming payments infrastructure for a digital world

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The emerging market fintech investor

India's fintech ecosystem: A global leader in digital payments

India's fintech ecosystem has rapidly emerged as a global force, marked by a significant shift from cash to digital payments. Over the past decade, key drivers such as widespread mobile internet penetration, government-backed initiatives like Digital India, and regulatory support have propelled the adoption of digital financial services. This transformation is epitomized by the adoption of public digital infrastructure like the Unified Payments Interface (UPI), which now powers over 80% of India's digital payment volumes. With over 700 million smartphone users and rising disposable incomes, India continues to offer fertile ground for innovation and growth in digital finance.

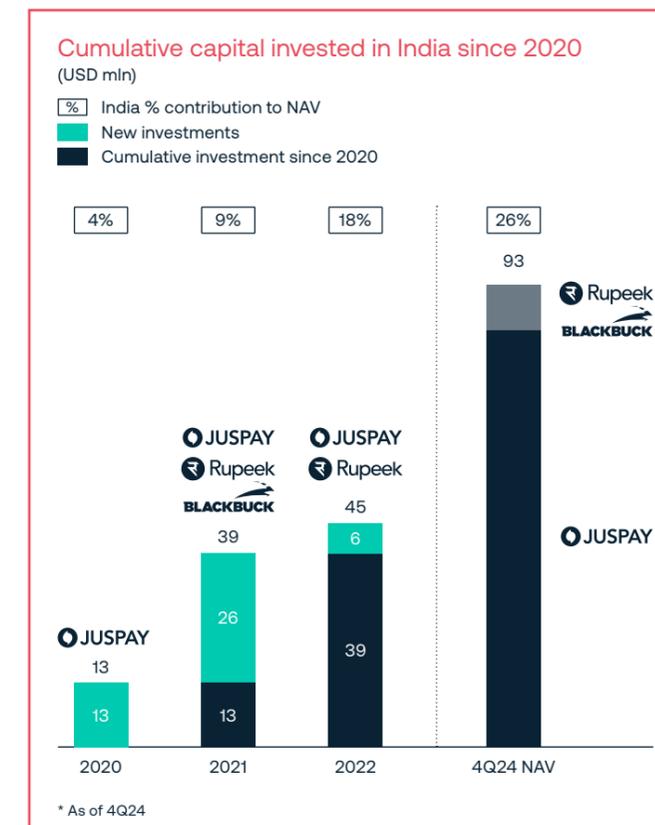
India's fintech sector has capitalized on these trends, growing into a USD 100¹ billion market with revenues surpassing USD 25 billion¹ in 2023 – registering an impressive 56%¹ year-on-year growth. This growth has been driven by technology's ability to leapfrog traditional financial systems, enabling inclusive financial services for millions of unbanked and underbanked individuals. Central to this transformation is India Stack, a pioneering digital infrastructure platform powering Aadhaar (digital identity), UPI, and other government services. By providing secure digital identities and seamless access to financial tools, India Stack has become the backbone of India's fintech revolution.

At the forefront of India's digital payments success is UPI, launched in 2016 by the National Payments Corporation of India (NPCI). UPI has redefined real-time payments, processing over 131 billion² transactions worth USD 2.3 trillion² in FY24. Its impact extends beyond India, with several countries across Asia, Africa, and South America collaborating with NPCI to develop similar systems. UPI has become a global benchmark for scalable and interoperable payment systems.

