

# FinTech Insights

December 2020



## Our insights

### Evolving business models in the payments industry

The digital payments landscape in India has been growing rapidly over the last few years. The Reserve Bank of India (RBI) reported a compound annual growth rate (CAGR) of 61% in volume and 19% in value for digital payments in India between 2014–2019. This growth has been supported and propelled by the continuous emergence of new technologies, payments products/methods, introduction of disruptive market players and regulatory interventions, among many other factors. [Read more](#)

### The Indian payments handbook – 2020–2025

The Indian digital payment space has seen extraordinary growth in the last few years, with the volume of transactions increasing at an average compound annual growth rate (CAGR) of 23%. The launch of new and innovative payment products like Unified Payments Interface (UPI), National Electronic Toll Collection (NETC) and Bharat Bill Pay Service (BBPS) have firmly placed the digital payment industry on an upward growth trajectory. [Read more](#)



## From around the web

December 2020 was an exciting month for the global FinTech ecosystem. A few curated and handpicked developments in the FinTech sector from the last month are outlined below:

### Global

- PayPal-backed fintech start-up Tink valued at more than \$800 million after fresh funding. [Read more.](#)
- Singapore launches "Singapore Financial Data Exchange". [Read more.](#)
- GoCardless nears Unicorn status on \$95 million funding round. [Read more.](#)
- Central Bank of Oman opens fintech regulatory sandbox. [Read more.](#)

### India

- Pine Labs' valuation crosses \$2B after fresh investment from Lone Pine Capital. [Read more.](#)
- WhatsApp to Enter Digital Lending, Insurance To Tap Indian Fintech Opportunity. [Read more.](#)
- Debit, Credit and PPI cards clock 500 Mn transactions at PoS, e-comm platforms in Nov. [Read more.](#)
- CreditVidya launches embedded financial services platform Prefr. [Read more.](#)
- WhatsApp to offer sachet-sized health cover. [Read more.](#)
- Now, buy insurance and pension products on WhatsApp. [Read more.](#)
- UPI records 2.21 Bn transactions in December. [Read more.](#)



## Regulatory developments

The FinTech industry witnessed a few important regulatory developments in December. A few key developments in the Indian FinTech sector are highlighted below:

- Reserve Bank of India introduces the RBI-Digital Payments Index. [Read more.](#)
- RBI selects four more sandbox entities in first cohort. [Read more.](#)
- Real time cross-border payments will be a reality in next 3-5 years. [Read more.](#)
- Sebi relaxes norms, paves way for fintech startups to enter mutual fund business. [Read more.](#)
- NPCI allows payment banks and fintechs to be shareholders. [Read more.](#)



## FinTech tales

### Investments

The Indian FinTech ecosystem received a significant amount of funding in the month of December as well. FinTech investments in Indian start-ups from December 2020 are highlighted below.

Start-up	Sector	Amount raised	Lead investor	Source
Pine Labs	Payments	USD 100 million	Stephen Mandel's hedge fund Lone Pine Capital	<a href="#">Read more.</a>
CRED	Lending	USD 80 million	DST Global	<a href="#">Read more.</a>
Cashfree	Payments	USD 35.5 million	Apis Partners	<a href="#">Read more.</a>
Vistaar Finance	Lending	USD 30 million	FMO	<a href="#">Read more.</a>
Phonepe	Payments	USD 21 million	Flipkart	<a href="#">Read more.</a>
PagarBook	Enabling Tech	USD 15 million	Sequoia	<a href="#">Read more.</a>
RapiPay	Payments	USD 9 million	Dabur, Sheela Foam	<a href="#">Read more.</a>
Mobikwik	Payments	USD 4.5 million	HT Group	<a href="#">Read more.</a>
Skud	Payments	USD 4 million	BEENEXT	<a href="#">Read more.</a>
Ensuredit	Insurtech	USD 4 million	Venture Catalysts	<a href="#">Read more.</a>
Signzy	EnablingTech	USD 3 million	Vertex Ventures	<a href="#">Read more.</a>
Moneyboxx Finance	Lending	USD 1.3 million	BlackSoil Capital, Caspian Debt and Ashv Finance	<a href="#">Read more.</a>
TaxBuddy.com	Enabling Tech	USD 1 million	Zenith Global	<a href="#">Read more.</a>
AlgoBulls	Enabling Tech	USD 0.27 million	Venture Catalysts	<a href="#">Read more.</a>

### Partnerships

The FinTech ecosystem saw a diversified set of partnerships built across different sectors. A few handpicked partnerships that developed in the Indian FinTech space in December 2020 are listed below.

Financial firm	Partnered with	Sector	Purpose	Source
Mastercard	Enkash	Payments	To provide a B2B digital payment platform for MSMEs	<a href="#">Read more.</a>
SBM	Finin	Neobank	To provide neobanking solutions	<a href="#">Read more.</a>
GooglePay	PayU	Payments	To provide tokenised payments	<a href="#">Read more.</a>
NPCI	Snapdeal	Payments	To enable doorstep QR code payments for orders	<a href="#">Read more.</a>
RBL	Rupay (NPCI)	Payments	To launch an innovative payment solution for Indian merchants	<a href="#">Read more.</a>
Yes Bank	Visa	Payments	To enhance payments efficiency for salaried and Yes First account holders	<a href="#">Read more.</a>
Axis Bank, Visa	Rupify	Payments	To launch credit card for small businesses	<a href="#">Read more.</a>

### Acquisitions

Acquirer	Acquiree	Sector	Purpose	Source
Scripbox	Mitraz Financial	WealthTech	To take higher-end personalised services to a larger set of clients	<a href="#">Read more.</a>



## Incumbent FinTech initiatives

Here are a few incumbent FinTech initiatives launched by Indian financial institutions (FIs) in December 2020.

- ICICI Bank enters fintech space, launches 'iMobile Pay' application. [Read more.](#)
- ICICI Bank Canada Visa Debit Card launched. [Read more.](#)
- NPCI Launches Offline Payments Feature For Contactless RuPay Cards. [Read more.](#)
- WhatsApp Now Offers Banking Services to Over 2 Million ICICI Bank Customers. [Read more.](#)



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