

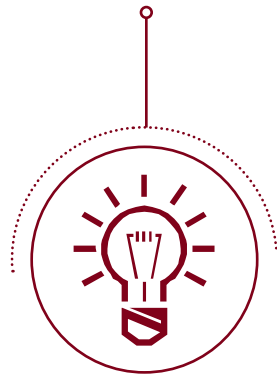


# *PwC's FinTech Insights*

## August 2018



*Our insights*



*From around  
the web*



*FinTech tales*



*Contacts*







An exclusive look at the latest developments and evolving technologies in the FinTech space

## UPI 2.0: Towards a complete digital ecosystem

Since its launch one-and-a-half years ago, Unified Payments Interface (UPI) has allowed full-scale interoperability in transfer of funds. The transaction volumes have grown 123 times from 2 million in December 2016 to 246 million in June 2018, while transaction values grew 58 times

from 7 billion INR to 408 billion INR in the same period. With the launch of the second version on 16 August 2018, efforts have been made to shape UPI into an end-to-end digital transacting platform.



[\*Read more.\*](#)





Global insights handpicked by PwC

## UK financial authority creates global alliance for fintech innovation collaboration

The UK Financial Conduct Authority (FCA) has announced the creation of a global initiative to improve collaboration on fintech innovations — like blockchain — between regulators and companies, according to an official 7 August press release. The FCA states that the new alliance, the Global Financial Innovation Network (GFIN), will work in collaboration with 11 financial authorities and related organizations in order to help fintech firms interact more easily with regulators from different countries.



[Read more.](#)

## MAS and Dubai authority sign accord to support fintech development

The Monetary Authority of Singapore (MAS) and the Dubai Financial Services Authority (DFSA) have signed an agreement that allows each party to refer fintech companies to each other, as well as facilitate the sharing of information on innovation in the financial sector. Both authorities have also agreed to work on joint projects on the application of key technologies. This includes digital and mobile payments, blockchain and distributed ledgers, Big Data and Application Programming Interfaces (APIs).



[Read more.](#)





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## Swiss watchdog to propose less stringent anti-money laundering rules for fintechs

Swiss financial regulator FINMA is planning to loosen anti-money laundering rules for smaller financial technology firms, part of a drive to boost innovation and shore up the country's position as a leading money management hub. The revisions, prompted by a new 'fintech' licensing category carved out by the Swiss parliament in June, will clarify how non-banks applying for the new license must ensure due diligence.



[Read more.](#)

## EU regulation will drive U.S. banks to embrace FinTech or lose market share

Two significant changes to European Union regulations have given the FinTech industry a major shot in the arm and strengthened its position as a competitor to traditional banking, the result of which will be that U.S. banks will be forced to rethink their client strategies.



[Read more.](#)







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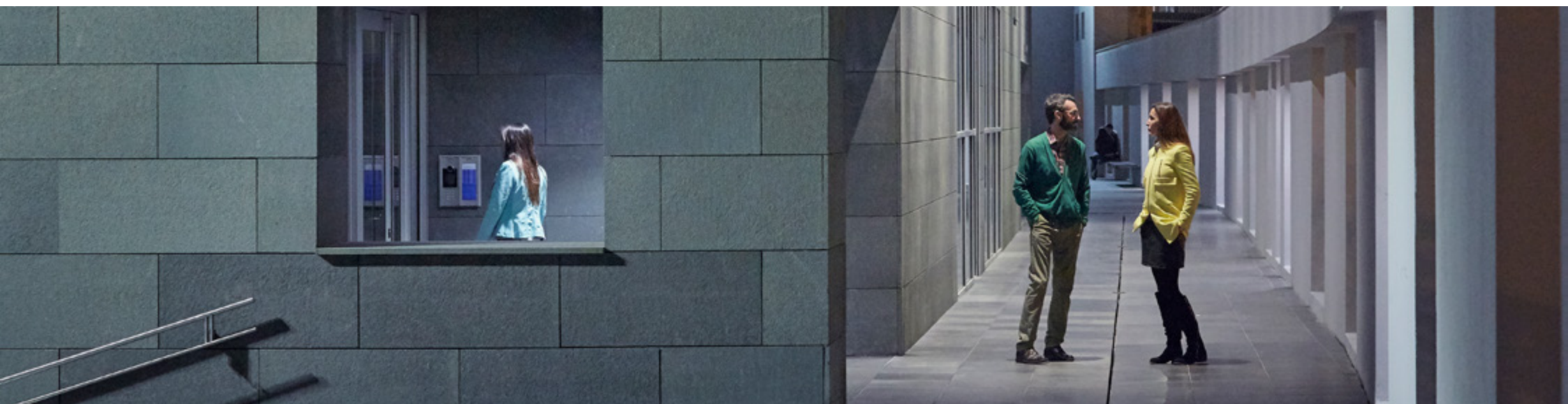
## WhatsApp's new business communication tools open a new chapter in chat marketing

The recent years have witnessed a great shift in the marketing paradigm as everything is going customer-centric. 'Chat Marketing' has surpassed all other marketing tools and strategies and proven its worth in nearly doubling the client conversion rate and growing businesses

exponentially. The new 'WhatsApp for Business' initiative that was officially launched in January 2018 has kicked off with the rolling out of the WhatsApp business API from 1 August 2018.









