Financial Services Data and Analytics Newsletter

August 2023
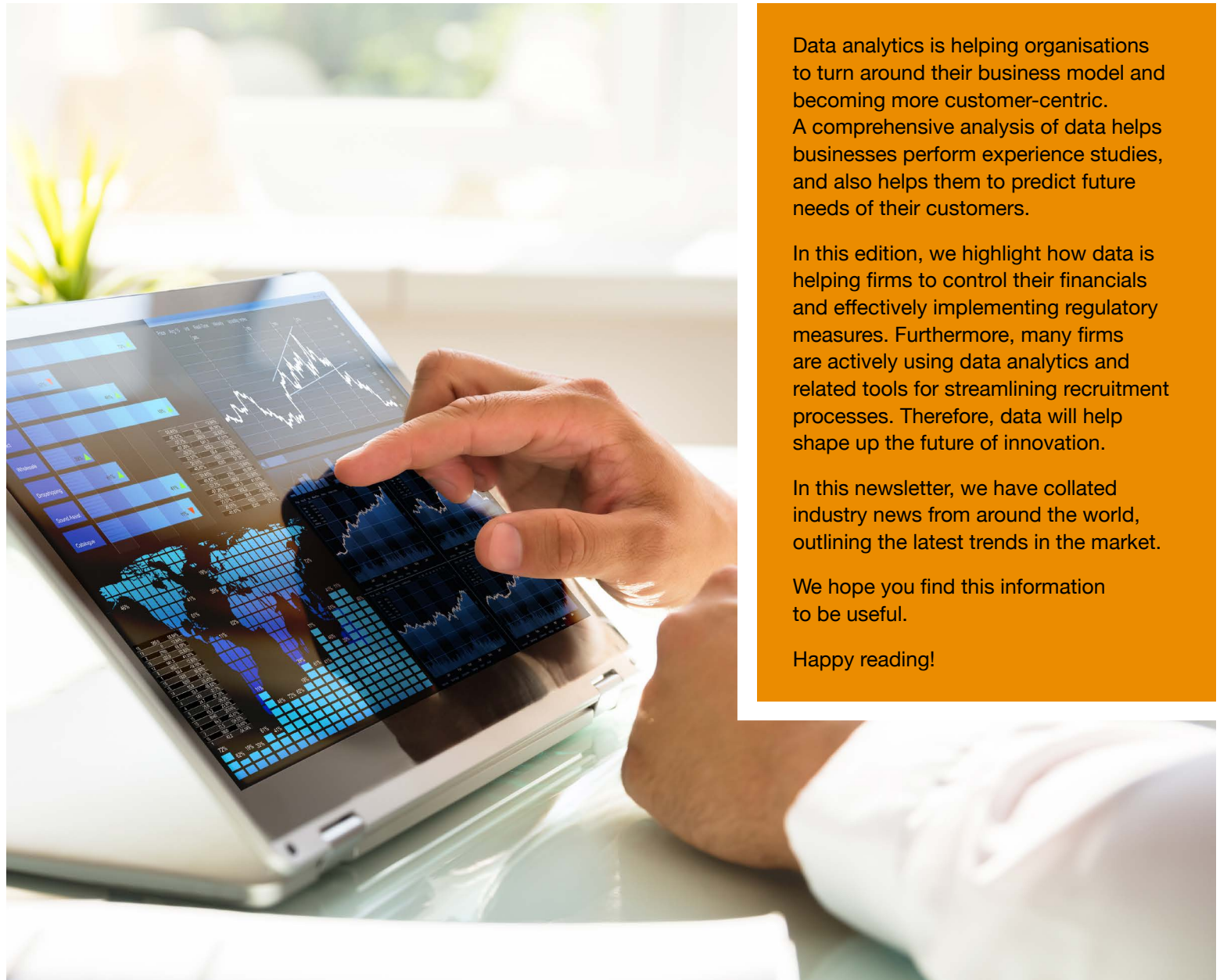
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Introduction

Data analytics is helping organisations to turn around their business model and becoming more customer-centric. A comprehensive analysis of data helps businesses perform experience studies, and also helps them to predict future needs of their customers.

