

NEWS HIGHLIGHTS

How micro-ATMs can provide access to basic banking to every rural citizen?

WHOPPING! Digital transactions grow 80% in last 250 days in India – Check this Razorpay report

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Indian government touts digital payment of welfare benefits

Today's View

Partnering with Insurtechs

Insurers across the world are adjusting to the new normal of the on-going pandemic, and as a result, there is massive acceleration in digital transformation efforts. For this purpose, Insurers and non-insurance companies alike are bringing on insurtech companies as strategic partners.

Gartner defines insurtechs as technology companies that are in their early stages of operation; that drive specific innovation across the insurance value chain by leveraging new technologies, user interfaces, business processes or business models; that leverage different forms of funding, including venture capital.

As per a CB Insights report, Funding to insurtech companies hit yearly and quarterly highs in 2020 and Q1'21, respectively, signaling the confidence investors have in the future of the insurance tech market. In 2020, business relationships involving insurtech companies also hit a record high, coming in at over 650 partnerships for the year.

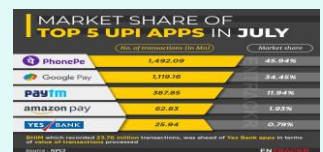
Companies such as **Axa**, **Munich Re**, and **American Family** are among the insurers with the most formal business relationships with insurtech companies. Recently, China-headquartered **Leapstack**, an AI-enabled **InsurTech** company specializing in healthcare, has announced a strategic plan to ink strategic partnerships with multiple Korean insurance companies as the company advances into the South Korean market.

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PhonePe clocks close to 1.5 Bn UPI transactions in July; G-Pay crosses 1 Bn mark for first time

Digital payments platform PhonePe has created a new record by clocking close to 1.5 billion transactions through unified payments interface or UPI in July followed by Google Pay which registered more than 1 billion transactions for the first time since its entry into the digital payments ecosystem in India in 2017.



Source – Entrackr

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Some Consumer-facing insurtech companies are partnering with other tech providers to improve their product offerings. For instance, auto insurtech **Root** provides additional benefits to policyholders via partnerships with road assistance app **Agero** and gas station location app **GasBuddy**. Home insurtech **Hippo** recently partnered with **ADT** and **Handdii** to improve the security and home repair services it offers policyholders. As these insurtech companies look to aggressively grow their customer bases, expect them to continue partnering with companies that offer complementary digital services.

The partnership between **Galileo** Platforms, a specialist blockchain technology platform for the insurance industry, and **Amodo**, a provider of insurance telematics technology and advisory services, including behaviour data analysis, will enable clients to benefit from their diverse experience and expertise in their respective areas of the insurance industry.

Primary core insurance software vendors like **Duck Creek**, **Guidewire**, and **Unqork** are also among the most active in partnering with insurtechs. These companies are incorporating complementary insurtech products to create a stickier experience for customers by tying these products to their core suites. Horizontal software providers like **Microsoft** and **Salesforce** and more mature insurtech platforms like **Bold Penguin** and **SnapSheet** have also actively formed partnerships to build out their insurance ecosystem capabilities.

We believe, as insurtech companies mature and build increasingly innovative solutions, expect to see insurers double down on successful partnerships and explore new ones.

Today's News

How micro-ATMs can provide access to basic banking to every rural citizen?

India Insurtech Association (IIA), a not-for-profit body promoting tech-driven insurance ecosystems in India inked a memorandum of understanding (MoU) with International Financial Services Centre at GIFT City, (GIFT-IFSC) to collaborate on building thought leadership in the field of insurance and promoting GIFT City for Indian and foreign insurance companies. To raise awareness about GIFT IFSC, the collaboration will organise events, information series, seminars, and conferences.

The two institutions will also research regulatory sandbox projects for GIFT IFSC, which will benefit insurtech start-ups, re-insurance businesses, politicians, service providers, and individuals. Tapan Ray, MD and Group CEO, GIFT City, said, "We have presence of some of the major insurance players in GIFT City and now, with this collaboration, we can aspire to be a vibrant hub for world-class insurance products and services and encourage innovation in the segment." Through the integrated platform of GIFT City, the endeavour is to highlight India's international financial services potential by offering international firms a world-class infrastructure and facilities to conduct their business in India.