[Read more.](#)











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

## Investments







	Company	<b>Observe.AI</b>
	Sector	Artificial intelligence
	Ticket size	8 million USD
	Investor(s)	Nexus Venture Partners, MGVC, Liquid 2 Ventures, Hack VC, Emergent Ventures and Y Combinator
	Company overview	Observe.AI empowers call centre agents by providing the agent with real-time feedback on customer sentiment and guides them on next best action during the customer call.
	Source: <a href="https://tech.economictimes.indiatimes.com/news/startups/ai-startup-observe-ai-secures-8m-series-a-funding-led-by-nexus-vp/65396073">https://tech.economictimes.indiatimes.com/news/startups/ai-startup-observe-ai-secures-8m-series-a-funding-led-by-nexus-vp/65396073</a>	







	Company	<b>piVentures</b>
	Sector	Artificial intelligence and IoT
	Ticket size	6 million USD
	Investor(s)	CDC Group Plc
	Company overview	piVentures finds, funds and supports the best teams who are using artificial intelligence, machine learning and IoT to solve real world problems.
	Source: <a href="https://inc42.com/buzz/ai-focused-fund-pi-ventures-gets-6-mn-from-cdc-group-uk/">https://inc42.com/buzz/ai-focused-fund-pi-ventures-gets-6-mn-from-cdc-group-uk/</a>	



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## Investments

	Company	<b>Racetrack.ai</b>
	Sector	Artificial intelligence
	Ticket size	5 million USD
	Investor(s)	Murali Krishna, Dov Kagan
	Company overview	Racetrack is a sales and support-focused AI-driven platform designed for the education, real estate, and e-commerce sectors.
	Source: <a href="https://www.business-standard.com/article/companies/ai-firm-racetrack-ai-raises-5-million-eyes-to-enter-new-geographies-118080101039_1.html">https://www.business-standard.com/article/companies/ai-firm-racetrack-ai-raises-5-million-eyes-to-enter-new-geographies-118080101039_1.html</a>	







	Company	<b>ShubhLoans</b>
	Sector	Lending
	Ticket size	4.2 million USD
	Investor(s)	Led by Saama Capital
	Company overview	Shubh Loans is an app-based lender providing loans largely to blue-collar employees with annual incomes of 1.5 lakh INR to 4.5 lakh INR. It generates a free credit report for users to study and obtain a loan accordingly.
	Source: <a href="https://www.livemint.com/Companies/AINjFqQRW4JKRki8dH5HEO/ShubhLoans-raises42million-from-Saama-Capital-others.html">https://www.livemint.com/Companies/AINjFqQRW4JKRki8dH5HEO/ShubhLoans-raises42million-from-Saama-Capital-others.html</a>	











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	Company	<b>Paytm</b>
	Sector	Payments
	Ticket size	Undisclosed
	Investor(s)	Berkshire Hathaway Inc.
	Company overview	Paytm is India's largest mobile commerce platform which offers multiple financial products and services.
	Source: <a href="https://www.livemint.com/Companies/eHEd0FaBESIBZXh9hGU2OM/Its-official-Warren-Buffetts-Berkshire-buy-stake-in-Paytm.html">https://www.livemint.com/Companies/eHEd0FaBESIBZXh9hGU2OM/Its-official-Warren-Buffetts-Berkshire-buy-stake-in-Paytm.html</a>	







	Company	<b>HappyEMI</b>
	Sector	Consumer finance
	Ticket size	1 million USD
	Investor(s)	AJ Ventures, Jain International Trade Organisation
	Company overview	HappyEMI is a next-generation consumer finance company providing shoppers with instant financing at the point-of-sale in stores and online platforms making it peopleless, paperless financing platform.
	Source: <a href="https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/happyemi-gets-rs-7-crore-to-expand-its-footprint/articleshow/65331585.cms">https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/happyemi-gets-rs-7-crore-to-expand-its-footprint/articleshow/65331585.cms</a>	



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## Investments






	Company	<b>Finzy</b>
	Sector	P2P lending
	Ticket size	1 million USD
	Investor(s)	Undisclosed
	Company overview	Finzy is a peer-to-peer lending platform. It connects borrowers and investors digitally and makes the entire process paperless.
	Source: <a href="https://tech.economictimes.indiatimes.com/news/startups/p2p-lending-startup-finzy-raises-1m-funding/65475893">https://tech.economictimes.indiatimes.com/news/startups/p2p-lending-startup-finzy-raises-1m-funding/65475893</a>	






