



PwC's FinTech Insights

September 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

Highlights and recommendations from the Steering Committee on FinTech Related Issues

The Steering Committee on FinTech Related Issues submitted its final report to Finance Minister Nirmala Sitharaman on 2 September 2019. The report suggested a comprehensive legal framework to protect consumers of digital services. The report drew attention to the objectives of the committee and the key highlights and recommendations, which have been structured in line with the committee's core objectives of measuring for expanding financial services, general policies, technology and database related action.



[Read more.](#)

Breaking new ground: How emerging technologies are helping NBFCs evolve

Non-banking financial companies (NBFCs) have played a pivotal role in providing financial services to individuals and business that have mostly remained outside the ambit of traditional banks. But regulations for NBFCs have become more stringent in recent times and the cost of borrowing has also increased. NBFCs are now more focused on developing innovative products and catering to low-income, urban customers in unorganised sectors of the economy. NBFCs are adopting business and operational models powered by technologies that simplify the design, launch, implementation and execution of tailored financial products and services. By investing in new technologies and entering strategic partnerships with incumbent financial institutions and FinTechs, NBFCs are lowering their overall costs of operations.



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Global insights handpicked by PwC India

Global market value of FinTech is expected to reach USD 309.98 billion at a CAGR of 24.8% through 2022

The worldwide FinTech market was estimated to be at USD 127.66 billion in 2018 and is expected to be worth USD 309.98 billion, at a yearly development pace of 24.8% through 2022. Development in the computerised instalments division is driving the global FinTech market. FinTech has made instalments for merchandise and ventures quicker, simpler, progressively helpful, and cost-productive for clients. Clients would now be able to pay for different merchandise and enterprises by means of cryptographic money, dedication focuses, etc.



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UK FinTechs want to enter Indian start-up sandboxes

India's financial regulators want to encourage innovation in the FinTech space by allowing start-ups to experiment in 'sandboxes' that will offer them temporary regulatory protection. As regulators like Reserve Bank of India (RBI) and Securities and Exchange Board of India (SEBI) develop the framework for these sandboxes, UK-based FinTech start-ups now want to be allowed into these sandboxes as well. India and the UK have been among the top five investors in each other's economies since 2010.



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Global insights handpicked by PwC India

IRDAI opens application window for regulatory sandbox participation

The Insurance Regulatory and Development Authority (IRDAI) will open a one-month window to acknowledge applications from organisations taking an interest in the administrative sandbox activity. Through the programme, the regulator would permit protection to firms hoping to fiddle with new thoughts and advancements in a controlled situation, to make the current system more start-up-friendly. RBI and SEBI have also announced working guidelines for their respective sandbox programmes.



[Read more.](#)

Standardising QR Codes: ASEAN FinTechs share structures through central banks

The goal of the Association of Southeast Asian Nations (ASEAN) is to link technical and social benefits for a market of 648 million inhabitants. Like many other developing markets, QR codes play a significant role in payment acceptance. ASEAN countries are now driving QR code standardisation through central banks. The cluster has similar needs to China and India. Keeping pace, ASEAN bankers want to ensure that a QR code in Manila functions as it does in Beijing and Mumbai. It is urgent because unaligned transactions will defeat the goal of interoperability.



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Global insights handpicked by PwC India

Going Digital – India's FinTech economy is gaining currency big time

Digital payments are driving the FinTech revolution in India, with transactions worth USD 64 billion in 2017-18. With developing digital awareness and trust in technology, terms such as UPI, IMPS and NEFT are commonplace today. Deeper smartphone penetration and easy access to the internet over the past 3-5 years, along with data and information inter-linkages, have made technology-led decisions easier and quicker, fuelling the FinTech story.