Source – CNBC TV

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Fintech Companies In India Which Are Disrupting The Digital Lending Solutions

FinTech has transformed the cumbersome process of loan applications through digital lending. FinTech startups have brought a significant change in our economy and major changes to how we make payments. The payment system has changed the way we all conduct business.

In this whole financial setup, personal loan apps have emerged as an excellent idea to provide safe and hassle-free immediate cash loan in India within a few minutes. Today we all have mobile banking on our phones, which helps us to do all our banking transactions at our fingertips from the comfort of our homes or any place.

Source – Business World

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Merchants Can Now Accept e-RUPI Through SBI, Hitachi Payments

Mumbai-based Hitachi Payments, a shareholder of SBI Payments, will be teaming with SBI on letting smaller companies accept e-RUPI transactions, a press release says.

The e-RUPI is a single-use, prepaid voucher that allows for sending to recipients, and then can be used for a specified payment. Merchants can accept those payments by having an application different from the ones used by cards for UPI payments.

Source – Payments

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Equitas SFB launches fintech accelerator programme 'Equitech'

Equitas Small Finance Bank on Monday announced the launch of 'Equitech' – a fintech accelerator programme aimed at the start-up ecosystem. The programme, designed to scale-up, will help fintechs to curate their products and define a go-to-market strategy. In a press release, the Chennai-based lender said, Equitech will help fintechs to reach the next level and take its product to the market in a more targeted manner.

The programme was launched on August 7 and the application process for the enrolment has commenced. "Indian fintech ecosystem is experiencing exponential growth from almost all the sub-segments ranging from payments and regtech to robo-advisory and blockchain. This growth is driven by the innovative fintech start-ups that were able to create unique banking trends like BaaS, neo banking, open banking, autonomous finance etc," Murali Vaidyanathan, Senior President and Country Head – Branch Banking - Liabilities, Products & Wealth, Equitas Small Finance Bank said in the release.

Source – The Hindu Business Line

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GIFT City, India Insurtech Association ink pact to promote fintech in insurance space

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Source – The Hindu Business Line

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WHOPPING! Digital transactions grow 80% in last 250 days in India – Check this Razorpay report

Digital transactions have grown by 80 per cent in the last 250 days in India and the home services industry (such as carpentry, plumbing and more) has started to embrace digital payments, making transactions grow by a mighty 138 per cent, a new report showed on Monday. Businesses, especially from tier 2 and 3 cities, have been a major boost for digital payments exhibiting a growth of 40 per cent from the first 250 days (March 25, 2020 to November 29, 2020) and the next 250 days (November 30, 2020 to August 6, 2021), according to the report by full-stack financial solutions company Razorpay.

"What makes me really happy is the fact that not a single sector showed negative growth in the last 250 days. This was possible because businesses have recognised the crucial importance of using new payment technologies to support and improve their business growth," said Harshil Mathur, CEO and Co-Founder of Razorpay.

Source – Zee Business

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Indian government touts digital payment of welfare benefits

India's new cashless and contactless instrument for digital payments, the e-RUPI, which aims to provide leakproof welfare services, is expected to make doing business in the country more efficient and is likely to bolster Prime Minister Narendra Modi's political support, according to analysts.

The e-RUPI is a person- and purpose-specific payment system that uses a QR code or SMS-based electronic voucher that is delivered to the mobile phone of a beneficiary. Under this one-time payment mechanism, users can redeem the voucher without a card, digital payments app or internet banking access, at the service provider.

Source – Asia Nikkei

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How Digital Credit is Changing Banks Internally

Banks today credit themselves for faster credit decisions, vastly improved customer experience, significant cost-saving, efficient security parameters, and a security risk profile! All thanks to digitalisation, the journey thus far has been quick and disruptive.

Rewind to little more than a decade back, and the traditional banking sector was marred with delay issues, processing hassles, cumbersome formalities, and many disgruntled customers.

Source – Outlook India

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