

OTHER INTERESTING NEWS

Banks and fintech startups see more value in cooperation than in rivalry

New cab aggregators lure peeved drivers to end Uber-Ola duopoly

Mobetize Expands B2B Data Top-Up Service to India with Smart Charge

Revealed: PE/VC funding in start-ups beat IPOs hollow

Marketing automation startup Wigzo raises funds

Today's View

Fintech helps go Green

Puzzled, what does Fintech have to do with going green? Imagine a scenario where tag on your car helps you breeze through the toll gate without the usual wait and your account gets debited automatically or the same happens for the fuel and servicing charges. And that tag also helps you pay the parking fees. Very convenient right?

National Highways Authority of India (NHAI) had introduced RFID technology at toll plazas in February 2014 christening it FasTag. FasTag is a simple to use, reloadable tag using RFID technology which enables automatic deduction of toll charges and lets you pass through the toll plaza without stopping for the cash transaction. FasTag is linked to a prepaid account from which the applicable toll amount is deducted. Earlier, due to lack of interoperability and slow issuance it did not gather much steam.

Recently, the inter-operable solution went live with the National Electronic Toll Collection (NETC) on November 28. NPCI was engaged to work as Central Clearing House (CCH) to implement inter-operability so that several banks could participate in the ETC (Electronic Toll Collection) programme. The participating banks currently are SBI, KVB, ICICI, AXIS, IDFC and Equitas SF Bank. A total of 3.5 lakh electronic tags have been issued for fee collection on National Highways till 3rd of March. There are plans of extending the same interoperable system to other vehicle-related payments such as parking fees, servicing and fuel charges.

And just when you are about to go over to a busy market area, an app called "Get My Parking" can help you find a spot, navigate to it and pay for the parking ticket using online payment or m-wallet.


These advancements will not only help in saving time and fuel, in the long run it would help in greener cities and promote the idea of Smart cities.

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Banks and fintech startups see more value in cooperation than in rivalry

Partnerships with fintech ventures create value for banks as the solution is often designed around business model innovation, process efficiency and revenue opportunity.

| What banks bring to the table... | ...and what startups have to offer |
|---|--|
| Regulatory licence | Nimbleness and technical proficiency |
| Understanding of technology and business risks | Capable of running several controlled experiments |
| Reach and scale as they have access to a huge consumer base | Typically focused on building the best solution for one narrow problem |



Such partnerships are win-win.

Source- *The Economic Times*

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Date- 27th Mar 17

Government wants all PSU banks to be Aadhaar Pay-ready by April

A.P. Hota, managing director and chief executive officer (NPCI) said that the government wants all public-sector banks to be ready with Aadhaar Pay in April itself. Government is planning to launch it in the second week of April.

The foundational work has already been done by way of building infrastructure, which is already working. They have to see that in some of the railroads, the membership has to be broadened.

Source- Mint

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Narendra Modi-powered panel proposes India Post revamp to boost e-commerce

A panel of key secretaries, set up by Prime Minister Narendra Modi, has proposed a major “revamp” of India Post to help expand the reach of e-commerce to every corner of the country.

Any such step will not just boost operations of players such as Amazon, Flipkart and Snapdeal that are struggling to supply to remote areas due to high logistics costs but also help reverse the sliding fortune of India Post, which was once the lifeline of communications in India.

Source- The Financial Express

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Modi emphasises digital transactions in his monthly 'Mann ki Baat'

Taking the campaign against black money forward, the Prime Minister urged Indians to support the movement towards digital payment and to use less cash in their daily lives. People should pay school fees, buy medicines or items from fair price shops and buy train or air tickets digitally.

The poorest of the poor are making attempts to learn, and people are gradually moving towards doing business without cash. There has been a surge in various modes of digital payment after demonetisation.

Source- Wionews

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Awareness about digital transactions must for cashless economy

Head (Enterprise, Sales and Strategy) of Mobikwik Atul Mehta said that financial literacy and awareness about digital transactions is paramount in rural India to make the cashless economy a reality.