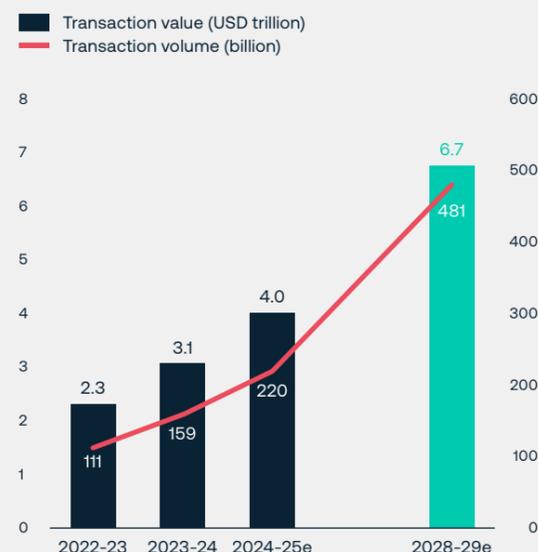
However, India's payment ecosystem is not without its challenges. The rapid growth of digital payments has led to a highly dynamic and complex landscape, marked by diverse payment methods such as UPI, credit cards, payment gateways, wallets, and Buy Now Pay Later (BNPL). Regulatory changes like two-factor authentication (2FA) requirements, tokenization and compliance mandates add another layer of complexity. Compounding these challenges is India's low-margin environment, where UPI operates with zero merchant discount rates (MDRs), and MDRs for other methods are tightly capped.

Amidst this dynamic evolution, Juspay has emerged as a key enabler within India's digital payments ecosystem. By streamlining payment infrastructure, enhancing efficiency, and reducing costs, Juspay plays a key role in navigating the complexities of this fast-growing market. As one of VEF's top 3 holdings, Juspay reflects the firm's focus on backing high-growth fintech leaders in complex and competitive markets.

India accounts for 26% of VEF's NAV*



Digital retail payments continue to surge, with India now accounting for 48.5% of world's digital transactions



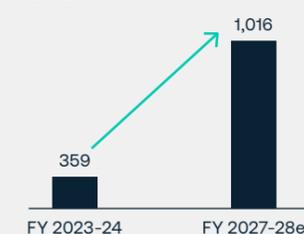
Source: The Indian Payments Handbook PwC

