



Startup Speakeasy

Honest conversations. Real stories

S01 | EP02 | Chat with LXME's co-founder: Seeking to transform women's personal finance



Musical intro

Karan Marwah:

Welcome to "The startup speakeasy by KPMG in India". A series of honest conversations with founders of India's emerging giants. My name is Karan Marwah, and with me today is Priti Rathi Gupta, who's the founder of LXME. I would say Priti is not just a founder but a visionary for financial inclusion and literacy for women.

She's set up a platform that aims to transform how women look at savings, how women look at finance, to try and sort of make it simpler and easier for them to comprehend it and move towards financial inclusion. Priti, thank you so much for being here today. It was lovely meeting you a few weeks ago, and, you know, hearing your thoughts on how India's traditional businesses are evolving. We are here today for a very different reason to know more about you, your journey and of course, what LXME is doing or what you're doing with LXME.

So maybe we can start with just talking about you and how did you, you know, come about setting up LXME? What's been your journey? I know you started out early. I think you did your first portfolio when you were all of 16.

Priti Rathi Gupta:

Yeah.

Karan Marwah:

Is that correct?

Priti Rathi Gupta:

Absolutely.

Karan Marwah:

And from there onwards to starting up again, you know, and moving forward with something I know you're very passionate about, which is financial inclusion for women.

Priti Rathi Gupta:

Right.

Karan Marwah:

Let's maybe start chatting about that and hearing your perspective on maybe what what's helped you get here. What have been some of your experiences in terms of your role models? Who have you looked up to?

Over to you Priti

Priti Rathi Gupta:

Thank you. Thank you for having me here. I think one of the reasons I say we should go to all of these panels is because we get to meet wonderful people like you.

Karan Marwah:

Thank you.

Priti Rathi Gupta:

So, pleasure being here. I think LXME has been an adventure. Like you rightly said, you know, when I was 16, my father introduced me to money management. He told me he used to. He had a job. He was working with the Aditya Birla Group, and he would call me to office and say, here's our personal portfolio. Please look through it. There was no, you know, there were no Excel sheets then. So manually look through where we are invested. When, when do the dividends come in? And actually, tally it, I think that was my first step of just, learning about capital markets or, you know, using your savings to put it or invest it into places which would enable it to grow. And then he sent me to intern with my uncle when internship was not even a thing. My uncle was a stockbroker in Bombay, and, I worked with him, for about almost eight months. Understood the business even went to the Bombay Stock Exchange. It was known as the ring then.

Karan Marwah:

Oh, yeah.

Priti Rathi Gupta:

Open outcry system. Horrified at how people would trade. And barely, there was one woman there.

Karan Marwah:

I was going to ask you that were there any other woman there.

Priti Rathi Gupta:

There was one woman there. And I was just awestruck at how confident she was, you know, the way she was, you know, this. That was all sign language. I must be. I mean, in my mind, it must be surely very intimidating to be in a room full of men.

Karan Marwah:

I can only imagine.

Priti Rathi Gupta:

Like, I'm, like, aggressively trading stocks, right? So, I think for me, that journey was in a sense, you know, it told me that this is a life skill. It's not something extraordinary. At least that's what my father made it seem like, right? It's only when I grew up and I interacted with friends around me. Or when we set up Anand Rathi and I had a lot of women, you know, in the company as well, that I realised that for majority of women, this is not a life skill that they've learned. It is still something that they don't manage. It is typically left to, men in the family, or sometimes even colleagues. Okay. Tell me what you are doing, and you know, can you help me do that? The problem was not that there was somebody doing it for them. The problem was that they were not they were not making informed decisions.

Karan Marwah:

Well, even aware of the need that.

Priti Rathi Gupta:

Absolutely. But this. Yeah. Yes. So, they were like, okay, if it has to be done, somebody can do it for me without really understanding is this money working towards my life goals, which ideally it should be, or if not, it was being kept in fixed deposits or gold because that's what we've seen our mothers do. And to me, I think as over a period of time over the last 20 years, in Anand Rathi, I realised that this gap was just growing. It was not, you know, shortening, and there was the need and there was the opportunity to, to in some way to get women into, like they say, into the ring. Right? And that's how LXME happened. It was actually, case study pitch in my Harvard Business School executive.

Karan Marwah:

I know you went from writing a case study to actually setting it up.

Priti Rathi Gupta:

Yeah, it wasn't really writing a case study, but we were like, we had to we had to pitch a business idea which has never been done and sort of put strategy around it. And you know, as was expected, my class was largely men and all of them, a lot of them actually, stood up and said, but why do you need a separate platform for women?

Karan Marwah:

For women?

Priti Rathi Gupta:

Yeah, but there's women about 20 women from all around the world. And they said, wow, I think we need it in our country as well. So, I think that sort of validated that it is a problem. And unfortunately, financial services is men talking to men. I mean, even if you look at the gender participation of women in financial services, it's still a mere 17%.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

And you don't see many women, you know, really in leadership roles. And therefore I, you know, this big realisation that this has to be done, validation at HBS, that this should be done, and this is a great business idea and came back and started working on it. I think you asked me about, you know, role models. I think when I thought of starting LXME, I was 45 and LXME is a startup.

Karan Marwah:

I know. And we come back to that too in a bit.

Priti Rathi Gupta:

Yeah. And to me, it was not late because I'd seen my father set up Anand Rathi at 46.

Karan Marwah:

Wow, I didn't know that.

Priti Rathi Gupta:

so. I was like, if he can do it, I can do that, right?

Karan Marwah:

Yeah.

