



PwC's FinTech Insights

January 2020



Our insights



From around
the web



FinTech tales



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An exclusive look at the latest developments and publications in the FinTech space

Changing preferences: UPI's dominance over digital wallets in the payments market

Over the past few years, digital payments have witnessed tremendous growth in India. This growth has been largely driven by digital wallets and Unified Payments Interface (UPI). Speed and ease of access and attractive cashbacks are the reasons behind the widespread adoption of digital wallets by consumers. Digital wallets saw tremendous growth until 2017, while UPI has seen exponential growth in transaction volumes since that year.



[Read more.](#)





Global insights handpicked by PwC

At \$2.6 billion, investments in Indian FinTech doubled in 2019

Despite a slowing consumption economy and an ailing financial sector, India's FinTech startups raised \$2.6 billion in 2019, the highest ever in a calendar year. The investments in 2019 were also double that of the capital that flowed to the sector in 2018 when \$1.25 billion in 206 rounds were raised, data sourced by ET from business intelligence platform Tracxn showed. With the 180 rounds of capital raising in 2019, the overall investments in the fintech sector was \$7.4 billion in the decade ended 2019.



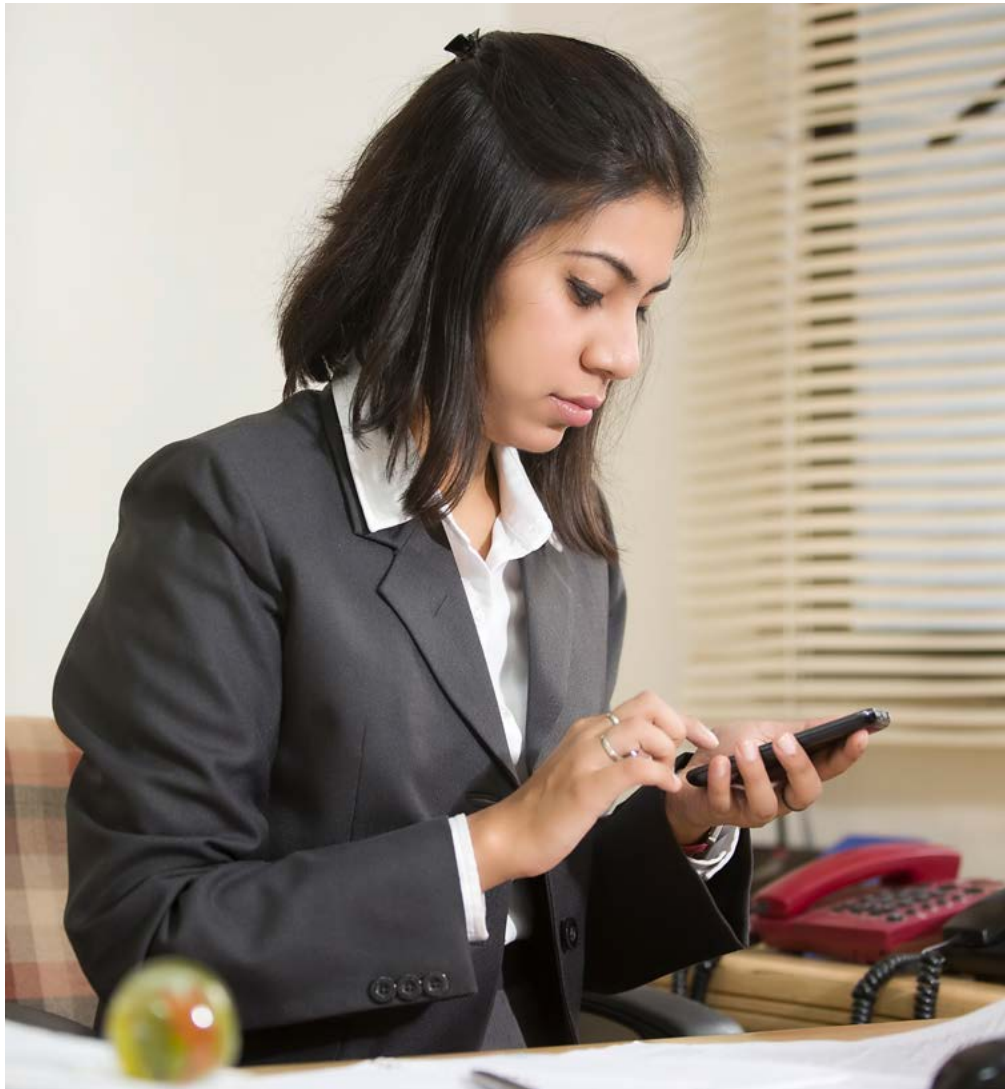
[Read more.](#)

RBI introduces video-based identification process for KYC

The RBI amended the KYC norms allowing banks and other lending institutions regulated by it to use Video based Customer Identification Process (V-CIP), a move which will help them onboard customers remotely. The V-CIP, which will be consent-based, will make it easier for banks and other regulated entities to adhere to the RBI's Know Your Customer (KYC) norms by leveraging the digital technology.