Growth across all fintech segments in financial services over the last few years



1. Source: State of the Fintech Union 2024 – GFF, BCG, Z47

UPI estimated to reach 1 billion transactions per day by FY 2028



Source: The Indian Payments Handbook PwC

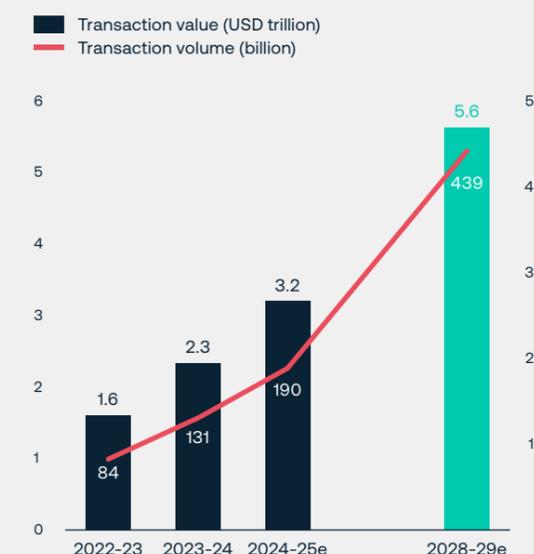
Banks live on UPI



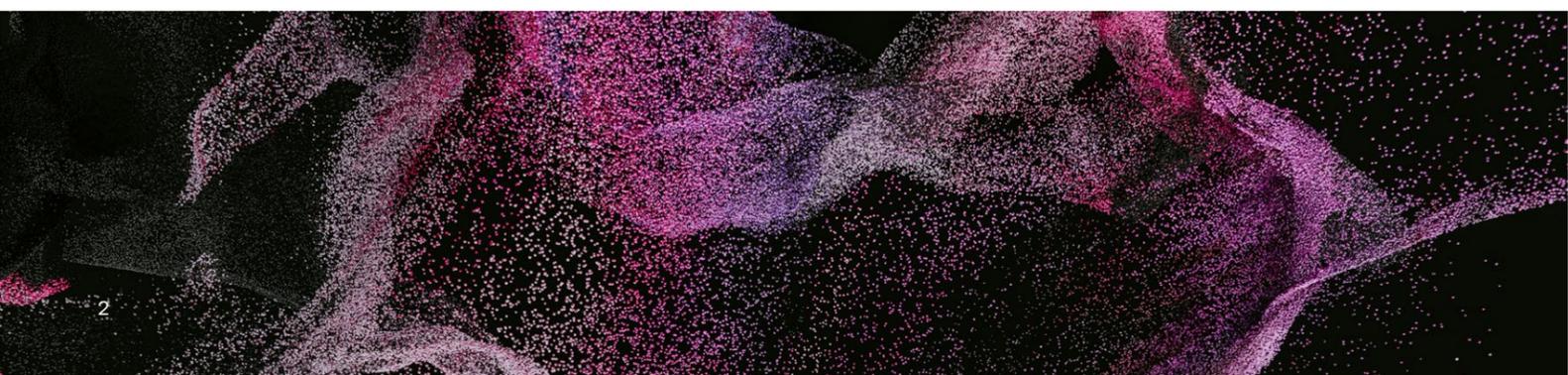
Source: RBI, NPCI

2. PwC Indian Payments Handbook 2024

UPI accounts for over 80% of the total digital retail payments in India and continue to grow



Source: The Indian Payments Handbook PwC



Solving payments complexity

Founded in 2012, Juspay set out to simplify digital payments and address the unique challenges of India's mobile-first ecosystem. At a time when stringent two-factor authentication (2FA) requirements created significant friction in online transactions, Juspay introduced Juspay Safe, the world's first payment browser. With innovations such as one-time password (OTP) auto-read and device-based authentication, Juspay has enabled faster and more secure payments, significantly reducing user drop-offs.

Building on this foundation, Juspay expanded its capabilities with HyperCheckout, its comprehensive orchestration platform trusted by India's top enterprise merchants. HyperCheckout addresses critical pain points for merchants by reducing cart abandonment, improving transaction success rates, and enhancing payment performance. The platform offers features like smart routing, which dynamically selects the most efficient payment gateway, delivering tangible benefits to merchants, such as 5-10% improvement in transaction success rates, 75% reduction in transaction time, and up to 40% savings in processing costs.

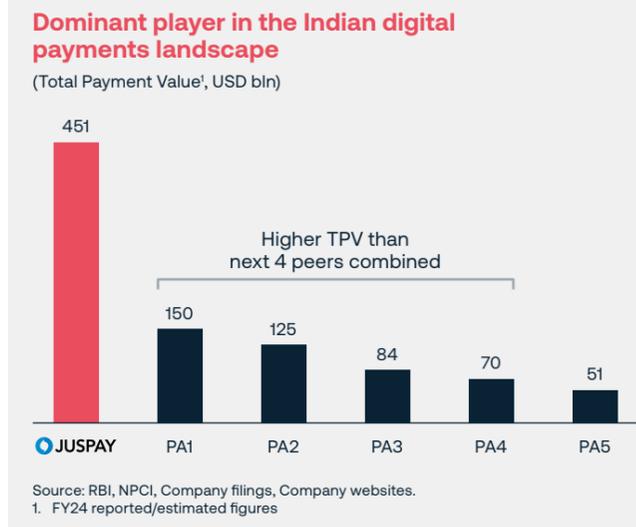
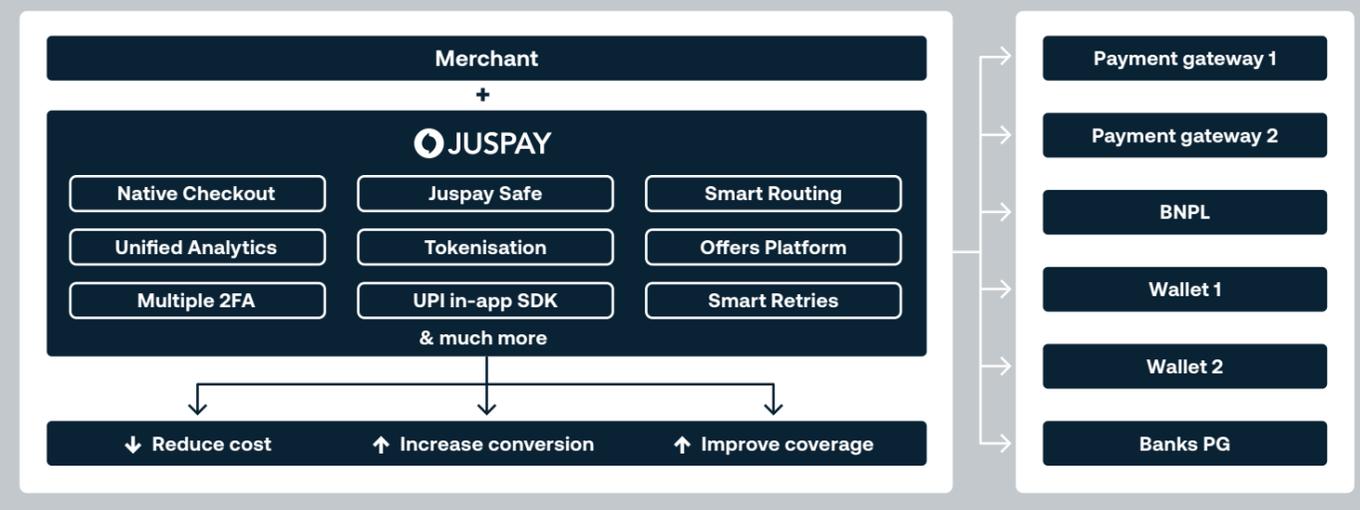
Harnessing network effects and UPI leadership

