



NEWS HIGHLIGHTS

BCT Digital's real-time early warning systems can help detect credit risk

Axis Bank deploys AI powered voice BOT for helplines

Craft Silicon, PayU partnerto advance digital loan repayment solutions for lending institutions

Amazon says efforts are underway to digitise sellers in India

Today's View

Payment as a service (PaaS)

Payments as a service (PaaS) is a marketing phrase used to describe a software as a service to connect a group of international payment systems. The architecture is represented by a layer or overlay that resides on top of these disparate systems and provides for two-way communications between the payments system. PaaS. Communication is governed by standard APIs created by the PaaS provider.

PaaS is designed to allow merchants and other market participants to utilize local, regional and global payments options through a single interface. The complexity of moving funds between providers is handled by the PaaS layer and is hidden from the user. There is only one interface between a merchant and PaaS. Because only one interface is required, merchants or users are required to maintain only one financial repository.

PaaS is a cloud-based approach to commercial payments pioneered by **Paystand**. It moves your cash cycle into the cloud and helps you automate the back-office financial process from end to end. Subscribers only pay a flat monthly rate for **Paystand's** software instead of fees based on transaction volume.

The payment as a service market is expected to grow from USD 5.7 billion in 2019 to USD 16.7 billion by 2024 at a CAGR of 23.9%.

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NPCI looks to limit UPI dominance by single third-party application, may restrict share of transactions

The National Payments Corporation of India (NPCI) is thinking of ways to limit the Unified Payment Interface's (UPI) dependence on any single third-party application.

Datawise...

90% Market share controlled by Google Pay, Paytm, PhonePe and Amazon Pay on UPI	1.34 billion Record transactions processed on UPI system in June
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1.37 billion Volume of transactions on UPI as on July 29

Source— The Economic Times

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31st July 2020

Government initiatives to promote payment solutions, secure real-time transactions and optimized customer/merchant experience are the major factors driving the growth of the market.

Asia Pacific is expected to witness strong growth owing to the increased demand for integrated payment solutions and advancements in payment technologies, benefitting all stakeholders present in the payment ecosystem in the APAC region. The region includes major economies, such as China, Japan, South Korea, Australia and New Zealand, which are making consistent improvements in their payment systems.

The major vendors in the payment as a service market are **First Data (US), TSYS (US), Paysafe (UK), Verifone (US), Ingenico (France), Aurus (US), Agilysys (US), Pineapple Payments (US), Alpha Fintech (Ireland), First American Payment Systems (US), FIS (US) and Allpago (Germany)**.

PaaS software is easy to use and manage and it's highly scalable. This is especially helpful for fast growing startups, large companies with multiple subsidiaries and remote teams.

Today's News

BCT Digital's real-time early warning systems can help detect credit risk

BCT Digital has announced the launch of the rt360-ECL solution in the "IND AS 109 Product Suite" for expected credit loss (ECL) reporting. rt360-ECL is an integral part of the IND AS 109 product suite, and its design fully considers the unique and specific differences of Indian financial institutions and the Indian regulatory environment.

With the introduction of the global International Financial Reporting Standard 9 (IFRS 9) and its equivalent Indian Accounting Standards (IND AS) 109, financial institutions are moving towards adopting scientific methods to calculate credit losses. The Reserve Bank of India issued the first set of guidelines in this regard in February 2016, followed by a series of amendments, and the latest guidelines were issued in March 2020.

Source – *The Economic Times*

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Axis Bank deploys AI powered voice BOT for helplines

Axis Bank has partnered Vernacular.Ai to deploy its multi-lingual BOT AXAA on its phone banking IVR which will result in increased automation in customer service. The BOT, which is capable of conversation in English, Hindi and Hinglish, can recognize the nature and intent of customer queries and accelerates engagement and problem solving, using automated speech recognition and natural language understanding, the bank said.

Earlier during the lockdown, when it moved some call centre operations to work from home, the bank deployed speech recognition technology to monitor the quality of engagement between employees and customers. Vernacular.Ai extends end-to-end technical support on the solution and renders professional services for the deployment and integration of voice BOT with Axis Bank's applications.

Source – *The Times of India*

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This Meerut-based platform connects buyers and sellers; is giving tough fight to OLX, eBay

Online classifieds are gaining immense popularity in India. These platforms have become a channel for companies, individual businesses, startups, as well as home users to buy and sell products with ease.