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RBI allows linking of FASTag accounts with UPI, mobile wallets

The Reserve Bank of India said that it'll allow customers to link their FASTag accounts with all authorised modes of payments and instruments including UPI accounts and mobile wallets in a bid to facilitate ease in recharging these accounts and faster resolution of failed transactions.



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Global insights handpicked by PwC

IRDAI nod for 33 regulatory sandbox ideas and counting

From health profile-based pricing, use of wearable devices to 'pay-as-you-drive' and usage-based motor insurance as well as an Artificial Intelligence (AI)-driven automotive claims and collision estimation system, the Insurance Regulatory and Development Authority of India (IRDAI) has approved as many as 33 proposals to be implemented under a regulatory sandbox approach.



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Why 2020 is the year for FinTech

This month marked one of the largest fintech acquisitions of all times, Visa's purchase of Plaid for \$5.3 billion. It is a validation of fintech in a literal sense – Plaid is a key enabler to many of the leading fintech players, and critical in simplifying the onboarding flow and integration of players. It may also be a bellwether for the year: 2020 may be the year for fintech.















[Read more.](#)



News on recent investments, partnerships and acquisitions in FinTech in India

Investments







	Company	Digit Insurance
	Sector	InsurTech
	Ticket size	USD 84 million
	Investor(s)	A91 Partners, Faering Capital and TVS Capital
	Company overview	Go Digit offers various insurance policies which include car, health, bike, travel, home, commercial vehicle, mobile, jewellery insurance, etc., as per individual needs at an affordable price via digital modes.
	Source:	https://www.moneycontrol.com/news/business/companies/digit-insurance-to-raise-84-million-4836831.html







	Company	MoneyTap
	Sector	Lending
	Ticket size	USD 70 million
	Investor(s)	Led by Aquiline Technology Growth (ATG), RTP Global, and Sequoia Capital India
	Company overview	MoneyTap is an app-based credit line that provides small- to medium-sized cash loans and quick credit on mobile phones at affordable interest rates.
	Source:	https://www.techinasia.com/moneytap-raises-70m



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	Company	EpiFi
	Sector	NeoBank
	Ticket size	USD 13.2 million
	Investor(s)	Led by Sequoia India, Ribbit Capital
	Company overview	EpiFi offers digital banking solutions targeted at millennials, including savings account and debit card facilities. EpiFi will use the capital to invest in and build its core technology platform, drive sales and marketing initiatives and expand its technology team.
	Source:	https://yourstory.com/2020/01/funding-neobank-startup-epifi-sequoia-india-ribbit-capital







	Company	Kristal.AI
	Sector	WealthTech
	Ticket size	USD 6 million
	Investor(s)	Led by Chiratae Ventures
	Company overview	Kristal.AI operates an asset management platform. The start-up provides investors and advisors with portfolios (Kristals) that are created and curated by financial experts. Each Kristal is based on a theme and can include assets such as exchange-traded funds, stocks, bonds, options and futures.
	Source:	https://www.techcircle.in/2020/01/20/chiratae-ventures-desai-family-office-lead-6-mn-round-in-kristal-ai/



News on recent investments, partnerships and acquisitions in FinTech in India

Investments







	Company	Klub
	Sector	WealthTech
	Ticket size	USD 2 million
	Investor(s)	Led by Surge, Sequoia
	Company overview	Klub provides growth financing to high-affinity brands across sectors like food and beverage (F&B) and direct-to-consumer brands in fashion and lifestyle through its platform.
	Source:	https://yourstory.com/2020/01/fintech-startup-klub-funding-surge-sequoia-inmobi







	Company	Mera Cashier
	Sector	Portfolio Management App
	Ticket size	USD 250,000
	Investor(s)	Buddy's
	Company overview	Mera Cashier is an Android app meant for small and micro businessmen to manage their credit transactions digitally over their phone instead of using manual methods like bahi-khatas, registers and notebooks.
	Source:	https://yourstory.com/2020/01/funding-fintech-startup-mera-cashier-startup-buddy