Priti Rathi Gupta:

And then there were so many women around. I think the time was just right. With which, you know, technology, digitisation, there was, you know, obviously Falguni Nayar had set up Nykaa then, I, I'm an ardent fan of Indra Nooyi in terms of, you know, how she took a business-like PepsiCo had and led it. So, yeah. So that's how LXME happened.

Karan Marwah:

Well, it's very interesting. And, you know, it's a good segway to something you said about, and its eye opening for me, actually, because I always thought that at least, you know, the gender, you know, shouldn't really matter as far as, financial awareness and literacy is concerned. And in my mind, I thought that women were honestly better at, saving. Now, saving is not necessarily equal to investing and watching your money grow. And I know you've got some interesting takes on that, too. But, you know, we all grew up, you know, in families, right, where, you know, it was almost a virtue to save. And then the little presents of cash that you used to get on your birthdays or even today or not, or anniversaries, typically, you know, it's the lady members of the family who will stash it away somewhere and say, look, we'll put it in a jar for a rainy day.

Priti Rathi Gupta:

Yeah.

Karan Marwah:

And accumulate it over a period of time, and I think so. So that was my orientation. And that's personally still my orientation. So, I'm actually surprised to learn that when you say that women are lesser aware of financial, matters in terms of investing and the returns one can generate. Yeah. I'd love to You know, just do a double click on that, and then get some more, views from, you.

Priti Rathi Gupta:

No, you're absolutely right. I think, the implicit messaging to women, and this is part of our social conditioning is that you are great with money. If you are a great saver, if you are a good saver. And which is why women manage household budgets. They do it. Efficiently.

Karan Marwah:

Yeah. They are the financial planners at home. Right.

Priti Rathi Gupta:

And, and the, the theme behind is always that, you know, how can I make every penny go further.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

And how can I save more money. Right. I've seen my grandmother, you know, they were, capital markets weren't even. They were very, very nascent then. But I've seen her, and we come from a very, very humble background, but I've seen her save that money. I've seen her grow that money.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

Without mutual funds and capital market, she was actually lending that money against collateral,

Karan Marwah:

oh wow

Priti Rathi Gupta:

growing that money. And she was the. She was the reason why all of my father's siblings are so well educated. Because she made that money, you know, go the further. Yeah. Extra mile. So. Absolutely. And I think that's exactly the reason that that, you know, questioned in my mind, it was like, okay, women are born money managers. What's the big deal, right?

Karan Marwah:

Yeah.

Priti Rathi Gupta:

But I think taking that next step from saving to growing that money is where women fall off that journey. Again, I come back to the fact that the implicit messaging to women is and thankfully now it is, you must get your financial independence, which means that you should start earning your own money. You should definitely do that, right? But there is no messaging for women to say it is to the men, right in the in the house, a dinner table conversation or a father will always tell the son, look, you know when you get married, you have to run your family. The financial responsibility is on you. That messaging isn't there to women.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

So, I think you begin from a place where you feel that, okay, that's men's responsibility. And therefore, you never go out, you know, hungry for understanding or learning beyond. And when you do, you suddenly realise all this information I can't even relate to. Because typically to service. Yeah. And the conversation is all about returns. You know there are a lot of jargons, but I would say it's not that women can't understand jargons, but it's just the fact that you don't make it very relatable.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

And, you know, money management is a behavioural science.

Karan Marwah:

Oh, yeah.

Priti Rathi Gupta:

So, if you can actually make it relatable, as per their behaviour. That's where you get women in. So unfortunately, we haven't done that efficiently, so far. But I think increasingly, with digital platforms, you know, you will see a lot of digital platforms do have about 8 to 10%, women on them. I'm not sure whether it's women themselves investing or its men investing on behalf of women, which is also the case. But yeah, I think that's where I think the idea is to really take women from savings to smart savings and then to saying, okay, investing. And that that's an extension of their.

Karan Marwah:

How do you. Do that? Right. That's habit. And again, you know, the overarching habit here is to, you know, be risk averse to, you know, keep money within the perimeters of what you can see and control. And a lot of instances, it's the cupboard or the, you know, the family safe.

Priti Rathi Gupta:

Yeah.

Karan Marwah:

And, you know, to make them part with that or change that habit to say, look, that does not make sense for a lot of reasons. Your money's going to grow if you invest it sensibly. So, and I know you you've spoken of this in the past to, you know, the linkages between risk and, you know, this aversion to sort of part, part with your money. How do you what has been your experience in terms of changing the habit?

Priti Rathi Gupta:

So, I, I love this question because, you know, I always say that we are actually not changing their habit. A lot of a lot of people ask me that when I'm at LXME, are you changing the behaviour of women? And I always say, no, we're not changing this behaviour. We are actually extending their behaviour and making sure that this behaviour connects. We connect the dots to their aspirations of financial goals. So, women are smart. Are great savers, right. For example, we have the Gulluck on our app. It's called Gulluck.

Karan Marwah:

So, going from the actual, you know, the Traditional gulluck to the e-gulluck.

Priti Rathi Gupta:

We've gone to the e-gulluck. And we are telling them here is a place where you can put your money, where it will grow even hopefully more than your bank account, savings account. And you have instant access to it within two minutes. It's in your bank account. That's the first step.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

And then she says, okay, I understand now I can do this, and I'm getting a better return for my money. She does that. And then I think that's the first step. That's a liquid fund, right?

Karan Marwah:

Yeah.

Priti Rathi Gupta:

So, you've already got her into the mutual fund ecosystem. And then you say, do you know that while you buy gold, you buy physical gold? If you buy a mutual fund? This is the you know, you can buy more gold with it five years down the line.

