

## NEWS HIGHLIGHTS

RBI's strict KYC norms to keep ewallets safe

UIDAI adds new security feature to mAadhaar

Online sales may surpass Rs. 30,000 crore in festive month

IMPS, debit cards drive digital payments to 75.6 million transactions in August

Andhra to get another fintech firm, 5,000 jobs

## Today's View

### Saving Digitally

India has witnessed a downward trend in domestic savings over the last 10 years. According to IMF, India's gross savings rate has fallen to 31% of GDP from 37% in 2007-08. Domestic savings are required to drive and fund investment; in the absence of sufficient domestic savings, the country would have to bank on foreign capital, which would unfortunately put pressure on the country's current account.

To encourage domestic saving, even the government has taken various initiatives such as introduction of inflation-indexed bonds (IIBs) to generate assured real returns for risk-averse investors.

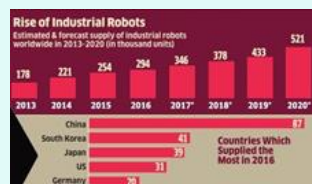
Stepping up their game, even major banking institutions are now offering innovative solutions to help spendthrift customers save money with simply setting up automatic recurring transfers from their checking account to their savings (investment) account. While being an encouraging first step, it still has limitations around determining the quantum and frequency of funds to be kept aside.

Fintech start-ups are also stepping in to provide creative personal finance management solutions to help customers save. One such Fintech player **Rize** automatically transfers funds from customers' checking accounts into separate saving accounts, each time customers' pay cheques come through. Another player **Qapital** offers an app that automates savings by transferring some dough from customers' checking accounts to customers' saving accounts on pre-specified occasions to help customers achieve and maximize their saving goals before they even realize it.

## INTERESTING NEWS

### How robots will mop the floor with IT

According to the International Federation of Robotics (IFR), the market for robotics will be dominated by robots cleaning floors and mowing the lawn for the next few years.



IFR also predicts that the number of industrial robots being supplied by 2020 will be around 521,000, an increase of 71% compared to 2016.

Source - ET Tech

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Date - 12<sup>th</sup> Oct 17

Then there are other Fintechs like **ClearTax** that are assisting customers minimize tax payouts. Even expense and reimbursement management start-ups such as Zeta are aiding working professionals minimize tax payouts resultantly increasing their take-home salaries. Similarly, NiYO with its integrated solution comprising of a Multi-Pocket Card, a Mobile App and a digital account with multiple wallets helps maximize the take home salary component while making the process more compliant, transparent & employee friendly.

The blend of all these Fintech solutions in the personal finance and expense management domain is going to certainly enhance the momentum of savings at an individual level. In an economy that is relatively more savings oriented compared, Fintechs in India are just about getting started on this side of the ledger.

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## Today's News

### RBI's strict KYC norms to keep ewallets safe

The RBI, has introduced stricter KYC norms for wallet users, allowed interoperability and brought in fraud detection norms to prevent fake wallet transactions. Customers can now move money between wallets of different companies and banks seamlessly through UPI provided they complete full KYC formalities, like they do for bank accounts.

Mobile wallets, which have been conforming to a minimum KYC format will have convert to full KYC wallet within 12 months of opening it.

Source - ET Tech

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### UIDAI Adds New Security Feature To mAadhaar

The UIDAI said it has added a new security feature of 'time-based OTP' to its mobile app mAadhaar. The mAadhaar app allows a person to have his Aadhaar on the registered mobile, without the need to carry physical copy of Aadhaar card. The app - in its beta version - displays demographic data that is available on the Aadhaar card.

This will address OTP related shortcomings including dependency on mobile network for SMS delivery.

Source - NDTV Profit

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### Arvind Internet to offer omnichannel service to brands

Arvind Internet is restructuring its business operations to become an omnichannel enabler for large brands and retailers, providing technological and back-end support.

