



# PwC's FinTech Insights

November 2019



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

## Account aggregators – putting the customer in charge

One of the greatest benefits of the interconnectedness of digital technologies is its potential ability to bring together data from myriad sources in one place for its effective use. In the world of financial services, cutting-edge technologies and the disruption introduced by on-demand aggregators and marketplaces has brought about a shift in consumer expectations of speed, safety, security and convenience. These changing customer expectations have led to the emergence of the concept of account aggregation.



[Read more.](#)





## Global insights handpicked by PwC

### Global FinTech market size is projected at a CAGR of 23.84% during the forecast period 2019 to 2025

Financial technology (FinTech) is an innovation that seeks to compete in the delivery of financial services with traditional economic techniques. A significant majority of global banks, insurers, and investment managers plan to partner with FinTech firms over the next 3–5 years and expect an average investment return of 20% on their development projects. The FinTech market segment has resulted in consumer transactions and involves payments for internet-based products and services, as well as mobile point-of-sale (PoS) payments via smartphone apps.

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### Digital payment solutions are very valuable for Indian MSMEs

Digital payment technology and payment gateways create significant value for micro, small and medium enterprises (MSMEs) in India, while more than 9 million GST-registered MSMEs could be a potential market for advanced offerings from FinTech companies. According to the 'Indian MSME Impact Report 2019' by FinTech company Instamojo, 63 million MSMEs in India are engaged in a wide variety of businesses. The report is based on a six-month analysis of the MSME sector by Instamojo and Valuvox Business Solutions, during which 400 entrepreneurs were surveyed.

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## Global insights handpicked by PwC

### RBI greenlights its FinTech regulatory sandbox

The Reserve Bank of India (RBI), India's central bank, in August 2019 prescribed detailed guidelines for an operational framework on a regulatory sandbox to be set up in the FinTech space. In a much-awaited move, RBI announced that applications would be open from November 15 to December 15 2019 for the first cohort of its regulatory sandbox. The theme for the first cohort is 'Retail Payments'. As an indicative list of categories for inclusion within this theme, RBI has mentioned 'mobile payments including feature phone-based payment services', 'offline payment solutions' and 'contactless payments' as potential categories.



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### BHIM UPI goes international; QR code-based payments demonstrated at the Singapore FinTech Festival 2019

A pilot demo of BHIM UPI QR-based payments in Singapore was showcased on 13 November 2019 through a live transaction at a merchant terminal at the Singapore FinTech Festival 2019. This was the payment system's first approach to the international market. This QR code-based system would allow anyone with a BHIM app to scan the Singapore Quick Response Code (SGQR) at Network for Electronic Transfers (NETS) terminals for payments in Singapore. The project is being jointly developed by the National Payments Corporation of India (NPCI) and NETS of Singapore. It is scheduled to go live by February 2020, said the Indian High Commission.



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**Global insights handpicked by PwC**

## Singapore Fintech Festival 2019: A global, sustainable vision of the future for FinTech

The world's biggest annual FinTech gathering got bigger this year with the merger of the Singapore Week of Innovation and Technology (SWITCH) and the Singapore Fintech Festival. The agenda for this year was 'reimagining FinTech for the future'. Its focus was on green finance and sustainability. The event demonstrated Singapore's aim of being a leading FinTech centre in Asia and showcased the numerous initiatives the country has taken to achieve its goal.









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

### Investments







	Company	<b>Paytm</b>
	Sector	Payments
	Ticket size	USD 1 billion
	Investor(s)	Led by T Rowe Price
	Company overview	Paytm, owned by One97 Communications, is a digital payments platform that offers multiple financial services under its mobile app and web platform.
	<b>Source:</b>	<a href="https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/paytm-gets-1-billion-topup-in-latest-financing-round/articleshow/72216174.cms">https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/paytm-gets-1-billion-topup-in-latest-financing-round/articleshow/72216174.cms</a>







	Company	<b>Perfios</b>
	Sector	FinTech
	Ticket size	USD 50 million
	Investor(s)	Led by Pincus
	Company overview	Perfios is a credit decisioning and analytics company that operates in the business-to-business (B2B) and business-to-consumer (B2C) segments. It has a partnership with over 200 banks, non-banking financial companies (NBFCs) and FinTech start-ups. Perfios plans to utilise the funds to strengthen its position in international markets.
	<b>Source:</b>	<a href="https://yourstory.com/2019/11/funding-perfios-50-million-warburg-pincus-bessemer-venture-partners">https://yourstory.com/2019/11/funding-perfios-50-million-warburg-pincus-bessemer-venture-partners</a>