Karan Marwah:

That's got to be,

Priti Rathi Gupta:

That's a great incentive, right, to understand. So, I always say that women are not risk averse. Women are very risk aware.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

I think it's the literacy. It's the education. It's the awareness and making it relatable. So, these are the small steps that they start with. And that's what we enable. And once they've done that today we have women who want to put their money in quant mutual funds. They want to put it in aggressive, portfolios because I think they've understood that you know, today an Indian woman is very aspirational. She wants the best for herself, for her children, for her family. And she if she understands that, you know, there is a way to achieve my financial goal in a shorter time period with lesser money.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

why not so that's how we go about this whole, you know, sort of extending their existing mindset and saying, okay, this is these are the new avenues, or this is how you can do this journey. So, it's actually not changing their behaviour at all. It's literally building on their existing behaviour.

Karan Marwah:

So, it's essentially leveraging the awareness and the literacy to make that switch from, you know, leaving it at home versus, putting it into a more evolved product.

Priti Rathi Gupta:

And the life goals. I think just bringing in life goals and putting that in perspective and saying, I mean, it ties back to savings, right? It's saying you want to buy a home. Otherwise, you would need to put aside, you know, X amount of money to put the make the down payment for your home.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

But if you do it like this, you need to put X minus ten. so, you're saving that money.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

So, using that you know that behaviour and then saying there are better you know avenues to.

Karan Marwah:

and are you picking up any trends there in terms of where, you know, these people, these women that you are targeting are coming from. And, you know, there could be urban versus, rural sort of slice, there could be your age profile, sort of, you know, Any anything interesting that you pick up their internal demographics of who's actually coming to the platform and, making that switch?

Priti Rathi Gupta:

Sure. So, when we set up LXME, I think I was very clear in my mind that this is, the low hanging fruit is actually the middle income and low-income households of India, with families earning upward of, you know, one and a half, two lacs a year. Because that's where firstly, there's a huge amount of savings right between low income and middle income that, you know, India is sitting on close to \$500 billion of savings in fixed deposits and gold. Right. And women are very aspirational. They're the other ones who are actually driving the fiscal budget of the home and also saying, how can I do best with this money? And we said, okay, this is where we reach out to. We started we assumed that it'll be working women who will come to the fore because they have agency over their money, because they have a, you know, say over their money. But to our surprise, today 40% of our users are homemakers.

Karan Marwah:

Wow

Priti Rathi Gupta:

Well, because they are also saving money and whatever they have saved, they have full agency over that. This is my savings, right? So

Karan Marwah:

Yeah, and often the other half don't even know about it, right.

Priti Rathi Gupta:

I mean now in fact, on the contrary, today our women are actually telling their male counterparts,

Karan Marwah:

Why don't you also invest.

Priti Rathi Gupta:

Yeah. Why don't you also invest? Because here is what I have. I've started doing a smarter thing with my money.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

And she's very proud about it. So, there's no longer the need to say I want to stash it away. Because she also knows she has full control over it. Because she can redeem that money, right? She can invest. She can redeem. So that's full control. But today, I think the average age on our platform is about 30 years. We have realised that women with children are far more aspirational because they have those life goals right in front of them.

Karan Marwah:

Right.

Priti Rathi Gupta:

And then we thought it would be the middle income that would really take it up. But we actually have a lot of mass affluent women come to the platform as well. You know, we thought they would have other platforms. They would have other advisors. But the truth is that when you make it so relatable, it's actually relatable to women across all social.

Karan Marwah:

Let's talk about that. How do you make it relatable? And I know we had a chat about the fact that there's too much jargon in this, world that needs to be taken away.

Priti Rathi Gupta:

Right

Karan Marwah:

And I think you said at some point that you, you, you know, it's the financialisation of savings that that you're going after.

Priti Rathi Gupta:

Right

Karan Marwah:

But what are the draws? Right? I mean, for, for someone to earn and I'm sure you've seen it work now in terms of making them, you know, come to the platform and then make that switch. Any secret sauce.

Priti Rathi Gupta:

Well, it's no secret. It's on an app. So, it's really out there. But there are a few things that that we realise are very important. So, when I came back to set up LXME, you know, I had a business plan on paper, etc., but as is nature, I said, no, we must do, primary research. Like let's meet women. While I know why they don't invest their money. I made about 3000 women before I started lesson. And I think the big aha! Moment there was the biggest obstacle for women to start managing their money is that they do not have any place, any safe space where they can actually come and discuss money. Money problems, money opportunities, homes don't welcome that very much. Workplaces again, the men are so, you know with it that women feel a little left out.

Karan Marwah:

To come back to that, to adding, our men did it or not, but I let you complete.

Priti Rathi Gupta:

Well, at least, Men seem to be with it, right? So, she doesn't know where to ask these questions. Even if she has a question she fears being judged, etc. So, we said, let's actually first create a safe space for her to come and ask these questions. And my other insight was that women love communities when it comes to parenting, when it comes to fashion, when it comes to health. So, we said, let's not, let's try a money community. I had so many naysayers, no, no, no, women will not come and discuss money. But when we actually started the LXME community, within a few months, we had thousands of women and this was a closed community where every woman was referring other women to say, hey, come here, let's do you know this is a place where you can ask your money questions, right? So that sort of validated that for us. Our core has to be a community, a lot of peer-to-peer interaction and not just financial advisors bombarding you with financial advice, which you are always sceptical of.

Karan Marwah:

Yeah, right. What is their motivation?

Priti Rathi Gupta:

Yeah. So, I think just creating that community I think is one of our I would say it's definitely a success sauce. not secret anymore because everybody knows the LXME community where we have women come and ask, talk, learn. We do a lot of literacy there. We do a lot of live sessions, and we play the role of moderator because it's money after all. So, you want to make sure that whatever information is going out is the right information. So, when you have several women, you know, comment on any particular woman's need, then we'll come in and say, you should know the pros and cons of this. So that's one piece. And I think the other very important part of LXME, and that I think is the secret sauce is the is the empathy that we bring in everything that we do. It's deeply embedded in the team, right from the woman when she comes as a user, she comes on board to the community to hand-holding her and learning to answering her questions. We have a team of money coaches, money buddies.