Juspay has evolved from a merchant orchestrator into a critical payments infrastructure provider, harnessing strong network effects across the ecosystem. By seamlessly connecting banks, Third-Party Application Providers (TPAPs) like Google Pay, card networks, and merchants, Juspay has built a scalable and interconnected framework that drives efficiency and widespread adoption. Its contributions to India's UPI ecosystem have been pivotal in this transformation. Collaborating with NPCI, Juspay designed the BHIM app (Bharat Interface for Money) and developed the UPI Common Library SDK, enabling seamless integration, scalability, and reliability. These foundational efforts cemented Juspay's position as a trusted partner for banks and TPAPs while driving UPI's rapid adoption across India.

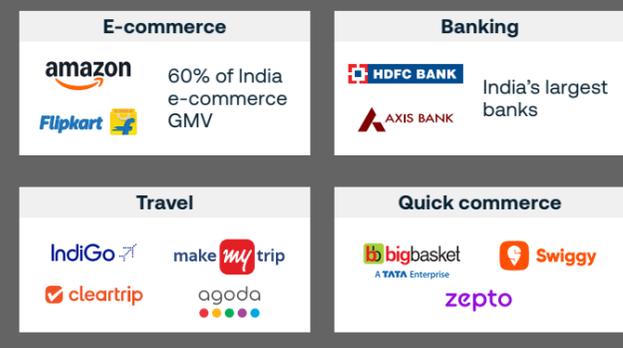
Juspay's first-in-market innovations continue to reinforce its leadership in the payments ecosystem. Its cloud-native UPI PSP solution enables banks like ICICI, Axis, and Yes Bank to scale their UPI capabilities with reliability and efficiency. For TPAPs such as Google Pay, Amazon Pay, CRED, Navi and Super Money, Juspay has pioneered seamless in-app UPI experiences. For merchants, HyperUPI simplifies integration and provides advanced features like tokenization and reconciliation tools, solving critical operational challenges while encouraging further adoption.

Today, Juspay powers India's top UPI apps with best-in-class uptime, success rates, and a robust network of interconnected stakeholders, firmly establishing itself as a cornerstone of India's payments infrastructure.