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	Company	<b>Amica Financial Technologies</b>
	Sector	Neobank
	Ticket size	USD 24 million
	Investor(s)	Institutional investors
	Company overview	Amica Financial Technologies is an upcoming digital retail bank involved in legal, accounting, book-keeping and auditing activities. It aims to provide savings accounts, investments and lending services to the salaried millennial population with an income demographic of INR 50,000 and upwards, in partnership with a large private bank.
	Source:	<a href="https://tech.economictimes.indiatimes.com/news/startups/amica-financial-technologies-raises-24-million-in-funding/71882011">https://tech.economictimes.indiatimes.com/news/startups/amica-financial-technologies-raises-24-million-in-funding/71882011</a>






	Company	<b>Tookitaki</b>
	Sector	RegTech
	Ticket size	USD 19.2 million
	Investor(s)	Led by Viola FinTech and SIG Asia Investment
	Company overview	Tookitaki combines machine learning (ML), distributed systems and business expertise to create building blocks of sustainable compliance management. The organisation is innovating the regulatory compliance space by developing software solutions to maximise efficiency and effectiveness of compliance processes.
	Source:	<a href="https://www.straitstimes.com/tech/tookitaki-raises-26m-in-series-a-funding">https://www.straitstimes.com/tech/tookitaki-raises-26m-in-series-a-funding</a>










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	Company	<b>Aye Finance</b>
	Sector	Lending
	Ticket size	USD 17.44 million
	Investor(s)	FMO (Dutch bank)
	Company overview	Aye Finance provides financial services within the range of INR 1–2 lakh to micro and small businesses. Aye Finance plans to expand its outreach in providing credit, specifically to women-owned microenterprises in India.

	Company	<b>Acko</b>
	Sector	InsurTech
	Ticket size	USD 16 million
	Investor(s)	Ascent Capital
	Company overview	Acko is a digital insurance platform that provides completely online solution for general insurance needs using data and analytics. It also works with third parties to provide microinsurance facilities around services to other brands.



**Source:** <https://yourstory.com/2019/11/funding-alert-aye-finance-125-cr-fmo>















**Source:** <https://cio.eletsonline.com/news/acko-raises-16-million-funding-round-led-ascent-capital/63922/>



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	Company	<b>Loanzen</b>
	Sector	Lending
	Ticket size	Undisclosed
	Investor(s)	Zephyr Peacock India Growth Fund
	Company overview	Loanzen provides loans to buyers of used commercial vehicles (CVs), including operators of small CV fleets, and first-time buyers. These purchasers have limited financing options due to inadequate credit history and lack of documented income. It uses proprietary underwriting processes based on alternate data sources to meet the needs of its customer segment.
	Source:	<a href="https://yourstory.com/2019/11/funding-startup-loanzen-zephyr-peacock-india">https://yourstory.com/2019/11/funding-startup-loanzen-zephyr-peacock-india</a>

	Company	<b>Niki.ai</b>
	Sector	Chatbot
	Ticket size	Undisclosed
	Investor(s)	Led by EMVC
	Company overview	Niki is India's first B2C commerce platform that provides a voice-centred and local language-based user experience. Niki is empowering the 'new to internet' users with a simplified online experience curated in their own language, which helps them in making online transactions.
	Source:	<a href="https://yourstory.com/2019/11/funding-alert-bengaluru-commerce-startup-niki-emvc">https://yourstory.com/2019/11/funding-alert-bengaluru-commerce-startup-niki-emvc</a>



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	Company	<b>Quikkloan</b>
	Sector	Lending
	Ticket size	Undisclosed
	Investor(s)	Angel investors
	Company overview	Quikkloan is a digital loan marketplace which facilitates personal loans through its partner banks and NBFCs. It will utilise the funds to improve its technological products and refine its data science capabilities.
	Source:	<a href="https://yourstory.com/2019/11/funding-fintech-lending-startup-quikkloan">https://yourstory.com/2019/11/funding-fintech-lending-startup-quikkloan</a>