Karan Marwah:

I have something interesting I picked up. I was going through the platform, and I think some of the stuff is really relatable. Gender agnostic, I would say.

Priti Rathi Gupta:

Yeah

Karan Marwah:

we go to the mentorship programmes you have and I just again, you know, maybe just a Segway or to something that just came to my mind that you talked about empathy. And you are a digital first business. Right now, how do you combine those two? Because empathy to me is touch and feel, and sitting in a room and talking to someone, but you know, being only digital, how do you make that empathy? Sort of, you know, translate into that digital experience?

Priti Rathi Gupta:

So, yeah. So, I like I said, that's the secret sauce, right? I think in everything, every feature on our app, is very unlike a BFSI platform.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

You know, we have something known as a vision board where we are telling a woman, you all your dreams, you can actually put your picture. Suppose you are dreaming of a home. You're dreaming of a car. Put the picture of you, you know, really visual because we believe in that visualisation.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

So, we're saying put it up, we'll help you manifest it. Right. And then having those touch points where we are not product selling. We are really saying we want to understand what your problem statement is. Where do you come from? What are your fears. And we do all of this digitally by small nudges, by, you know, small sort of feedback to her at every minute. All of these add to the empathy, and which is why I said that every team, even a tech, person who's building the product, is aware that empathy is our cornerstone and everything that we build, if there is. And it's amazing how the team ideates on it. Now that says, you know, they say, okay, let's not do it like this. Let's build a small nudge here. Right where tell which tells are. You're fine. This is all right. Right. So, I think it is I think building it digitally. And I have to say that it is still I think women need that high touch approach. Which means you don't tell them here is a platform. Come invest.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

You actually handhold them digitally. Even sometimes. For example, our money coaches or money buddies. These are you can reach out to them and actually, you know, they will with a lot of understanding of where you come from, hand hold you. But. So yeah, it's been it's been a journey.

Karan Marwah:

Oh, it seems so that, there are like I said, you know, going through the platform. I could relate to a lot of it.

Priti Rathi Gupta:

And you should invest on it then.

Karan Marwah:

So, which is my next question. So why only women and I know if that's about it in one dimension earlier, but is there another reason to this? I mean, I know you're passionate about, you know, inclusion but and get goes back to something I mentioned earlier are men with it as far as financial planning and yeah, investments are concerned. I think we like to believe we are. But is that is that fact, what have you seen and experienced? And is there a LXME for men somewhere in the horizon?

Priti Rathi Gupta:

So, I think to even today, men can come in, invest on the LXME platform because what we do.

Karan Marwah:

You have any men who can invest?

Yeah, we have a, we have,

Priti Rathi Gupta:

I think about 5% of our investors are men.

Karan Marwah:

Oh. That's interesting.

Priti Rathi Gupta:

And these are most of them are men who have been guided by their women to say this is a platform which can help you, because the platform just enables. It's just meant to be time efficient. Right. And it's got empathy. It, of course, is we built keeping women in mind because, our learning has been and this is learning from the decades that I ran financial services, gender neutral financial services firm, is that when you make a gender neutral, you invariably exclude women, right. But when you run, which is just for women, chances are men will come in. But our focus is to get women in. And there are there are many reasons for that. Right? Because I, I think I truly believe that if we have to reach like a 4 trillion mutual fund industry, it will be driven by women, because we have the financialisation has yet not gone beyond the urban areas. Right. But with the penetration of, you know, the smartphones, democratisation of investment today, go to the rural areas, who's running the household, who's saving the money? It's the woman, right. And she will be the first one to adopt it, because she wants to do the smart thing with her money. I mean, I'm not saying with due respect that men don't want to, but typically, they. That's why women are money managers. And that's half more than half our population. Now, at this time there are more women than men in our country. And it's an entire target segment that's just been overlooked.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

So, you know, that opportunity is hard to sort of not focus on. I mean, even within low income and, you know, middle income India, we are looking at 500 million women.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

That's a large number. It's addressable and 120 million women now in the UPI Ecosystem. So, they're making digital payments, but less than a million women actually, invest the money.

Karan Marwah:

Yeah. So still a long way to go.

Priti Rathi Gupta:

Long way to go. But also, the digital adoption is very fast. And therefore, I think we want to just use this opportunity. The railroads that the government has built for us will definitely enable, you know, far like deep penetration of financial products, and platforms like us.

Karan Marwah:

I'm sure it will, but let's make it a little more personal. I think you you've done so many different things, you know, from you know, what you've done and achieved at Anand Rathi, I know you have a film production house too.

Priti Rathi Gupta:

small one. Yeah.

Karan Marwah:

What is that about? Let's talk about that. Is that a passion or.

Priti Rathi Gupta:

Well, I'm a Marwari, nothing is just a passion.

Karan Marwah:

That's an honest fact there.

Priti Rathi Gupta:

Well, no, we've been taught right from childhood. Right? We are not like; hobbies are where you don't spend too much.

Karan Marwah:

Which is good, I think. I'm sorry to sort of interject, but you know, this whole, you know, the concept of financial literacy and, you know, being aware of it, the value of money from an early age. So, I think that is something that I think possibly needs to be inculcated, you know, far more even in our children and younger adults.