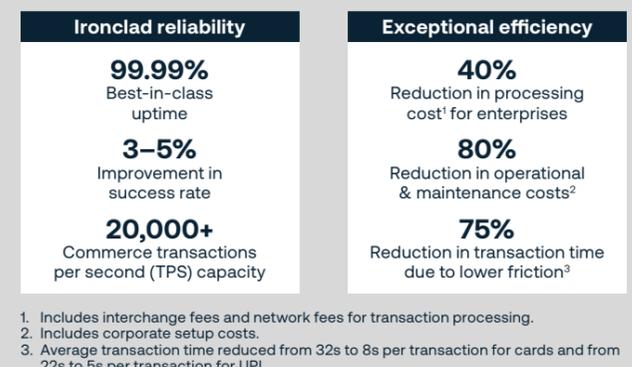
Merchant's payments stack



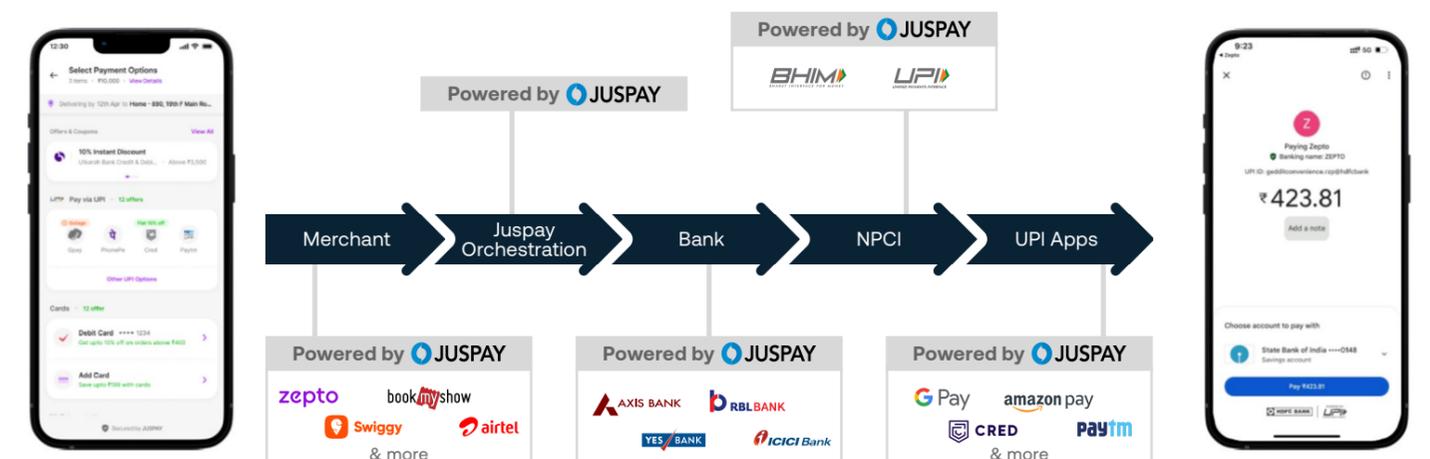
Partner of choice for market-leading enterprises across segments



Juspay's end-to-end payments stack delivers measurable benefits to merchants



Powerful network effects from synergies across multiple customer segments



Innovations beyond UPI: acquiring, B2B payments, payouts, and HyperCredit

Beyond orchestration and UPI, Juspay now also offers robust solutions across acquiring, B2B payments, and embedded credit, addressing diverse and evolving market needs.

In acquiring, Juspay partnered with HDFC Bank to launch Smart Gateway, a white-label solution designed to modernize legacy systems with scalable and efficient infrastructure. This transformation has simplified merchant onboarding and enhanced transaction processing for India's top private bank.