[Read more.](#)





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

Investments







| | | |
|---|------------------|---|
|  | Company | OkCredit |
|  | Sector | Credit account management app |
|  | Ticket size | USD 67 million |
|  | Investor(s) | Tiger Global |
|  | Company overview | OkCredit is an app-based solution, which provides merchants with simple and reliable means by digitally recording credit and payments for their businesses carried out on credit basis. |
|  | Source: | https://yourstory.com/2019/09/funding-fintech-startup-okcredit-light-speed-tiger-global-sme |











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| | | |
|---|------------------|---|
|  | Company | OfBusiness |
|  | Sector | SME finance |
|  | Ticket size | US\$34 Million |
|  | Investor(s) | Norwest Venture Partners |
|  | Company overview | OfBusiness is a technology-driven small and medium-sized enterprises (SME) financing platform that adds value to SMEs' businesses beyond financing, through its raw material fulfilment engine and new opportunities platform. |
|  | Source: | https://m.dailyhunt.in/news/india/english/inc42-epaper-inc/ofbusiness+raises+34+mn+series+d+funding+from+norwest+others-newsid-138259664 |







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|---|------------------|---|
|  | Company | Groww |
|  | Sector | Online investment |
|  | Ticket size | US\$21 million |
|  | Investor(s) | Ribbit Capital, Sequoia India and Y Combinator |
|  | Company overview | Groww is an investing platform where users can find the best mutual funds to invest in and can invest their money without any hassles. Groww provides objective evaluation of mutual funds and does not advice or recommend any mutual fund or portfolios. The investor shall invest at their own discretion. Groww does not guarantee any returns and safety of capital. |
|  | Source: | https://www.thehindubusinessline.com/info-tech/investment-platform-groww-raises-21-m-series-bfunding/article29451538.ece |



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| | | |
|---|------------------|---|
|  | Company | Aye Finance |
|  | Sector | Digital lending |
|  | Ticket size | USD 11 Million |
|  | Investor(s) | SAIF Partners and CapitalG, Google's venture capital arm, |
|  | Company overview | Aye Finance is a new-age finance company that provides business loans to small and micro enterprises in India. |
|  | Source: | https://www.vccircle.com/sme-lender-aye-finance-raises-debt-funding-worth-11-mn/ |






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|---|------------------|---|
|  | Company | Cred |
|  | Sector | FinTech |
|  | Ticket size | USD 9.5 million |
|  | Investor(s) | General Catalyst |
|  | Company overview | Cred is a members-only app, which gives exclusive rewards for paying credit card bills in a timely manner. |
|  | Source: | https://inc42.com/buzz/exclusive-general-catalyst-invests-9-5-mn-in-creds-series-b-funding-round/ |



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|  | Company | CashFlo |
|  | Sector | Lending |
|  | Ticket size | USD 3.3 million |
|  | Investor(s) | SAIF Partners and angel investors |
|  | Company overview | CashFlo solves the complex problem of affordable and seamless credit access to small businesses through innovative technological models. |

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|--|------------------|---|
|  | Company | SlicePay |
|  | Sector | FinTech |
|  | Ticket size | USD 2.8 million |
|  | Investor(s) | Gunosy Capital and Pegasus Wings Group |
|  | Company overview | SlicePay offers credit solutions exclusively for youngsters between in the age group of 18–29 years. SlicePay's payment card comes with a pre-approved credit line. |



Source: <https://www.livemint.com/companies/start-ups/cashflo-raises-3-3-million-in-series-a-funding-1567568264775.html>















Source: <https://yourstory.com/2019/09/funding-fintech-startup-slice-pay-debt>



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| | | |
|---|------------------|---|
|  | Company | DIPL |
|  | Sector | Payments |
|  | Ticket size | USD 0.809 million |
|  | Investor(s) | US based IC1101 conglomerate |
|  | Company overview | DIPL is an Aadhar Enabled Payments System (AEPS)-based digital payment solution spread across India. They bring ample opportunities for people in the form of employment and entrepreneurship. Their solutions help people in both urban and rural areas and are tailor-made specifically for particular regions. |
|  | Source: | https://www.google.com/search?q=5.75+crore+in+usd&rlz=1C1GCEJ_enIN861IN861&oq=5.75+crore+in+usd&aqs=chrome..69i57.6151j1j9&sourceid=chrome&ie=UTF-8&safe=active&ssui=on |