Priti Rathi Gupta:

I think it needs to be part of school syllabus. Yeah, for two reasons. One, I think it's a life skill. We learn compound interest, but we never understand how to apply it. You know how the concept of compounding of money is what we learn much later in life? By the time we've already lost a large part of that compounding year. So, I think that and second, I do believe that if it is part of school curriculum, it automatically makes a gender neutral.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

Just like you learn math, English, science, you know, you're not saying money management is just for boys, right? When girls learn it also at a young age, they know. Okay. It's something that I need to learn. Right? So, I think it definitely needs to be everywhere I go now, I say there needs to be policymaking to see how do you put this put this as school curriculum.

Karan Marwah:

But coming back to the film production business.

Priti Rathi Gupta:

Yeah. So, so, I think, you know, I get my finance DNA from my dad, and my mother was a very, very creative person. So, I think the right side of the brain is also very active. And then I lost her about 14 years back after that. And, you know, she would tell me all those years that you were just doing, you know, finance and money.

Karan Marwah:

And there's more to life.

Priti Rathi Gupta:

You're so creative. You should do something. And I think it was only after she passed away, I realised that there is something that that I can do. I've always loved storytelling. In fact, as part of the wealth management, we've actually done an exercise of setting up a film fund only to realise that for a very conservative, conservative and well structured, wealth management, outfit like ours, it didn't work right. And thankfully, because at that time I realised there were quite a few film funds that just tanked.

Karan Marwah:

Yeah, possibly ahead of its time, I guess.

Priti Rathi Gupta:

Yeah. No. And because, and the biggest roadblock there is distribution.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

We don't have enough distribution. So therefore, it's not something that you can put in a box, right. Because it's not in your control. But I realised during that time that there is a huge opportunity there to seek to make content, which has a longer shelf life. You know, my children will also want to watch. At that time, they were not really watching Bollywood content. And that's what sort of prompted me, this beautiful story came to me, and I said, I love it. And, then I went to my family, and I said, you know, I want to make films. And you can imagine the reaction.

Karan Marwah:

Were they happy? I'm sure they were.

Priti Rathi Gupta: I think they almost fainted. They were like, I what? Are you sure? And, then I said, yes, I do want to do it. And that was one big aha! moment for me because it was a thought in my mind, but I had never planned for it financially. And I realised that this needed us. You know, I didn't want to make a Shahrukh Khan or Amitabh Bachchan starrer. I needed to make, I wanted to make films which were, you know, very content based and light movies, and they weren't like heavy on budgets, more for the OTT platforms. And that's when I actually put aside planned for it. It took me about a year and a half to put aside the corpus, a small corpus, to do my first film did it hand on. And it was great that I came from a financial background, because the biggest fear that my family had was there is no budget control in these things.

Karan Marwah:

You know, people. That's the perception.

Priti Rathi Gupta:

Correct. But I think it's become the spaces become very professional. Well, and I remember I got an auditor on board who would give us a daily expense sheet. And I remember the film fraternity telling me you know; it doesn't work like that. So, I said, why not? You know, and so, we would know every day whether we were ₹100 above or, you know, ₹1,000 lesser. And it just allowed us to, you know, stay in control. And the movie was made almost 10% lesser than the budget, than the amount we had budgeted for. But it was a great learning experience to do it hands on and, you know, and the flips, I mean, the good side of that, the other side of that was that I think it allowed, you know, it's very liberating storytelling. Filmmaking is very liberating. It allows you to think creatively. And I think that helps. That helped a lot in getting LXME where it is, because it has some of that translated into. There's so much of content, there's so much of out of the box thinking that that we do in LXME. So, I think it's been a lot of, you know, learning from that as well. So yeah, I do have that company, it's called Ishka Films. And we make, I made two films in it. The idea is to make films that are, very relevant that you enjoy. And yet, you know, my children will relate to them. Hopefully their children, too, over a period, period of time. But no, it's not a hobby. It's something that, that I do, of course, with LXME, it's. I get I barely get any time to do this, but now I have a team that sort of looks at it.

Karan Marwah:

so that's fantastic. Again, I'm going to keep this personal, you know, from making Anand Rathi a success, you know, to film production. What made you take the plunge to start up again? I know again, we've spoken about your passion for financial inclusion and literacy. as that it or because it is fairly daunting and, you know, even today, the one question that a lot of founders' grapple with is when is the right time to start up right? Is there a right time to start up? And I can only imagine it being more challenging, for, you know, not just the gender, but if you, let's say, don't have the right financial means or the financial awareness yourself.

Priti Rathi Gupta:

Right.

Karan Marwah:

You didn't have that handicap. Was that something that allowed you to be bold enough to start up again? Let us just chat about that.

Priti Rathi Gupta:

Frankly, I think, you know, hindsight vision is always clearer. I think when I took that step of saying, I want to set up LXME, it's a startup independently, you know, not part of Anand Rathi.

Karan Marwah:

What is the family's reaction?

Priti Rathi Gupta:

I think the family was very supportive. I don't know whether they wanted to see me out of the business. But. But I think they were very supportive because I think they were very, appreciative of the fact that LXME comes with that huge, noble and impact piece attached to it. So, they were very supportive. I think they did tell me that. Why do you need to set it up outside? And I said, because the journey that LXME needs to do, needs that agility. It needs quick decision making. It's harder in a larger, you know, huge conglomerate of different businesses. And also, it needs the risk capital to run it. And it's not an Anand Rathi diem you know, we've always run businesses that break even in six months. Right. So therefore, I took out and they were very supportive I think also in in my mind it was, and I truly believe that it was a great time for me to start it because I had all the financial acumen. I understand financial products.

Karan Marwah:

More than half of that. I would, I would say.

