

## NEWS HIGHLIGHTS

Global fintech lending worth £230bn by end of year

PayTabs and Invoice Bazaar collaborate to empower small businesses in COVID-19 times

Payouts gather steam amongst Indian FinTechs as refunds and deposits move digital

Banks onboard customers digitally despite Covid blues

## Today's View

### GovCloud

Private sector has been reaping cloud computing's myriad benefits like improved cost efficiencies, accelerated innovation, faster time-to-market and the ability to scale applications on demand over the years. Looking at its immense potential, government organizations are also adopting it through GovCloud: building and providing government services on cloud.

As per a **World Bank** study on Interoperability Readiness and Demand Assessment of government agencies, most government agencies are good candidates for cloud computing. A **MeriTalk** study estimates that U.S government can save costs to the tune of \$ 20 bn. a year, with adoption of cloud offerings.

Multiple technology firms like **Amazon** have rolled out cloud based services to provide customized cloud computing services for U.S. Government agencies and contractors meeting regulatory and compliance requirements. This has helped various other government agencies like **NASA** to move their shared service center website to a secure government cloud.

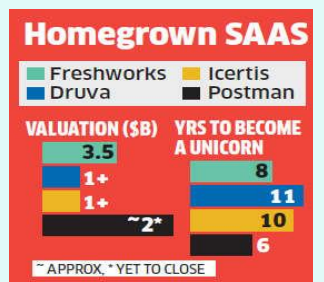
Other major cloud services provider **Microsoft** has partnered with **Australia** to deliver cloud services to handle unclassified and protected government data. The Australian Department of Immigration and Border Protection is using Microsoft Azure to streamline Australian Border Force cargo inspections. On the other side of the globe, **UK** Government initiated G-Cloud targeted at easing procurement by public-sector bodies by listing such services on a publicly accessible portal known as the Digital Marketplace.

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**Postman in talks to raise \$150 million**

Software as a Service (SaaS) company Postman is in advanced talks with New York-based investment fund Insight Partners to raise around \$150 million at a valuation of \$2 billion, two people in the know of the deal details said.



Source—The Economic Times

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9<sup>th</sup> June 2020

Even Indian government is taking concrete steps to adopt GovCloud. 'GI Cloud': better known as 'MeghRaj', Government of India's cloud computing environment, has been developed to enable various government agencies to leverage cloud computing for effective delivery of e-services.

Multiple state governments are also partnering with various tech firms to accelerate the state's digital transformation initiatives. For example, Government of **Maharashtra** has partnered with Oracle for its public cloud policy which will allow all government departments to have access to the public cloud. This policy has potential to create a \$2 billion opportunity for the industry.

We feel that, though GovCloud offers significant cost savings and other benefits for collaboration and data sharing, massive number of customized legacy systems that have been already built up over the years can prove to be a major barrier for accelerated adoption of GovCloud. However, by building on concepts that have been effective in the private sector and elsewhere, it can help governments to build applications that can solve tomorrow's challenges.

## Today's News

### PayTabs and Invoice Bazaar collaborate to empower small businesses in COVID-19 times

PayTabs, a payment solutions provider, announced its strategic partnership with Dubai based Invoice Bazaar, a forfaiting and working capital solutions provider. The collaboration will see that the FinTech firms will small and medium e-commerce businesses (SMEs) with working capital requirements via Invoice Bazaar's banking partner network.

The partnership will enable small businesses to withstand the impact of the Coronavirus (COVID-19) pandemic. Commenting on the launch, CEO and Founder of PayTabs, Abdulaziz Al Jouf said, "We found Invoice Bazaar to be a great partner as they understand the clientele, segment and product since they operate under the similar eco system."

Source – Ibs Intelligence

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### Payouts gather steam amongst Indian FinTechs as refunds and deposits move digital

The digital payment space in India tends to be classified largely by Peer-to-Peer (P2P) or Peer-to-Merchant (P2M) transactions. However, off late, another category of payments has now come under the radar of FinTechs – Merchant-to-Peer (M2P) transactions.

Despite being in the nascent stage, competition has started to heat up for FinTechs in India as they battle to grab space in the segment of payouts through links that allow merchants to make payments to customers, usually refunds or deposit returns, or to vendors without having the need to have customer bank details.

Source – The Economic Times

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## Global fintech lending worth £230bn by end of year

The global fintech lending industry will be worth \$291.4bn (£230bn) by the end of 2020, with peer-to-peer business lending representing 70 per cent of that total.