News on recent investments, partnerships and acquisitions in FinTech in India

Investments






	Company	Escrowffrr
	Sector	Payments
	Ticket size	USD 125,000
	Investor(s)	Inflection Point Ventures
	Company overview	Escrowffrr is a digital payments platform. They allow users to set up and conduct transactions in a safe and secure manner through a digital escrow account. The company is currently focussed on the real estate sector.
	Source: https://www.vccircle.com/ip-ventures-invests-in-digital-payments-platform-escrowffrr/	

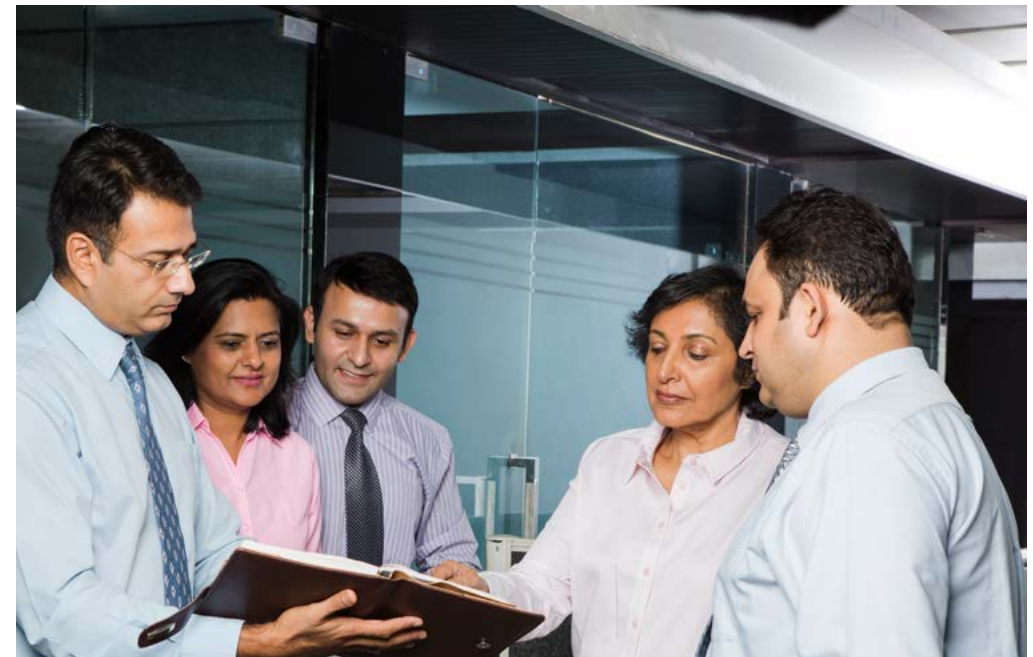
	Company	GetVantage
	Sector	Revenue-based financing platform
	Ticket size	Undisclosed
	Investor(s)	Samyakth Capital and Venture Catalysts
	Company overview	GetVantage is a smart alternative funding platform for entrepreneurs to raise growth capital without diluting ownership and for investors to invest more sustainably.
	Source: https://inc42.com/buzz/revenue-based-financing-platform-getvantage-gets-upto-10-mn-seed-funding/	



News on recent investments, partnerships and acquisitions in FinTech in India

Partnerships






	Start-up	Capital Float
	Partnered with	Credit Saison
	Sector	FinTech
	Purpose	Capital Float has partnered with Credit Saison to deliver working capital financing to micro, small and medium enterprises (MSMEs) across India.
	Source: https://yourstory.com/2020/01/capital-float-partners-japan-credit-saison-msme-lending	










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Acquisitions

	Start-up	DHFL General Insurance
	Acquired by	Navi Technologies
	Sector	Insurance
	Purpose	With this acquisition, Navi Technologies (backed by Sachin Bansal) has entered the insurance sector and ventured into the financial services industry.
	Source:	https://economictimes.indiatimes.com/industry/banking/finance/insure/cover-story-sachin-bansal-buys-dhfl-gen-insurance/articleshow/73180954.cms

	Start-up	PaySense
	Acquired by	PayU
	Sector	Lending
	Purpose	PaySense aims to build a full-stack digital lending platform in India. PaySense's digital credit platform will also enable third parties such as banks, non-banking financial companies (NBFCs) and alternative lenders to co-lend to consumers.
	Source:	https://www.livemint.com/companies/news/payu-acquires-paysense-at-an-equity-value-of-185-million-to-merge-it-with-lazypay-11578652060507.html



Leadership

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