Priti Rathi Gupta:

Well, enough experience there. So, domain expertise was there. It was the right time because my children had grown up. So, I had, you know, none of those, I've heard stories of women founders say, oh, I get asked when I go to have your baby. So, for me, that was all done, right? They were grown up. They were on their own. I didn't have too many responsibilities at home. So, it was a great time. Also, a lot of what I tell other founders today is that you need to have your personal finance in order before you get on to the startup journey.

Karan Marwah:

Yeah

Priti Rathi Gupta:

because it doesn't pay you for a very long time.

Karan Marwah:

You've got to be prepared for that.

Priti Rathi Gupta:

Absolutely. So, if your financial security is there, actually you're in a better space to build out a startup. So, for me, I you know, I've always believed that it was a great time to start building. What I was not prepared for was that it's a fintech. So, this fin and this tech, right. And tech was not my domain. And that was a very interesting journey to sort of unlearn so much and unlearn far more than what I had to learn. And that was interesting. So, over a year and a half, the first one and a half years, I sort of understood everything there was to understand in building an app technology. You know, what technologies we need to use to build it? What are the different APIs we need to get here? How do you look at it as a product? I think that was the more sort of challenging journey. But nevertheless, I think, it was it was an opportune time. And then, India as a country was changing.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

You know, with, with the fact that we had, you know, the entire Aadhaar enabled, digital inclusion, you know, UPI happening demonetisation had happened two years back.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

So, it was absolutely the right time to build it. And I'm glad I did today. I think the tailwinds are very heavy in terms of, women and inclusion and financial inclusion. I think there's a lot of stress, and a lot of focus, on the space.

Karan Marwah:

Do you see that because again, that's something we all debate a lot of times that is it's still difficult being a woman founder and in all its dimensions, right, you know, your other responsibilities as the primary caretaker of the family. I would say the access to capital does gender, you know, still play a role in terms of how you can access capital and how the providers of capital look at you? What's been your experience?

Priti Rathi Gupta:

So, I thin it is.

Karan Marwah:

Are we at an inflection point today that.

Priti Rathi Gupta:

I'm not so sure whether we are at an inflection point, and I'll break this into parts too. So, when it comes to really a right time for a woman to build a startup, definitely. I think when she's, she's got young children and responsibilities, it's just harder. But I think women intrinsically are very resilient.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

You know, we've stopped. Yeah. And in fact, we I think that pressure of multitasking, a lot of women are not putting on themselves. Now they're saying, okay, I will build a support system, I will make it happen. And thankfully, the men are true partners in this journey.

Karan Marwah:

That they should. Be.

Priti Rathi Gupta:

And they've taken on that, you know, they I mean, I, I speak to a lot of young founders and a lot of them see if I'm at work, if I'm traveling, then my husband is taken up that responsibility. Right. So, I think that is a lot of pressure. We have to build in a lot of support systems resilience, and we do it, I think, when it comes to access to capital, definitely very challenging even today. But this ecosystem today, we know that there are very women business focused VCs out there. And that ecosystem is developing very fast. I still feel that. I mean, I will remember when I went out to raise funds, I was I remember, speaking to an investment banker who said, it's a great idea, but why will men in India allow women to manage their money?

Karan Marwah:

Yeah.

Priti Rathi Gupta:

And I was like, I think I have to do this completely on my own. Right. I think it needed, you know, our partners, who were already our first investors, were our partners who already on the app, who were, you know, either the NBFCs who were lending to the women on the platform. And they could see how well this is growing and how much of us, you know, like the problem statement as well as the solution. And then I had some very, you know, good friends who believed in me personally. And at that stage, that's what it comes down to in you as a founder. And finally, when Vani Kola, you know, happened where I, I truly felt that as a woman, she could see, you know, that this is a great opportunity and the impact that this has.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

Right. For her to come on board. And thankfully we did that journey. I wouldn't say it was easy. It was very challenging. And I think when you've built large businesses, when you've been on the other side of the fence where you were helping other people to raise money.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

to come down to ground zero and raising money literally sometimes s rubbing your nose in the ground. And it's

Karan Marwah:

but wasn't that hard because you did have that legacy and lineage behind you. So that helped?

Priti Rathi Gupta:

Oh, but you know, no matter what I think, you know, you have to I don't think you are prepared for the kind of questions you're asked. Because you would think that, okay, I've built so many businesses,

Karan Marwah:

but you have been on the other side. Right? So why did you ask?

Priti Rathi Gupta:

No, but luckily, I wasn't a VC. Okay. But in the future, I would aim to be. Because I think that there are some of these questions that that are irrelevant.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

I think gender in terms of building businesses is slowly becoming irrelevant now that it's not yet inflection point. But I think over the next five, ten years, you'll see a lot of women founders. There was a lot of pressure on me to get a male co-founder.

Karan Marwah: Yeah.

Priti Rathi Gupta:

To get somebody who's a tech male co-founder.

Karan Marwah:

And that was from what lens?

Priti Rathi Gupta:

That was essentially VC pressure. I mean, people who I was who advising me said, oh, you know, that's the checklist. These four things you need to have. Yeah, absolutely. And it really needed a lot of gumption to say, no, I, I know what I'm building. And I had a great co-founder, and we know exactly where we are, what we are building. Right. And there is no place for a third person here.

Karan Marwah:

So, we are not just to fill our slots.

Priti Rathi Gupta:

Absolutely. So, it was it was an arduous journey. But, you know, I think we've sort of now come to a place where, we've got that confidence, by VCs, by people. And I think once we raised our first round, we had so many people reach out. Oh, have you closed that up?

Priti Rathi Gupta:

That. Yes, we have.

Karan Marwah:

That always happens.

Priti Rathi Gupta:

Always happens. But I think you have to go.

Karan Marwah:

For the next. One.

