



## NEWS HIGHLIGHTS

**BoB, Dena, Vijaya to soon offer common services to customers of all 3 banks**

**NASSCOM, Fintech start-ups want crypto to be included in RBI regulatory sandbox**

**RBI releases payments systems roadmap for a 'cash-lite' India**

**Ola launches Visa-powered credit card with SBI**

## Today's View

### Property Insurtech

The real challenge for insurers is to become more innovative in their everyday business with face of traditional new age InsurTechs that are delivering innovative business models and technology to every part of the insurance function process.

According to a recent **CB insights report**, there is no shortage of investment capital flowing into the InsurTech universe. In fact, the final quarter of 2018 represented the second-highest quarter of InsurTech investment, ever. In 2019 Q1, the report observed the highest number of transactions, the highest number of property & casualty (P&C) transactions, and the highest volume of Series B and Series C funding rounds.

When we talk about property insurance, these insurers are investing heavily in digital transformation strategies and organising internal data assets for pricing and underwriting processes for looking into unique customer behavioural or risk insights. Companies like **HazardHub** provide property-level geographic risk data sets for hazards to insurers in the U.S. Categorizing risks broadly into air, water, fire, earth, man-made and property characteristics, HazardHub then captures, standardizes and models the associated geospatial digital data to create a set of Insights on a property.

Another company called **Utilant** offers loss control inspection and survey management software for underwriting and risk management. Its

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### E-commerce companies Flipkart, Amazon log out of deep discounts

Deep discounts offered on India's two largest e-commerce marketplaces, Flipkart and Amazon, have vanished for over three months now, said executives from leading consumer companies. Nothing is sold below cost price anymore, they said, though discounts may be more on private label products owned by the marketplaces.



Source – The Economic Times

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Date – 16<sup>th</sup> May 19

**LossControl360** service was designed to help insurance risk management more streamlined and ensure underwrites can make better policy decisions. Its automated technology enables the platform to collect information, analyse it and mitigate risks.

**Conifer**, a Michigan-based property and casualty insurer has partnered with **Betterview**, an AI-powered software and services provider that captures aerial imagery from drones and other data sources to determine the risk of potential insurance claims and evaluate the potential for future losses. Conifer will use Betterview's tools to support their commercial underwriting teams and the underwriting evaluation process.

Similarly, **Cape Analytics**, a San Francisco-based start-up is combining computer vision with geospatial imagery to help insurance companies evaluate properties as part of the underwriting process. It has recently collaborated with State Auto, a digital provider of property and casualty insurance, enabling State Auto to make better decisions and streamline their underwriting process.

**Insurdata**, an InsurTech start-up specialising in the augmentation of peril-specific exposure and risk data. By providing access to precise data, Insurdata hopes to boost underwriter confidence in modelled loss estimates and accumulation analysis.

We believe, that the usage of data models on a large will further bring a great amount of positive change to the insurance industry, in the form of better customer service, more efficiently priced premiums and a reduction in the overall fraud.

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## Today's News

### **NASSCOM, Fintech start-ups want crypto to be included in RBI regulatory sandbox**

Technology industry lobby groups and founders of start-ups have asked India's banking regulator to include crypto-currency and crypto assets in its proposed regulatory sandbox framework for the Fintech industry. The Reserve Bank of India's 'Draft Enabling Framework for Regulatory Sandbox', put out on April 18, had excluded crypto-currency, initial coin offerings, credit registry and other related sectors.

Distributed ledger, the technology on which crypto-currency and blockchain is based, is considered the future of finance, but applications under blockchain technologies have been included for testing under the proposed framework. "Since crypto coins and tokens are an important component of the blockchain technology, the draft regulations appear to exclude testing of smart contracts and other approved blockchain technology under the sandbox," said IT industry trade body Nasscom.

Source – *The Economic Times*

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This News Letter has been prepared with the assistance of **G Balakrishna and Aparna Anand**

### **RBI releases payments systems roadmap for a 'cash-lite' India**

A four-fold increase in digital payments, reduction in paper-based transactions, improved pricing, better customer grievance redressal mechanisms and establishment of new payment system operators (PSO) are among the list of twelve objectives the Reserve Bank of India seeks to achieve in the next three years.

