



## NEWS HIGHLIGHTS

Now, one out of 10 bank branches will have Aadhaar enrolment facility

Ecommerce, FinTech startups top funding charts in H1 2017

Small nations are winning the digital revolution race

Digital push: SBI to slash NEFT, RTGS charges by up to 75% from tomorrow

## Today's View

### Towards Farm Mechanization

As of 2016, the U.S. had 1.62% of its total population engaged in agricultural activities, while India employed close to 50% of its population in the agriculture sector which is probably understandable in light of another statistic - U.S. records farm mechanization to the extent of 95% while India stands at 40%.

The average farm household in India makes Rs. 6,426 per month, of which Rs. 3,078 (48%) comes from cultivation or farming activities. Of the income from cultivation, a farm household directly incurs close to 28% on expenditure toward inputs, making a net of Rs. 2,216 from cultivation. Additionally, wide fragmentation of landholdings poses a massive challenge to farm productivity – small and marginal farms account for 87% of the total cultivated farmland.

In this context, the Ministry of Agriculture has taken a positive step toward fostering farm productivity through the implementation of the **Sub-Mission on Agricultural Mechanization (SMAM)** program. The program is designed to ensure last mile reach of farm mechanization to small and marginal farmers. The **Custom Hiring Centres (CHCs)**, offering high quality capital intensive mechanization through custom hiring, are a major component of this mission. The provision of advanced technology agricultural machinery through CHCs is helping boost crop production and improve quality, timeliness and efficiency of agricultural operations.

Inspired by the Government's programme, AgriTech startups like **EM3 AgriServices** are offering farm equipment services on pay-per-use basis through its "Samadhan Kendras". **Zamindara Farm Solutions**, another startup in the space, provides a pay-per-use equipment bank serving the complete value chain, in Punjab, Rajasthan, and Haryana. **OLAM**, originally a leading commodity company in India, integrated backward through running its CHCs for sugarcane harvesting and collaborating with AgriTech service providers. Even large OEMs like **TAFE (Tractors and Farm Equipment Limited)** and **Mahindra & Mahindra** have launched their farm equipment rental services to complement their core business and uplift farmers' livelihood.

## OTHER INTERESTING NEWS

### Small nations are winning the digital revolution race

Several Nordic countries, Switzerland and tech-centric South Korea are ahead of the U.S. and Japan, according to a digital economy ranking conducted by researchers at Tufts University in partnership with Mastercard Inc. When also factoring in nations' relative digital momentum, the real stars are New Zealand, Singapore and the United Arab Emirates.

### China ahead in digital process

Large developing nations have made major strides in growing their digital economies

RANK	COUNTRY	SCORE	RANK	COUNTRY	SCORE
1	China	3.95	6	Turkey	3.18
2	Malaysia	3.81	7	Saudi Arabia	3.18
3	Bolivia	3.63	8	Bangladesh	3.14
4	Kenya	3.50	9	Colombia	3.11
5	Russia	3.43	10	UAE	3.06

Source: Bloomberg

### Nordics lead digital world

Northern European nations have most advanced digital economies

RANK	COUNTRY	SCORE	RANK	COUNTRY	SCORE
1	Norway	3.79	7	South Korea	3.68
2	Sweden	3.79	8	UK	3.67
3	Switzerland	3.74	9	Hong Kong*	3.66
4	Denmark	3.72	10	USA	3.61
5	Finland	3.72	11	Australia	3.55
6	Singapore	3.69	12	India	2.53

Source- Business Standard

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Date- 14<sup>th</sup> July 17

So far implementation of farm mechanization has been limited to the relatively large farmers. However, in many states, this is changing.

For instance, a large farmer in Madhya Pradesh, once weighed down by farming challenges, now owns a Mahindra Scorpio, has repaid all debts, and recently purchased two hectares of land – all this by running a centre to rent out farm machinery.

The revolution, is silently brewing.

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## Today's News

### Now, one out of 10 bank branches will have Aadhaar enrolment facility

The Unique Identification Authority of India (UIDAI) has asked private as well as public sector banks to set up Aadhaar enrolment facility in at least one out of 10 branches in the coming weeks, a top official has said.

Suitable changes have been made recently in Aadhaar regulations to facilitate this. At present, there are 25,000 active enrolment centres across the country but they operate from their own premises. However, none of these centres are being operated from bank premises.