With numerous features and listings available for buyers and sellers, these platforms enable users to post ads and promote their business, services, and products relevant to others. However, buyers and sellers across the country often find it difficult to connect with each other due to various factors such as large number of competitors and low investments

Source – *Your Story*

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'Startups to drive higher digitalization in supply chain of manufacturing sector'

The Indian economy recently crossed 100 days of living with the new normal of the lockdown and its gradual reopening in small steps amidst the Covid-19 pandemic.

The Covid-19 pandemic has caused collateral damage to all stakeholders in global manufacturing, a void has emerged and manufacturing enterprises are searching for new reliable partners to pivot their supply chain on the guiding principles of supplier collaboration, transparency, scalability, and efficiency.

Source – *Financial Express*

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Amazon says efforts are underway to digitise sellers in India

Amazon on Thursday reiterated that it was focused on digitising micro, small and medium-sized businesses in India and was launching new features to support these efforts, as the company reported its highest-ever quarterly profit of \$5.2 billion for the three months ended June 30. The US online retail giant's efforts to digitise sellers come at a time when a clutch of large players such as Reliance Industries' JioMart and Walmart-owned ecommerce major Flipkart are also stepping up their onboarding of neighbourhood stores to build more hyperlocal supply chains for retail businesses.

The repeated focus on small businesses also comes on the back of third-party sellers saying they are undercut on Amazon and by the ecommerce major's own brands. On Wednesday, as part of an ongoing antitrust investigation into Big Tech, Amazon founder and CEO Jeff Bezos told US lawmakers that he couldn't guarantee that Amazon's policy on not using third-party seller data to develop its own products had not been violated.

Source – *The Economic Times*

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Craft Silicon, PayU partner to advance digital loan repayment solutions for lending institutions

Craft Silicon, financial software solution provider has entered into a strategic association with PayU, online payment solutions provider in a bid to innovate and accelerate digital loan repayment solutions for Small Finance Banks, Micro-Lending institutions and NBFCs. As a part of this association, NBFCs, MFIs and Small Finance Institutions can now offer their customers easy loan repayment solutions on their own mobile applications or through consumer apps of their choice.

Via Bharat Bill Payment System (BBPS) and payment gateway integration with PayU, Craft Silicon has enabled loan repayment in a safe and convenient manner for retail consumers, even during social distancing restrictions. The partnership focuses on redefining secured digital payment platform and explores the hybrid possibilities of supporting both cash and cash less loan repayments.

Source – *The Banking and Finance*

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Contactless investments to become easy as CVL enters eKYC space

Many first-time investors wanted to invest in equities and equity-oriented instruments like mutual fund (MF) schemes when the markets fell – with the BSE Sensex dipping below the 26000 level – during the onset of Covid-19 infection in India, but were unable to do so as the nationwide lockdown was imposed soon, crippling all the services, except the essential ones. Although the securities markets continued to function, offline investments avenues were closed, preventing new investors to complete the KYC process through conventional ways, while KYC-compliant existing investors were in a position to invest online.

The usefulness of online services – including eKYC supported by verification through videos – was realised in a hard way during the lockdown period. While some RTAs and brokers/distributors extended their support to novice investors with the eKYC, but to provide a boost to online investment process, the competent authorities have granted CDSL Ventures Limited (CVL) approval to act as a local Authentication User Agency (AUA)/eKYC User Agency (KUA) with UIDAI.

Source – *Financial Express*

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Role of mobile app development company in boosting start-ups

The number of start-ups is increasing every day in the market across all types of industries. But do you know how many of them attain sustained success in their ventures? What could be a game changing factor that could be a blessing for start-ups in this competitive world?

Mobile apps have become a necessity in the modern world and mobile app development companies have become a key factor in ensuring success of a business. Trends show that majority of smartphones users do business from a company if it has mobile app that provides them detailed and transparent service.

Source – *Your Story*

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Thanks to PIDs, India's digital payment journey has just begun

Recently, the Reserve Bank of India put out a notification signalling the advent of a Payments Infrastructure Development Fund (PIDF) – designating a significant amount of funding towards developing digital payments acceptance in areas where it's needed the most.

Serving as a corpus to support service providers in setting up card acceptance, the fund will make more digital payments possible. As unassuming this might seem, it might be prudent to explore why PIDF could prove transformational for the Indian digital payments.

Source – *The Times of India*

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