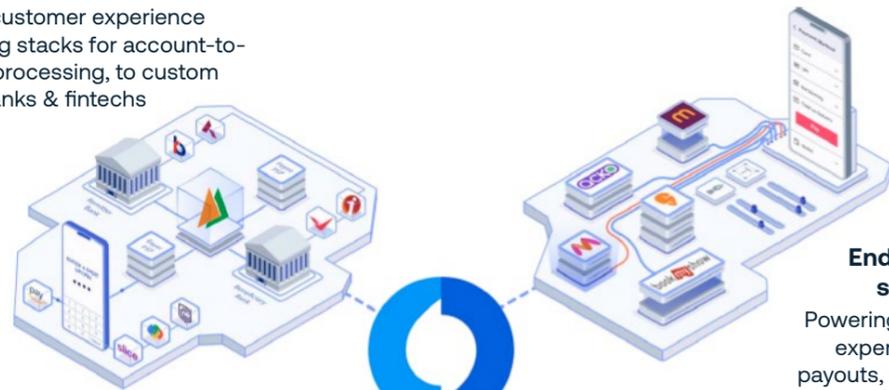
For cross-border payments, Juspay introduced B2B payout solutions powered by virtual cards, streamlining high-volume international transactions for industries like travel and e-commerce. These solutions minimize fraud risks, improve reconciliation processes, and ensure compliance for key clients like MakeMyTrip and EaseMyTrip.

With HyperCredit, Juspay is addressing India's credit gap by embedding lending capabilities directly into customer journeys. This innovation enables merchants to offer seamless credit options at checkout, enhancing conversion rates and fostering customer loyalty.

Juspay acts as a consolidated portal to the Indian payments ecosystem

Full stack issuance and acquiring suite for banks and fintech

From industry-first customer experience solutions, processing stacks for account-to-account and cards processing, to custom solutions built for banks & fintechs



End-to-end payments suite for merchants

Powering seamless payments experience across pay-ins, payouts, A2A payments & B2B payments experience

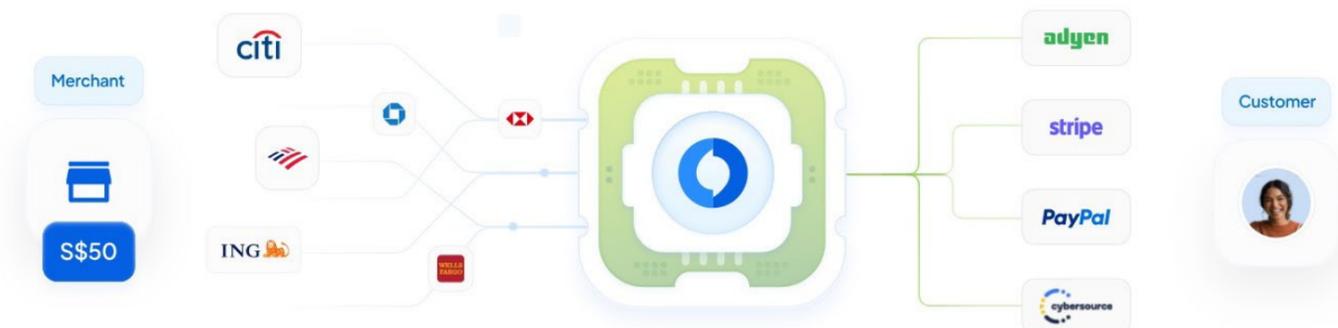
Deeply integrated with payfacs¹, card networks, banks & more

Connecting businesses to multiple payfacs with single API integration and empowering them with smart routing capabilities



Source: Company data
1. Payment facilitators or payment aggregators

Global payouts with one integration



Next phase: global expansion – scaling India's playbook to international markets

Growing a scale profitable business in India's low take rate payment ecosystem, with a huge breadth of diversity, gives Juspay a unique foundation from which to compete and grow in global markets. By leveraging its proven playbook, Juspay is growing its opportunities across Southeast Asia, the Middle East, Europe, and the Americas and positioned well to offer region-specific solutions while strengthening its role as a trusted payments infrastructure provider globally.

A key pillar of Juspay's global expansion is its collaboration with global card networks such as Visa and Mastercard. Initiatives like Mastercard Passkeys, Click2Pay, and Visa's Virtual Card payable product (VPA) enable Juspay to address diverse payment needs across key regions, including the US, Europe, and Asia Pacific. Complementing this is Juspay's strategic partnership with a leading global bank, where it is developing a full acquiring stack across more than ten markets. This collaboration highlights Juspay's efficiency in delivering enterprise-grade infrastructure, having completed the stack in under six months.