	Company	<b>Olly credit</b>
	Sector	Lending
	Ticket size	Undisclosed
	Investor(s)	Led by Incubate Fund (Japan)
	Company overview	Olly Credit offers micro credit cards with a dynamic credit limit of up to 20,000 INR.
	Source: <a href="https://economictimes.indiatimes.com/small-biz/startups/japans-incubate-fund-backs-fintech-startup-olly-credit/articleshow/61252500.cms">https://economictimes.indiatimes.com/small-biz/startups/japans-incubate-fund-backs-fintech-startup-olly-credit/articleshow/61252500.cms</a>	



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## Partnerships

	Start-up	<b>Google Pay</b>
	Partnered with	HDFC Bank Ltd, ICICI Bank Ltd, Federal Bank and Kotak Mahindra Bank Ltd
	Sector	Lending
	Purpose	To provide instant loans for the app's users. Once users holding accounts with these banks accept the banks' terms, the money will be transferred to their accounts.
	Source: <a href="https://www.livemint.com/Companies/Ot1UTmQ8EMe0DTWSiJCgfJ/Google-teams-with-HDFC-Bank-ICICI-others-for-instant-loans.html">https://www.livemint.com/Companies/Ot1UTmQ8EMe0DTWSiJCgfJ/Google-teams-with-HDFC-Bank-ICICI-others-for-instant-loans.html</a>	






	Start-up	<b>PayPal</b>
	Partnered with	HDFC Bank
	Sector	Payments
	Purpose	To offer a safer, faster and more convenient payment experience to HDFC Bank card holders and help drive incremental digital spend.
	Source: <a href="https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/paypal-india-hdfc-bank-join-hands-for-better-payment-experience-of-customers/articleshow/65337850.cms">https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/paypal-india-hdfc-bank-join-hands-for-better-payment-experience-of-customers/articleshow/65337850.cms</a>	










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## Partnerships






	Start-up	<b>Freecharge</b>
	Partnered with	Abhibus
	Sector	Digital payments
	Purpose	This partnership will allow Freecharge to enable more than 1 lakh routes and 2,500 bus operators on its user platform and also enable customers to track and manage their trips on the app itself.
	Source: <a href="https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/freecharge-to-partner-with-bus-ticketing-platforms/articleshow/65556761.cms">https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/freecharge-to-partner-with-bus-ticketing-platforms/articleshow/65556761.cms</a>	






	Start-up	<b>PayU</b>
	Partnered with	Reliance Money
	Sector	Lending
	Purpose	To offer instant app based personal loans via LazyPay. The entire process is completely digital, saving customers the hassle and delays usually associated with the loan approval process.
	Source: <a href="https://www.business-standard.com/article/news-ani/payu-reliance-money-announce-strategic-partnership-for-instant-loan-118080800675_1.html">https://www.business-standard.com/article/news-ani/payu-reliance-money-announce-strategic-partnership-for-instant-loan-118080800675_1.html</a>	



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## Acquisitions






	Start-up	<b>Balance</b>
	Acquired By	Paytm
	Sector	Wealth management
	Purpose	The acquisition will help to enhance Paytm's user and merchant interface.
	Source: <a href="https://www.livemint.com/Companies/3g2VshLIP9WNpsdVOrrXRP/Paytm-buys-savings-management-app-Balance-Tech-for-undisclos.html">https://www.livemint.com/Companies/3g2VshLIP9WNpsdVOrrXRP/Paytm-buys-savings-management-app-Balance-Tech-for-undisclos.html</a>	

	Start-up	<b>Walnut</b>
	Acquired By	Capital Float
	Sector	Finance management
	Purpose	To strengthen its new consumer-lending business.
	Source: <a href="https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/capital-float-buys-personal-fin-firm-walnut-for-30-million/articleshow/65482018.cms">https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/capital-float-buys-personal-fin-firm-walnut-for-30-million/articleshow/65482018.cms</a>	



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## Acquisitions

	Start-up	<b>Amazon Pay</b>
	Acquired By	Tapzo
	Sector	Payments
	Purpose	To ramp up its digital payments business in the country considering increased competition from rivals.
	Source: <a href="https://www.livemint.com/Companies/A5Vw3WwfGfil7LrdWIsRsL/Amazon-Pay-set-to-acquire-app-aggregator-Tapzo.html">https://www.livemint.com/Companies/A5Vw3WwfGfil7LrdWIsRsL/Amazon-Pay-set-to-acquire-app-aggregator-Tapzo.html</a>	







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