The firm has already bagged contracts to create brand e-commerce sites and omnichannel capabilities for brands such as Puma, Levi's, Reliance Brands, Converse, etc. in the Indian market. It aims to have another 30 brands by this fiscal.

Source - The Economic Times

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### Obopay seeks \$25 million in strategic investment

Fintech startup Obopay, bought over by two former Infosys employees four years ago is seeking a strategic investor to infuse \$25 million (Rs 163 crore) for R&D.

Obopay just bagged a \$15 million order from Banque Atlantique in Africa, after proving deployment of Airtel Money in Uganda and Kenya. Obopay raised investments worth \$140 million from renowned investors before going up for sale in 2013. The company is now looking to on board a technology-based strategic investor.

Source - The Economic Times

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This News Letter has been prepared with the assistance of Sadhika Agarwal and Pankaj Tadas

## Online sales may surpass Rs. 30,000 crore in festive month: ASSOCHAM

Consumers are increasingly opting for online shopping preferably mobile phones, electronic gadgets, consumer durables, apparel, home appliances and gift articles on the occasion of Diwali. The sale may touch Rs. 30,000 crore as against Rs. 22,000 crore spent last year, says a survey by ASSOCHAM.

The rise of high-speed internet has enabled more people from smaller towns to come online and buy goods. The use of smartphone has also helped its e-commerce industry to grow, said D S Rawat, Secretary General ASSOCHAM.

Source - *The Times of India*

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## IMPS, debit cards drive digital payments to 75.6 million transactions in August

Bank-to-bank transfers and debit card payments at PoS terminals significantly drove digital payments for August, showing a 9.5% and 3.5% MoM growth, respectively. According to transaction data released by RBI, IMPS — which includes UPI and BHIM transfers — rose majorly to reach 75.6 million transactions in August against 69 million in July and 65.8 million in June.

General card swipes at ATMs and PoS terminals together reached almost 1.1 billion in August against 1.07 billion in July. As bank account-based digital payments grew consistently, there was a slight fall in transactions taking place through mobile wallets.

Source - *ET Tech*

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## Andhra to get another fintech firm, 5,000 jobs

A major fintech company will set up its operations in Andhra Pradesh, creating 5,000 high-end jobs, state IT Minister Nara Lokesh said. The name of the company and other details will be announced after the state cabinet approves the proposal later.

This will be in addition to 5,000 jobs to be created by Conduent Inc, as per an MoU signed with the state government on Monday.

Source - *The Economic Times*

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## LG India ties up with Bajaj Finserv to launch co-branded card

Consumer Electronics major LG Electronics India announced the launch of an exclusive OEM co-branded card in partnership with Bajaj Finserv. The company said the co-branded card will enable customers to buy LG products at no-cost EMI option across all LG formats.

It will be available to customers buying LG products on a minimum invoice amount of ₹7,000 and maximum of up to ₹2 lakh. This offering will enable LG to strengthen customer relationship.

Source - *BusinessLine*

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## Yes Bank partners Abu Dhabi Global Market to help fintech cos

Abu Dhabi Global Market (ADGM) and Yes Bank have entered into an MoU to help fintech companies venture into cross-border markets.

Through this partnership, the fintech innovators of the Middle East and India will be able to enrol into Yes Fintech programmes and ADGM's Regulatory Laboratory.

Source - *Moneycontrol*

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## Alibaba to Spend \$15 Billion Exploring 'Moonshot' Projects

Alibaba Group Holding Ltd. will more than double R&D spending to \$15 billion over the next three years to develop next-generation technology.

The e-commerce giant plans to set up seven research labs and hire 100 scientists around the world to delve into AI, IoT and quantum computing.

Source - *Bloomberg*

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## Ride-sharing app Ola receives \$1.1 b from Tencent, SoftBank

Ride-sharing app Ola has raised its largest fundraise to date, of \$1.1 billion, while being in advanced talks to close another additional \$1 billion.

This latest round was led by Tencent with participation from SoftBank and others.

Source - *BusinessLine*

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