

Robust Ecosystem's been Enabled



TEAM ET

Bengaluru: The government has played a critical role in shaping India's startup ecosystem into the behemoth that it is today. It has been especially instrumental in moving the innovations that these young companies come up with to the bottom of the pyramid.

"There's always the government's invisible hand in the success of startups, and when founders make millions and billions of dollars, I think the role of the government in enabling this needs to be acknowledged," V Vaidyanathan, chief ex-



V Vaidyanathan, Chief Executive Officer, IDFC First Bank

ecutive of IDFC First Bank, said at the Economic Times Startup Awards, held in Bengaluru on Friday.

Services such as Unified Payments Interface (UPI) are one of the many frameworks that

the government has provided, which helped startups reach the masses. While this has enabled the best of services to the country's poor, it has also created an opportunity for founders to build commercial success.

"Startups operate on electronic platforms, and because they can do micro transactions, they are taking all these services down the income levels to the poor and across geographies," Vaidyanathan said.

Having started as an NBFC, Vaidyanathan recalled how the firm has created a loan book of ₹30,000 crore, supported by India's digital ecosystem that is enabled by the government.

IDFC First, with its push into retail banking, is now aiming to grow its loan book to ₹100,000 crore. This is a journey that could inspire other startups as well.