Illiterate people do not know how to use digital transactions, though they know how to use a smartphone. But we are trying to spread financial literacy. People in large numbers were using mobile wallets following demonetisation.

Source- The Financial Express

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New cab aggregators lure peeved drivers to end Uber-Ola duopoly

Cabby, TenZillionCabs, Crony Cabs, Hi-Cabs, DropTaxi and even bike taxi startup Baxi Taxi, which has a provision on its app for hailing cabs, are approaching thousands of disgruntled drivers plying for Ola and Uber to migrate to their platforms.

The two aggregators have cornered nearly all of India's \$9-billion taxi-app market, leaving Meru Cabs at a distant third place. To break their hold, upstart cab aggregators are trying to lure the drivers with differentiated payment structures and promises of improved earnings potential.

Source- The Economic Times

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Mobetize Expands B2B Data Top-Up Service to India with Smart Charge

Mobetize Corp. in Vancouver Canada, a provider of mobile financial services (MFS) technology for the multi-billion dollar business to business (B2B) segment of the Fintech as a Service (FaaS) sector announced the expansion of its B2B Data Top-up/Gifting service to India with smartCharge.

Mobetize's Fintech as a Service Hub provides operators a proprietary solution that gives consumers access to the data they need to communicate.

Source- It Times

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

Instead of fintech, Alibaba affiliate wants to go “techfin”

Alibaba’s affiliate Ant Financial, China’s leading fintech company, is building a new model of selling money market funds online, which is likely to challenge the popular method of buying them from fund supermarkets.

It would launch a new feature called “Fortune Accounts” on its wealth-management app. By registering on “Fortune Accounts,” companies with investment products can now sell on the platform via an account page. Companies can now directly reach consumers and build their brands.

Source- Asia Times

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Fintech Tracker: Can CreditMonk Make User Reviews Relevant To Small Business?

Financial technology firm CreditMonk – an open-source platform that allows businesses to rate each other based on payment behaviour.

The company is creating a database which clients can access to get an idea of the payment track-record of firms they may be dealing with. This is not unlike the information that credit bureaus like CIBIL provide. The difference is that while CIBIL gets its data on repayments of loans from banks and financial institutions, CreditMonk depends on ratings generated by users.

Source- Quint

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Paytm to become member of ASCI

The country’s fast-growing e-commerce industry will finally mark its presence at the Advertising Standards Council of India (ASCI), with Paytm set to become a member of ASCI next month.

ASCI members include key advertisers from various sectors, such as fast-moving consumer goods (FMCG), media, auto and telecom, which spend heavily to stay visible in the marketplace. However, no e-commerce company is a member of the body yet.

Source- Smart Investor

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Revealed: PE/VC funding in start-ups beat IPOs hollow

According to reports from Bureau, though funding by PE/VC firms in start-ups have slowed down in recent times due to lack of viable business models among the start-ups, PE/VC investors have still fuelled growth of budding industries in newer economy areas like e-commerce, fintech, and microfinance.

The report states that the growth rate in PE/VC funding has outstripped that of IPO markets. For example, the CAGR of capital raised from IPOs during this period was about 8%, whereas the CAGR of PE/VC investments was about 14.9%.

Source- The Financial Express

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E-commerce major Flipkart set to go on major hiring spree, raise headcount by 1200 in FY18

E-commerce major Flipkart, which raised \$1 billion in its recent fundraising round, is looking to hire more than 1,200 people mainly for its technology and engineering team.

Flikart is looking to aggressively grow its supply chain network as it is expanding its reach in another 1,000 new PIN codes and set up 60 additional delivery hubs in the country mainly in the North-East region, West Bengal, Odisha and Bihar.

Source- The Financial Express

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Too many payment choices = too confusing

An abundance of choice may not be a good thing, and this is true in the e-payment scene in Singapore.

E-payment in Singapore has been criticised for being confusing, with many options: Apple Pay, Android Pay, Dash, DBS PayLah, ez-link, Nets, CashCard, Liquid Pay and Samsung Pay, in addition to store-specific cards and credit and debit cards. Some merchants may accept one option and not another.

Source- Straitstimes

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