Source- Business Standard

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### Demonetisation has brought nation 3 years ahead in digital payments: SBI Ecoflash

Demonetisation has help the nation leapfrogged three years ahead in digitisation and this trend is also expected to lower inflation , according to a report by State Bank of India's research department.

A statistical analysis by SBI's research team indicated that an increase in Rs 100 billion transaction by credit + debit cards at PoS terminals will lead to around 1.1% decline in CPI inflation.

Source- The Economic Times

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### Ecommerce, FinTech startups top funding charts in H1 2017

According to the Indian tech startup funding report released by Inc42 earlier this week, over \$5.56 Bn was invested across 452 Indian tech startups during the period January-June 2017. The startup sectors which received the maximum number of deals include **fintech, healthcare and ecommerce**.

In terms of the amount being invested, fintech sector topped the charts – with about \$2 Bn funding and the ecommerce sector stood second with \$1.9 Bn.

Source- Inc 42

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## Apple Adds PayPal to App Store Payment Options

Apple has added a long-awaited payment feature to its digital services. The iPhone maker will now allow customers to make purchases through its App Store, Apple Music, iBookstore, and iTunes with PayPal. Users need only to link their PayPal accounts to their Apple ID accounts to make payments through the services.

PayPal has long been one of the more popular digital-payment platforms, allowing users to create online accounts to place purchases across the Web. PayPal users link credit or debit cards to their accounts.

Source- Fortune

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## Knowlarity to offer AI-powered cloud telephony services

Cloud communications provider Knowlarity has introduced Knowlarity Artificial Intelligence Experience (KATIE) platform that will provide advanced AI-powered telephony services to businesses.

"Through its implementation, businesses will not only cut down on their operational costs and efforts but also optimise their operations and deliver highly personalised messages to their customers simultaneously.

Source- ET Tech

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

## Digital push: SBI to slash NEFT, RTGS charges by up to 75% from tomorrow

To encourage more customers to transact digitally, State Bank of India on Thursday said it will slash charges for National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS) transactions by up to 75 per cent with effect from July 15.

India's largest bank, in a statement, said the reduced charges will be applicable on the transactions done through the internet banking (INB) and mobile banking (MB).

Source- Business Line

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## Sify and SAP bring a speedy GST implementation plan with 'GST-in-a-Box' offering

To help businesses leverage this growth opportunity and implement the new structure with ease, Sify has launched "GST-in-a-Box"—a speedy GST implementation plan, across the cities of Delhi, Mumbai and Chennai in India, in partnership with SAP. "GST-in-a-Box" is available at all Sify-SAP GST Solution Centers.

Sify offers select modules of SAP S/4HANA along with GST modules that is guaranteed to get businesses GST-compliant in under 12 weeks.

Source- The Economic Times

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## E-commerce players still waiting for clarity on the new tax regime

E-commerce firms may have got a reprieve with the government deferring the provision of collection and deduction of Goods and Services Tax (GST) at source, but they are awaiting clarity on its implementation.

At the same time, vendors to online marketplaces are struggling to become GST compliant to ensure that the chain for input tax credit is not broken.

Source- Business Line

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## Global IT spending to grow 2.4 percent in 2017: Gartner

Worldwide IT spending is projected to total \$3.5 trillion in 2017, a 2.4 percent increase from 2016, according to Gartner.

This growth rate is up from the previous quarter's forecast of 1.4 percent, due to the US dollar decline against many foreign currencies. These next-generation offerings are fueled by business and technology platforms that will be the driver for new categories of spending.

Source- The Economic Times

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## Snapdeal may merge with Infibeam to create \$2 billion company

The country's only publicly listed e-commerce company Infibeam is involved in merger talks with troubled online marketplace Snapdeal, sources close to the matter said.

The development comes at a time when Snapdeal's board rejected a \$700-750 million offer for sale to Flipkart last week. However, a revised offer of \$900-950 million may be on the anvil.

Source- The Economic Times

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## Bigbasket-Amazon talks stuck over valuation

Online grocery firm Bigbasket's talks with multinational e-commerce giant Amazon has come to a halt, with disputes over its valuation and differences over its operating model (OM) occupying centrestage on the negotiation table.

Amazon had entered into exclusive negotiations with BigBasket for a possible takeover but the talks broke down over talks on valuation. BigBasket is estimated to be valued at \$600-700 million. Further, Bigbasket's operating business model also became a nagging worry for Amazon.

Source- Financial Express

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