The Payments Systems Vision 2022 document published by the central bank on Wednesday has laid out a comprehensive roadmap of initiatives to be undertaken by all stakeholders and governing bodies to ensure the successful completion of these objectives in this time.

Source – *The Economic Times*

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### **Ola launches Visa-powered credit card with SBI**

Ola has announced the launch of Ola Money SBI Credit Card in partnership with SBI Card. Powered by Visa, the credit card is being offered to simplify the application process by eliminating joining fees and providing flexible and convenient payment options to Ola Users.

Bhavish Aggarwal, Co-founder and CEO of Ola, said that "We are excited to launch Ola Money SBI Credit Card, and we look forward to taking this to millions of Indians over the next few years. Mobility spends form a significant wallet share for users, and we see a huge opportunity to transform their payments experience with this solutions."

Source – *Your Story*

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## BoB, Dena, Vijaya to soon offer common services to customers of all 3 banks

Bank of Baroda (BoB) will take the first step towards integrating individual customer services of Dena Bank and Vijaya Bank customers later this month by throwing open basic banking facilities to customers across all three lenders. This seamless transition will be a record as it has been done within two months of the merger announcement and marks an important step in what is a complex public-sector bank merger.

BoB is planning to offer a few basic services such as balance enquiry, cash withdrawal, cash deposit and cheque book requisition through a limited subset of branches of the three banks and expects to roll them out to all the combined bank's more than 9,500 branches later this month. "We have tested this basic interoperability and these facilities can be accessed by any of the three banks' customers. The full bank integration will take time but this is a first step which we have implemented," said VS Khichi, executive director at BoB, in-charge of retail, agriculture and MSME banking.

Source – *The Economic Times*

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## Piecemeal policy can hurt India's fledgling e-commerce industry: Amazon's Amit Agarwal

India's recent policy flip-flop that hit e-commerce companies may have kicked in to ensure tighter compliance by some industry players who were not conforming to the rules, Amazon India Chief Amit Agarwal said. The online retailing behemoth would have preferred more consultations before the FDI rules were announced in December last year, Agarwal told ET in an interview. The piecemeal approach had the potential to hurt the fledgling industry's growth prospects, he said.

The new regulations, which took effect from February 1, mandated that online retailers with foreign capital could not sell products through companies in which they have an equity interest or push brands and merchants to sell exclusively on their platforms. "There has been a lot of conversation if this was the right policy for the e-commerce industry," he said.

Source – *The Economic Times*

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## OYO is using proprietary tech to trump competition in hospitality space

When you are the sixth largest and fastest growing hospitality chain in the world with an inventory of more than 515,000 rooms spread across 500 cities globally, working in silos is not an option. This is what Ritesh Agarwal, Group CEO and Founder, OYO Hotels and Homes, told his team before the firm made an entry into China in November 2017. Incidentally, China is now OYO's biggest market outside India. At OYO, that job is done by its stack of proprietary technologies, including OYO OS, Property Management System, OYO Optimus and a host of others, all of which are built in-house. These power more than 20 applications and OYO is also backed by 1,000 engineers spread across multiple locations.

Source – *Business Standard*

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## BigBasket targets revenue of Rs 6300 crore in FY20

Online grocery major BigBasket is aiming at doubling its turnover in FY20, cashing in on the booming online grocery business. "We hope to reach Rs 6300 crore turnover this year from Rs 3200 crore in FY19," BigBasket CEO and co-founder Hari Menon said at the launch of operations in Kochi. With this launch the company will now have presence in 26 cities in the country.

According to Menon, BigBasket's share of total e-commerce grocery business in the country of \$1.20 billion is roughly 50% at \$ 50 million. "The total online grocery business is expected to touch \$2.50 billion by 2020. We hope to touch \$ 1 billion by then," he said.

Source – *The Economic Times*

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## Mirae invests over \$100M in Indian startups

South Korean financial services firm Mirae Global Asset Management has invested a little more than \$100 million across four transactions in India in its first year of operations, with its latest bet of \$35 million on ride-hailing major Ola.

The firm plans to continue its pace of investments in India's startup space, and is also exploring an India-dedicated fund, according to sources briefed on the matter. "The plans for the fund are still early and it could be \$100-200 million," said one of the sources mentioned earlier.

Source – *The Economic Times*

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