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|---|------------------|---|
|  | Company | FinancePeer |
|  | Sector | P2P lending |
|  | Ticket size | USD 0.703 million |
|  | Investor(s) | Angel funding |
|  | Company overview | FinancePeer is an artificial intelligence (AI)-based school fee financing model. It is a peer to peer lending platform, digitally connecting individual borrowers to lenders. It aims to ease people's access to capital and improve their standards of living. |
|  | Source: | https://www.vccircle.com/fintech-startup-financepeer-raises-angel-funding/ |



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|  | Company | AdvaRisk |
|  | Sector | FinTech |
|  | Ticket size | USD 0.70 million |
|  | Investor(s) | Seed funding round led by Sprout Venture Partners |
|  | Company overview | AdvaRisk is a financial technology start-up that focuses on detection and prevention of fraud. |

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|  | Company | Finception |
|  | Sector | FinTech |
|  | Ticket size | USD 0.562 million |
|  | Investor(s) | Zerodha's Rainmatter |
|  | Company overview | Finception creates content around stock market investments. It provides a platform for investors and non-investors to explore stocks through our easy-to-understand stories. |



Source: <https://www.vccircle.com/sprout-venture-leads-seed-funding-round-in-fraud-detection-fintech-advarisk/>









Source: <https://tech.economictimes.indiatimes.com/news/startups/zerodhas-rainmatter-invests-rs-4-crore-in-finception/71279236>



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| | | |
|---|------------------|---|
|  | Company | Yelo |
|  | Sector | NeoBank |
|  | Ticket size | Undisclosed |
|  | Investor(s) | Matrix Partners India, Omidyar Network India Flourish and Better Capital |
|  | Company overview | YeLo is a digital-only mobile-first Neobank. It will offer an array of products and services aimed at improving financial outcomes for the next half billion. Their idea is to personalise product offerings to customers. |
|  | Source: | https://www.thehindubusinessline.com/specials/emerging-entrepreneurs/yelo-raises-seed-funding/article29432325.ece |










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Partnerships






| | | |
|---|--|--|
|  | Start-up | OYO, MakeMyTrip, BigBasket |
|  | Partnered with | HDFC Bank |
|  | Sector | Financial supermarkets |
|  | Purpose | HDFC Bank has rolled out a range of festive offers, in partnership with more than 1,000 leading in-store and online consumer brands. Discounts on processing fee on loans, reduced EMIs, gift vouchers and various other benefits will boost businesses of SMEs. |
|  | Source: https://yourstory.com/2019/09/hdfc-bank-festive-treats-oyo-bigbasket-makemytrip-reliance-aditya-puri | |






| | | |
|---|--|--|
|  | Start-up | Citroen Finance |
|  | Acquired by | Axis Bank |
|  | Sector | Retail finance and mobility solutions |
|  | Purpose | Citroen Finance will provide retail finance and mobility solutions, including value-added products to its customers and customised credit solutions to its dealers in India. |
|  | Source: https://auto.economictimes.indiatimes.com/news/auto-finance/citroen-partners-with-axis-bank-for-auto-finance-in-india/71294315 | |



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Acquisitions

| | | |
|---|-------------|---|
|  | Start-up | Buzzo.ai |
|  | Acquired by | Haptik |
|  | Sector | Conversational commerce |
|  | Purpose | Buzzo.ai is a platform to create an expert, advisor-like conversational shopping experience for any retail or e-commerce domain. Once the technology is added, Haptik will be able to further enhance voice and chat commerce solutions for its customers globally. |
|  | Source: | https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/reliance-backed-haptik-acquires-buzzo-ai/articleshow/71275093.cms |

| | | |
|---|-------------|---|
|  | Start-up | CRID |
|  | Acquired by | Flipkart |
|  | Sector | Microfinance |
|  | Purpose | Flipkart's acquisition of Chaitanya Rural Intermediation Development Services (CRIDS) will mark the latter's entry into the financial service sector. |
|  | Source: | https://economictimes.indiatimes.com/industry/banking/finance/sachin-bansal-ventures-into-financial-services/articleshow/71304196.cms |



Leadership

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