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### Partnerships






	Start-up	Open
	Partnered with	VISA
	Sector	FinTech
	Purpose	To launch a credit card that will help small enterprises manage their expense and vendor payouts better.
	<b>Source:</b> <a href="https://economictimes.indiatimes.com/small-biz/sme-sector/open-partners-with-visa-to-launch-credit-card-for-startups/articleshow/72007012.cms">https://economictimes.indiatimes.com/small-biz/sme-sector/open-partners-with-visa-to-launch-credit-card-for-startups/articleshow/72007012.cms</a>	






	Start-up	U GRO Capital
	Partnered with	State Bank of India (SBI)
	Sector	Lending
	Purpose	U GRO Capital has signed a loan origination process in partnership with SBI to offer credit at a competitive rate.
	<b>Source:</b> <a href="https://economictimes.indiatimes.com/small-biz/sbi-u-gro-ink-loan-co-origination-agreement/articleshow/72227151.cms">https://economictimes.indiatimes.com/small-biz/sbi-u-gro-ink-loan-co-origination-agreement/articleshow/72227151.cms</a>	



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

### Acquisitions






	Start-up	<b>NBFC (undisclosed)</b>
	Acquired by	PaySense
	Sector	FinTech
	Purpose	Paysense has acquired an NBFC to begin its own lending and has also sought RBI's permission for the same.
	<b>Source:</b>	<a href="https://economictimes.indiatimes.com/markets/stocks/news/paysense-explores-lending-opportunity-acquires-an-nbfc/articleshow/72043462.cms?from=mdr">https://economictimes.indiatimes.com/markets/stocks/news/paysense-explores-lending-opportunity-acquires-an-nbfc/articleshow/72043462.cms?from=mdr</a>






	Start-up	<b>Opfin</b>
	Acquired by	Razorpay
	Sector	FinTech
	Purpose	The acquisition will enable businesses to not only manage their payroll process and fund transfers, but also manage filing of taxes, compliances through a single platform without hiring any external vendors.
	<b>Source:</b>	<a href="https://www.business-standard.com/article/pti-stories/razorpay-acquires-opfin-introduces-corporate-credit-cards-with-rbi-119112201162_1.html">https://www.business-standard.com/article/pti-stories/razorpay-acquires-opfin-introduces-corporate-credit-cards-with-rbi-119112201162_1.html</a>



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	Start-up	<b>Fisdom</b>
	Acquired by	PayU
	Sector	WealthTech
	Purpose	Through this move, PayU is entering the wealth and investments technology domain, as it seeks to move beyond digital payments into broader financial services. With the new funds, Fisdom plans to launch a new product suite and double its headcount in the next one year.
	<b>Source:</b> <a href="https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/payu-leads-rs-78-crore-funding-round-in-fisdom/articleshow/71829323.cms">https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/payu-leads-rs-78-crore-funding-round-in-fisdom/articleshow/71829323.cms</a>	

	Start-up	<b>Boxx.ai</b>
	Acquired by	Netcore
	Sector	Artificial intelligence (AI)
	Purpose	With this acquisition, Netcore believes that its smart offering will now further empower digital brands to deliver a truly omni-channel personalised experience at scale for every individual across digital touchpoints such as websites, mobile apps, email, and social media, throughout the entire customer journey.
	<b>Source:</b> <a href="https://brandequity.economictimes.indiatimes.com/news/business-of-brands/netcore-acquires-boxx-ai-to-enable-brands-with-personalisation-at-scale/71964639">https://brandequity.economictimes.indiatimes.com/news/business-of-brands/netcore-acquires-boxx-ai-to-enable-brands-with-personalisation-at-scale/71964639</a>	



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### Acquisitions

	Start-up	<b>Cathyos Labs</b>
	Acquired by	Automation Anywhere
	Sector	Robotic process automation (RPA)
	Purpose	With this acquisition, Automation Anywhere plans to enable the company's expansion and product innovation journey. The company is looking to expand its engineering team to boost product development, support, and business delivery.
	Source:	<a href="https://www.automationanywhere.com/company/press-room/automation-anywhere-completes-acqui-hire-of-cathyos-labs-to-support-strategic-growth-plan">https://www.automationanywhere.com/company/press-room/automation-anywhere-completes-acqui-hire-of-cathyos-labs-to-support-strategic-growth-plan</a>





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Data Classification: DC0

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AW/December 2019 - M&C 3760