In this edition, we highlight how data is helping firms to control their financials and effectively implementing regulatory measures. Furthermore, many firms are actively using data analytics and related tools for streamlining recruitment processes. Therefore, data will help shape up the future of innovation.

In this newsletter, we have collated industry news from around the world, outlining the latest trends in the market.

We hope you find this information to be useful.

Happy reading!

Industry news

1. **Reserve Bank of India (RBI) launched the pilot on 'Public Tech Platform' for frictionless credit**

   RBI has launched a new digital platform, 'Public Tech Platform' developed by its subsidiary, Reserve Bank Innovation Hub (RBIH) to facilitate frictionless credit by enabling a smoother flow of information to lenders. The digital platform is an end-to-end solution that is based on an open architecture and open APIs. It will facilitate linkage with services like e-KYC, land records from onboarded state governments, satellite data and PAN validation. Currently, the scope of the platform is limited to select products like kisan credit card, dairy, micro, small and medium enterprise (MSME), home and personal loans. However, it might be extended to other products as well later.

2. **Yes Bank launches Unified Payments Interface (UPI) payments through RuPay credit cards**

   Yes Bank has enabled the linkage between their RuPay credit cards with UPI payment apps like Paytm, PhonePe and GooglePay. This will allow customers to make credit-card based transactions easily with enhanced security features.

3. **State Bank of India (SBI) launches an Aadhaar-based enrolment for social security schemes**

   SBI has introduced a special customer service points (CSP) functionality which allows customers to enrol for social security schemes such as Pradhan Mantri Jeevan Jyoti Bima Yojana, Pradhan Mantri Suraksha Bima Yojana, and Atal Pension Yojana, which only requires their Aadhaar card for registering for the same. The bank has launched this technology-driven enhancement to foster financial inclusion with the help of digitisation.

4. **RBI introduces AI-driven UPI conversational payments**

   The RBI announced its move to implement AI-based conversational payments on the UPI, enabling users to interact with artificial learning (AI) to execute payments. This initiative, highlighted by Governor Das, aligns with Indian banks' broader strategy towards incorporating AL and machine learning (ML) to enhance digital banking.

Industry news

5. RBI collaborated with global consultancies for AI-based regulatory supervision

RBI has partnered with global consultancies, McKinsey and Accenture, to enhance AI-driven regulatory supervision of banks and NBFCs. RBI had previously called for advanced analytics integration in September to generate supervisory insights which strengthen real-time data reporting and efficient data management across diverse financial sectors.

6. RBI enhances advanced data handling by introducing Centralised Information Management System (CIMS)

RBI has introduced CIMS, a data management tool that uses advanced technology for the efficient handling of large-scale data. It enables data mining, text analysis, visual analytics and statistical analysis, potentially transforming economic analysis and supervision across sectors. RBI's Governor Das emphasised the CIMS's potential to revolutionise data dissemination with a focus on commercial banks, promoting transparency and accessibility.

7. Tata Power Delhi and US-based Utilityx tie up to enhance cybersecurity and seamless power supply

In order to fight against cyber threats, Tata Power has tied up with Utilityx. This partnership will also provide real-time analytics to Tata Power for its distribution grid, which will help the company to ensure a continuous power supply.

8. New measures by the Insurance Regulatory and Development Authority (IRDAI) for better customer experience

IRDAI is all set to bring in new measures to provide better service to policyholders and increase insurance penetration in the country by providing a smooth and easy customer experience. Some of the initiatives include 100% cashless claim settlement in health coverages, better and flexible schemes for senior citizens, long-term plans, additional options for withdrawn products, bringing more players in the market and improving the InsurTech sector via new-age technologies.

Industry news

9. Smart underwriting platform for Aditya Birla Sun Life Insurance

Aditya Birla Sun Life Insurance has launched an ML-based model for its underwriting process in partnership with Artivatic.ai. The new process combines the traditional underwriting rules with advanced ML algorithms to streamline the process, resulting in better decision making and faster policy issuance. This, along with a no-code rule engine, is also able to provide better and faster onboarding experience as well as recommendations for underwriting decisions with scores and insights.