According to new data analysis by Norwegian financial services company AksjeBloggen, global fintech lending is expected to maintain steady growth before reaching a value of \$396.8bn by 2024. This projection is based on an analysis of several fintech studies, including the 2017 Statista Alternative Lending survey, which found that the global fintech lending industry was worth \$181.2bn. Between 2017 and 2019, the industry's value rose by 47 per cent, to \$267.1bn.

Source – P2P Finance

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## Need of fintech companies to navigate the undergoing COVID pandemic in India

Over the last decade, India has succeeded in building a robust low-cost digital payments market, with the government leveraging this infrastructure to transfer money to more than 33 crore individuals as part of its Covid-19 relief package.

However, there are still villages where we will not even hear those villages where ATM services are available to some extent. In such a situation, it is very difficult for the last mile of the society to visit banks for all their needs, especially amidst the COVID scare and social distancing norms applicable.

Source – CIOI

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## Nigerian CWG partners with Indian Clari5 to help African banks combat frauds

Leading Nigerian information technology company CWG, today announced that it has partnered with Banking Enterprise Financial Crime Risk Management products company Clari5 to jointly help African banks combat enterprise fraud and money laundering. Started in 1992, CWG commenced operations as a Computer Warehouse Limited primarily to cater to hardware projects. It soon established DCC Networks as its communications arm to provide VSAT, Metropolitan, Wide / Local Area Networks to corporates. In 1997 CWG acquired Expert Edge Software to address demands in software solutions, systems and training.

Through this strategic partnership, CWG and Indian banking technology solution provider Clari5 will provide solutions to African banks to counter enterprise-wide fraud and money laundering risk. Banks across Africa can now benefit from the unparalleled advantages of Clari5's extreme real-time, cross channel, enterprise-wide fraud risk management capability.

Source – Ibs Intelligence

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## Banks onboard customers digitally despite Covid blues

HDFC Bank has been able to onboard 2, 50,000 new customers through its online facility in the last 40 days despite the lockdown in place. The facility, 'Instant Account App' launched in late April, helps open savings accounts instantly using the limited Know Your Customer provision. This requirement allows the customer a years' time to update full details after the opening up of an instant account.

The new bank accounts as reported by business standards have mostly been opened from containment areas or red zones in metro cities or urban areas with the monthly average balance requirement standing at Rs 10,000 for metros, at Rs 5,000 for semi-urban while Rs 2,500 for rural centres. The transactions are mainly for online shopping and cardless cash withdrawals at ATMs which are done using the application, from these accounts.

Source – The Economic Times

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## Jio Platforms will supercharge India's startup ecosystem

Between April 22 and June 7, a period of seven weeks when the world was being convulsed by an epochal pandemic, an Indian company heralded the epochal transformation of the country's innovation economy. Yes, the frenzy of funding announcements by Jio Platforms is as big as that, perhaps much bigger. The eight deals, which total Rs 97,885.65 crore (about \$13 billion) and value Jio Platforms at Rs 5.16 lakh-crore (nearly \$69 billion), could not have come at a better time for India.

The national mood, quite understandably, is one of apprehension, although there is enormous resolve. We have come together to fight the COVID-19 pandemic, which originated in China, but businesses are only just beginning to get back on their feet. The Chinese have provoked a standoff on the border, causing a needless distraction of national attention. India badly needed a mood-lifter and got one from Jio.

Source – Money Control

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## ICICI Securities to Fund Fintech Startups Selected by NSRCEL of IIM-Bengaluru

NSRCEL, the startup hub at the Indian Institute of Management, Bengaluru (IIMB), on Monday announced a list of 25 shortlisted fintech startups for a 15-month extensive programme. The programme could see many of them receiving funding from the CSR fund of ICICI Securities, a leading financial services firm.

The selected ventures would undergo a three-month pre-incubation journey during which they would be engaged in sessions, workshops, peer-to-peer learning activities while getting regular one-on-one mentoring and advisory sessions, a joint statement from NSRCEL and ICICI Securities said.

Source – Indianweb2

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## IIT Guwahati students' startup Flyzy develops mobile application for contactless travel

Students of Indian Institute of Technology Guwahati have developed a mobile application, called 'Flyzy', to provide a seamless air travelling experience to passengers during the pandemic.

The application has been developed by Deepak Meena, Hansraj Patel, and Arjit Singh. The mission is to build Flyzy into India's finest aviation IT technology company for providing a stress-free and safe journey to flyers.

Source – The Economic Times

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