In Europe and North America, Juspay's HyperSwitch platform is transforming payment infrastructure with its open-source approach, appealing to tech-first organizations that prioritize transparency and flexibility. Supporting over 200 payment methods, HyperSwitch empowers global SaaS platforms and e-commerce firms to modernize their operations while offering scalable and adaptable solutions to efficiently manage high transaction volumes.

In Southeast Asia and the Middle East, Juspay's orchestration platform enables businesses to manage fragmented payment systems and navigate complex regulatory requirements. Companies such as Agoda, Wego and Singapore Airlines utilize Juspay's solutions to scale operations efficiently and optimize costs. In Latin America, Juspay is leveraging its expertise in real-time payments to offer PIX-related products and solutions, supporting Brazil's payment ecosystem as it undergoes a similar evolution to UPI in India. By combining robust infrastructure with adaptability to local regulations, Juspay is now empowering merchants and financial institutions globally.

HyperSwitch: frictionless global payments enabled by an 'Open Payments Orchestration OS' for enterprises

Existing deep integrations with global payment systems

50+ Pre-existing integrations
Reducing single processor dependency

20%+ Processing fee reduction
Driven by smart routing

Most optimized payments experience library across the globe

200+ Payment methods supported
Increased reach with local/alternate payment methods

5%+ Success rate improvement
Seamless failover and auto-retries

Linux-like infra enabling scalability, speed and cost-efficiency

<30ms API latency
Actively optimized to achieve theoretical limit of 20ms

90%+ Reduction in development effort
Powered by 'No code enablement'

Source: Company data, Statista, Tracxn

A massive USD 5+ tln under-penetrated market

Massive addressable TPV despite low digital penetration worldwide

	Total TPV (USD tln)	Share of digital value (%)	Addressable TPV (USD tln)
	12.6	30%	3.7
	3.8	37%	1.4
	1.2	46%	0.5

Juspay is strongly counter-positioned against established incumbents

- Only player to offer complete end-to-end stack from routing to credit integrations
- Proven reliability and ability to handle scale of large enterprise merchants, for over a decade
- Incumbent aggregators have perverse incentives due to lack of neutrality, while HyperSwitch is open-source

Source: Company data, Statista, Tracxn

Juspay in figures

Best of both worlds: scalability of payments with profitability of SaaS

Payments		JUSPAY		SaaS	
  		   			
Top-tier scalability of the technology stack	~USD 400bln Median global TPV ¹	USD 450bln+ TPV ¹	90% Gross margin ¹	80% Median GM ¹	Operating leverage with growing client base
SDK-led GTM enables instant deployment	0-1 days Median time	0 days Deployment time	130%+ NRR	115% Median NRR	High customer retention Mission-critical product driving key outcomes
Network effect from payment aggregation	200+ Median network	300+ Payment methods	Double-digit EBITDA margins	22% Median EBITDA ³	High operating leverage enables healthy economics

Note: Indicative logos; Payments includes global payment players with ≥USD 200bln TPV; SaaS comprises global SaaS companies with ≥USD 500mln in LTM revenue and >20% LTM Revenue Growth.

1. FY24 figures
2. YTD Dec-24 figures
3. FY25E figures

Conclusion: shaping the future of payments

Juspay's evolution from addressing India's digital payment complexities to becoming a global payments infrastructure provider highlights its innovative approach, execution excellence, and scalability. With a proven track record in India's high-volume, low-margin ecosystem, Juspay is well-positioned to replicate this success on a global scale.

Supported by strategic partnerships with Visa, Mastercard and others, Juspay is realizing its vision of becoming the 'AWS of Payments' by delivering modular and adaptable infrastructure. VEF's continued backing of Juspay reflects its commitment to supporting fintech innovators capable of reshaping emerging market ecosystems and creating sustainable value.



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