Priti Rathi Gupta:

Yeah. So, this was something I was not prepared for, which I think every founder should know. I think it is a grind. And you have to it is, you know, there are more no's than Yes.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

And, you have to understand every no is a yes something that you take back, and you reflect on, and you say, okay, you know, there's a learning in this.

Karan Marwah:

Yeah. But it has to be beyond just I'm just trying to still get to the passion that makes you do this. Right? Because you have it all near you. You need to prove yourself again. Yeah. You've done that enough times. It's not I would say, you know, the financial incentives are not what you're looking for here. I would imagine from an outsider perspective. So, what's the larger purpose here? What's the passion that made you, do it? Because it is a slog, right, to go back and start, scrounging for, for, you know, people, for money, having these uncomfortable questions thrown at you.

Priti Rathi Gupta:

Yeah.

Karan Marwah:

What and when maybe. What are some of the, you think, you know, personal attributes that have made you sort of, be successful?

Priti Rathi Gupta:

Well, I, I wouldn't say I'm successful yet. Not in this space. This is a journey I'm doing. But I hate to break the sort of stereotype and say that it's not the financial incentive. Of course, it is. I am building a company.

Karan Marwah:

I know, I forget I was talking to a Marwari as he said.

Priti Rathi Gupta:

I know I'm building a company, which is.

Karan Marwah:

Oh yes,

Priti Rathi Gupta:

which definitely has the, the potential to become \$1 billion company. And that definitely drives me. You know, sometimes when we are building, we get. When I started LXME, I knew that that's the impact of it is just as much. Right. So, I think that is the money. And then there is the huge karma points, the impact that you're having on lives of millions of women. Right. And I think we tend to sort of every day when we are building every day, you wake up with a, you know, and that's the resilience that I think I have in me, where, you know, you go to sleep, and you are like, oh God, why am I doing this? And then you wake up, yes, I want to do this. Right. I'm I definitely want to build this. But I think every time, you know, we've made it a norm for all of us in the team to actually speak to at least ten of our users every week, each one in the team. And when I speak to my users,

Karan Marwah:

it makes it real.

Priti Rathi Gupta:

It makes it real because you forget, you know what? What is the difference that what you think is a given. The difference that it makes to lives of women.

Karan Marwah:

Any stories there?

Priti Rathi Gupta:

Oh, absolutely. I mean,

Karan Marwah:

I'm sure, there are lots of them.

Priti Rathi Gupta:

Lots of them, lots of them. And it's the community, right. Which is our real power now. And what we didn't realise was community actually helped women build it was not just a safe space but build trust in us and build affinity for us.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

The stickiness that we have because of the community is unparalleled. And that's because women are sharing these stories. You know, we had, we do these open forums, on the app every 15 days.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

Where we just tell women, come on, and let's talk about, you know, a particular theme. A few days back, we did something on single mothers. Today, the number of single women in our country is actually increasing exponentially. And if you were to just set up a solution for single women, whether it's single, married and divorced or widowed, it would be by itself a huge potential. And we have this for open forum. And, you know, these women who came on to the platform and one of them said that I had walked out of my house with just my son, carrying my son and my slippers, and walked 20km to my parents' house. Well, because I was forced to leave my, you know, marital home.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

And she says my life would have drowned. And a few days later, somebody told her that you should join this community. At least you learn something about how, you know, small amounts of money, what to Do with

Karan Marwah:

that was LXME.

Priti Rathi Gupta:

That was LXME. And she says it's because of LXME that I've picked up the courage to say, I can make a life of my own. We've had amazing stories of a woman who said I took my family after 12 years for a holiday. We've never been on a holiday because of the children. Yeah. Children's education. You know, there's this one woman who said, I'm the first woman in my house to make a down payment on a home, which is in my name. And I've actually understood how to, you know, grow my money.

Karan Marwah:

That's got to be gratifying, I guess.

Priti Rathi Gupta:

So, I think there are several stories and that's when you realise that, you know, what you're building, is far beyond just a financial, goal.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

Or the financial, you know, growth or take of your valuations. And actually truly, we believe this is these are our values that will eventually build up valuations.

Karan Marwah:

Oh, these are beautiful stories. And I'm sure they count for something absolutely. You mentioned having a co-founder. And this is something I like to ask all my guests, how is it working with a co-founder?

Priti Rathi Gupta:

You know, I think having a co-founder is like a marriage. You know, a large part of it is luck. No matter how much you sort of Predate.

Karan Marwah:

Put science to it.

Priti Rathi Gupta:

We are free. Spend time knowing each other A large part of it is luck. I think the key, Ridhi, my co-founder, when, I met her first, I think the there were in my head a few things that we were very, very complementary. We had complementary skills. For example, she was a startup founder. She's been like a serial startup founder. So, she came from that space. She had the tech and product experience with her. She had the passion for building for women. So those were the things we agreed on, and we loved. And then what we did was we said, why doesn't she come on board and work as a consultant for three months and then say, this was like a pre-date, like a dating period. Right. And she came on board and for three months she worked as a consultant where we understood each other's temperaments, because those are the most important things. And I think in a startup, especially in the stage that we were in and we are in, you as founders, you need to have the ability to heavy like heavy lift or, you know, lift up pieces that your co-founder sometimes may not be able to without really saying, this is yours. This is my space, you know, and that deep understanding. And I think luckily, touchwood. You know, as luck would have it, we have that, it is great, but it also, I think there has to be. A large portion of feeling of give more than take when you have a co-founder. Actually, that's true for everything, not just, you know, just a co-founder, but even when it comes to your teams, etc. And, and being really large hearted, forgiving about and not sort of being very sensitive about a lot of things. So exactly.

