

PolicyBazaar files to go public amid anticipated Indian fintech IPO frenzy

Article

The news: Indian insurtech marketplace **PolicyBazaar** has filed for its IPO and is seeking to raise around \$800 million, [per](#) TechCrunch.

More on PolicyBazaar: Founded in 2008, the insurtech lets users access policies from major insurers, ranging from life, auto, and health, among others. Its digital distribution model ensures that any consumer can browse policies with a smartphone, circumventing the

traditional route that is dependent on the availability of a human agent, which has [historically inhibited](#) widespread access.

PolicyBazaar has a stronghold on the Indian insurance digital distribution market, controlling some [90%](#) of the market. Its growth shows no signs of waning: Its revenue increased by [66%](#) in 2020 and it's targeting 2021 for profitability. PolicyBazaar's large addressable market could maintain its rapid growth: Only [3%](#) of the 1.3 billion population in India had access to insurance in 2017, and the increased digitization of distribution means this figure is forecast to grow significantly.

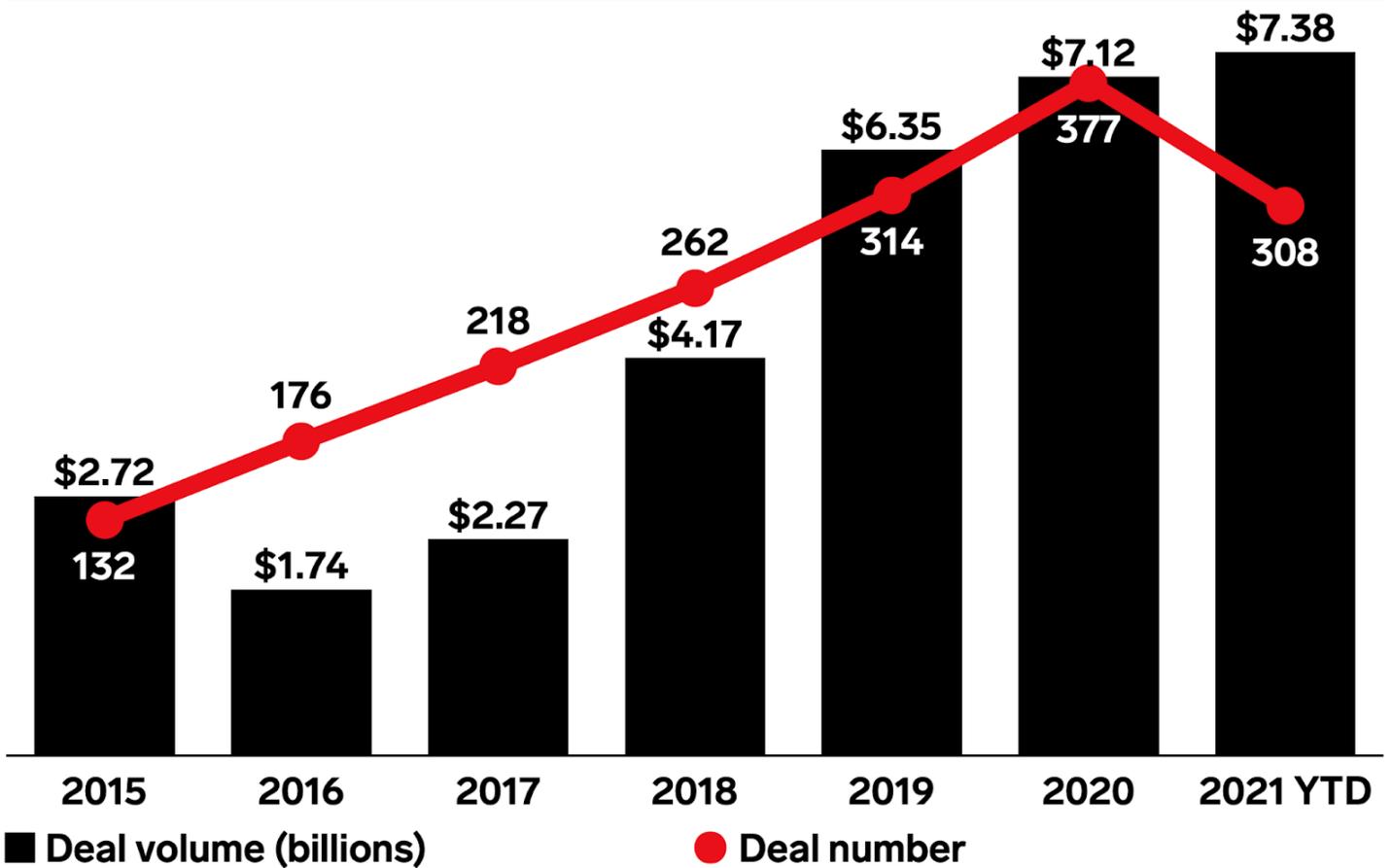
Why is it listing? Indian fintechs are rushing the public listing gates to cash in on increased interest from foreign investors.

- **Several large Indian tech players are lining up their IPOs.** Among them are digital payments fintech [Paytm](#) and digital mobile wallet firm [MobiKwik](#). Investors are attracted to these fintechs' businesses by a combination of their maturity, resilience during the pandemic, and continued user growth.
- **Unfavourable Chinese fintech market conditions could heighten the appeal of the India market.** In recent years, China and India have [competed](#) for the Asian fintech funding crown. Both are hotbeds of fintech innovation and boast [high fintech adoption](#), along with young, financially underserved populations. The government-led fintech clampdown in China has [discouraged foreign investors](#), which might give a boost to Indian fintechs. Indian unicorns like PolicyBazaar appear to be seeking the public market to seize the opportunity with foreign investors who have turned away from China.

Wider fintech market: Established Indian fintechs clamoring to go public are a bellwether for the global market, signaling that mature players will be moving into the mainstream of financial services.

Indian fintechs have established themselves as conventional financial sector players. Their imminent IPOs reflect the global trend of an increase in the rate of fintechs seeking public exits. Fintech public listings have heated up in [2021](#), driven by [tech firms](#) cashing in on their sky-high valuations and a [divestment spree](#) by VCs, which has created an abundance of liquidity. The heightened interest of global investors also is a testament that these mature fintechs have completed their journey from financial disruptors to [mainstream players](#).

Annual Global Insurtech Funding



Source: Willis Towers Watson, "Quarterly InsurTech Briefing Q2 2021," July 29, 2021
Methodology: This data is reported quarterly by Willis Towers Watson.

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