10. GoFi partners with Provenir for assessing credit risks

GoFi, a US-based AI-centric automotive financial provider, has implemented Provenir's data and decisioning platform for enhancing credit decisioning process, including universal access to data, embedded analytics and decisioning technology. According to GoFi, the platform can provide auto-decisioned responses to clients considering market dynamics and valuable insights for smarter decisions. Additionally, its customisation options help GoFi to integrate with other platforms.

11. Clearstream Banking AG migrates its regulatory reporting to Rcloud

Clearstream, an international securities services provider and owned by Deutsche Börse AG, is migrating its regulatory reporting from on-premises to Regnology's Rcloud platform. The shift was needed to adhere to multiple regulatory reporting requirements in Luxemburg and Germany. Rcloud was formed by Regnology, a Frankfurt-based technology firm, by partnering with Google Cloud.

12. Zolve launches Zolve Connect to offer combined telecom and financial services for expats

Zolve Connect, a mobile service by neo-bank start-up Zolve, is specifically customised for expats in the US. It has both e-SIM and physical SIM options. Users can sign up anywhere and avail benefits of financial products along with mobile services upon landing in the US, reducing traditional, time-consuming processes.
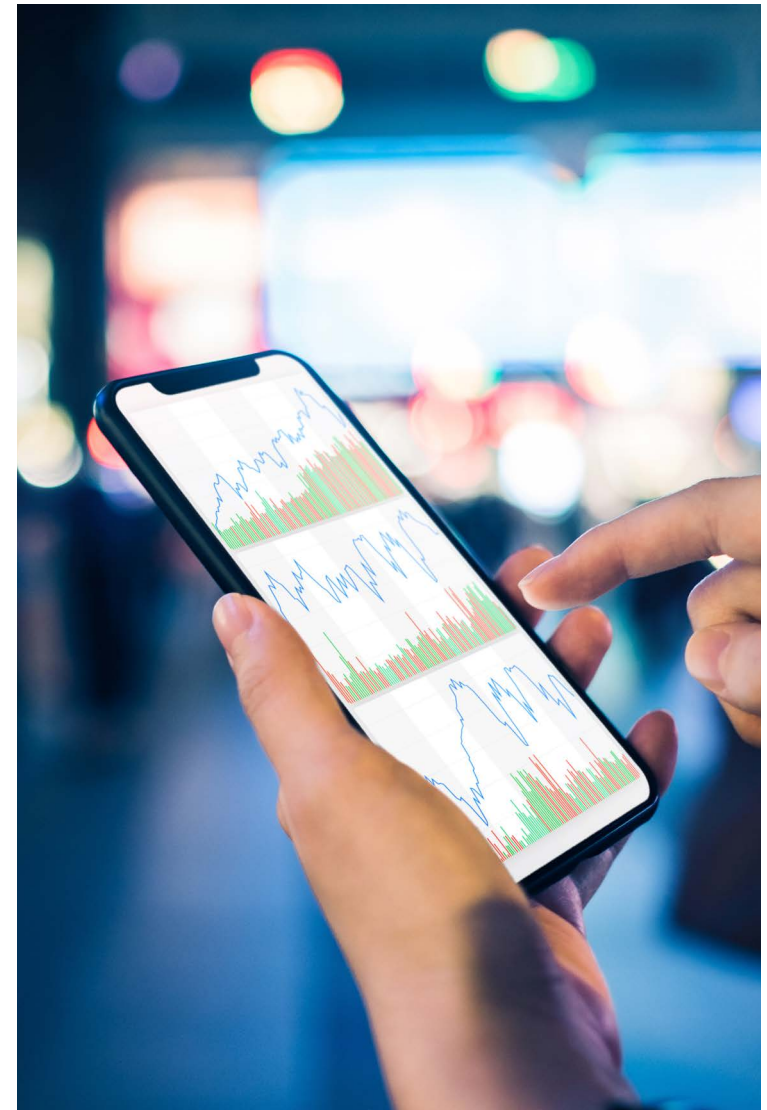
Industry news

13. HDFC Bank and ICICI Bank started UPI now, PayLater

HDFC Bank and ICICI bank started a credit limit on UPI payments as RBI gave its go-ahead for its pre-approved credit line for UPI as well. Banks are finding these credit limits by conducting research on their existing account holders and potential customers. This research is based on risk and data analytics.

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