Karan Marwah:

I think it's about acknowledging each other's strengths and, you know, the ones that aren't strengths, I suppose.

Priti Rathi Gupta:

Yeah.

Karan Marwah:

And then balancing each other out.

Priti Rathi Gupta:

Yeah. I mean, is that is when I, you know, I'm like questioning oh, you know, why is this not happening. And then Ridhi will come in and say it will. It's you know, here are the metrics. Look at the numbers. Yeah. And similarly, vice versa.

Karan Marwah:

Having each other's Back.

Priti Rathi Gupta:

Yeah. Oh yeah.

Karan Marwah:

Yeah. Let's peek into the future. So, what's next for LXME beyond LXME. What's on your mind. Where do you see this going.

Priti Rathi Gupta:

So, I think there are you know, if you ask me this question, I can spend a day telling you what are the different things that we can do in LXME. I think right now, for us, the focus is really, you know, getting as many women on to the platform to start their small savings, and investing that, the ability to borrow money because access to credit for. And I'm not talking of microfinance. Right. I'm not talking of the. Absolutely. You know, below the sort of the marginalised women. Right? I'm talking to women, even low income, middle income don't have access to credit. So how do we enable that very effectively? We are at a million right now. I think the, you know, the sky's the limit. We have set ourselves. We stood, you know, when we set up LXME, we said if we get 20 million women to start their investing journey, we've moved the needle. But I think that number exponentially grows in our mind. I think we are very confident that, you know, over the next few years, we'll have 100 million women on the LXME platform, and 100 million women means 400 million people.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

because it's not when it's a woman. It's also a family. It's a family. And I think it is increasingly becoming an extension of, you know, where a woman says, can my child learn to invest here? Can I start putting money for my child here?

Karan Marwah:

Yeah.

Priti Rathi Gupta:

So increasingly becoming a woman and family platform and we see it going there. And then of course, you know, I think as a startup, you don't think beyond that. You're just sort of saying, okay, let's that let that happen.

Karan Marwah:

That's the North Star.

Priti Rathi Gupta:

But there are a lot of that's the North Star with a lot of possibilities that open up, you know, as we talk to our women, on what else would they like to have on the platform?

Karan Marwah:

Yeah.

Priti Rathi Gupta:

So, I think as it goes. But right now, 100 million women, I think we'd be we'd be. Okay.

Karan Marwah:

Fantastic. All the best for that. Let me ask you a question on the ecosystem. And again, it goes back to something we were discussing earlier about, you know, right, time to startup. But as a startup founder and this is gender agnostic now, is there something that you would put on a wish list to say, look, if it's, you know, maybe it's regulatory, maybe it's non regulatory, maybe it's from a consumer perspective. But is there a wish list. You have to say, look you know that would really accelerate my success. If it were to be enabled.

Priti Rathi Gupta:

for me?

Karan Marwah:

for you.

Priti Rathi Gupta:

Yeah. I. I would actually, you know, at this point, I think the only thing that is not in our control is the capital, right? Other than that, I think we have we're making everything work. So, I would think, you know, and thankfully, like I said, I think the tailwinds, are in our favour. We had the global fintech fest where the Prime minister, gave you know, he was there, and he spoke, and it was incredible. I was thrilled that every second line he said was about women and inclusion and how women are doing a wonderful job with, you know, using digital, mechanisms, at least to start with payments and then credit and then investment. So, I think I, I this, there's everything which is right for us as of now, I think it's the capital that we but we've also learned, I think one of the things that we feel that we've done is we've built LXME very lean, and we've learned that we've understood how to sort of, you know, sort of, build fast, fail fast, move forward fast. So, MVPs of everything, I would say we've, you know, we've done that 0 to 1 journey. So learned a lot. Now it's just sort of speed of building. I mean, look, there are, you know, so much that sort of whether it's resources, whether it's bandwidth, our own bandwidth, whether it's people.

Karan Marwah:

Yeah.

Priti Rathi Gupta:

Which are always limitations. But I'm sure, you know, those are things that that's the first law of management, right? That, they all exist outside. I think you need to know how to get them.

Karan Marwah:

And what would you say or tell anyone who's looking to start up now from your experience and your learnings?

Priti Rathi Gupta:

So, I think 2 or 3 things, you know, one is you should I would actually tell them to raise their money at idea stage. It's far easier. And I think it gives you a lot more confidence at that point in time to raise the minute you have an idea. I think second, believe in what you've set out, the problem that you set out to solve, but believe in it after you've spoken to your users. Sometimes there are problems that don't need to be solved. And that's not a startup idea. So, speak to your users, do MVPs, because that's the best way to sort of go out and understand whether. Yeah, you know, it's working or not working. I think women founders, I always say that you're just a founder. You're not a woman founder. Leave that woman founder out because then you're already putting pressure on yourself and saying, well, I'm different from the World, no you're not, right. And like I said, personal finance, if you can make that happen before you get on to this journey, because a lot of people fall off that journey.

Karan Marwah:

Yeah. They don't budget for.

Priti Rathi Gupta:

They don't budget and then then eventually start cutting corners. We've heard a lot of horror stories. So, the one thing that you want to do is, you know, make sure that you know what is this for the next two, three years for your personal expenses. And whatever you do, I think do small, but do it really well.

Karan Marwah:

with passion.

Priti Rathi Gupta:

with passion, instead of trying to do 100 things at one go.

Karan Marwah:

So fantastic. Thank you so much Priti. It's been really interesting hearing your perspectives and I wish you all the best for LXME and everything else you have going on. Thanks so much for doing this with us. Thank you. It's been a pleasure.

Priti Rathi Gupta:

Thank you for having me, Karan. It's been a pleasure too.

Musical exit

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