



NEWS HIGHLIGHTS

For MSME suppliers, it pays to get on the TReDS platform

Let bots do the shopping for you

Chinese hackers step up attacks on Indian shores

SoftBank looks for an Uber, Lyft in the cab-hailing space

Fiserv raises offer for Monitise to \$98 million

Today's View

Fintech Touches Islamic Banking

Despite increased sophistication of financial services delivery driven by ubiquity of smart devices, most of the widely Islamic nations have had very little to do with Fintech, owing to institutional reluctance, and lack of infrastructure and venture finance. While Islamic finance conceptually closely replicates conventional finance, just 1% of the global fintech investment pool has been directed to the Middle East and North Africa (MENA) region. And this is despite the fact that the region houses close to 25% of the global Muslim population. Fortunately, for the financial services landscape, this scenario is poised to change, thanks to concerted efforts from Regulators, Governments and Organisations.

As per **Malaysia International Islamic Financial Center**, Islamic Banking, which is governed by Sharia law, has been gaining momentum in over 600 Islamic financial institutions operating in 75 countries around the world. It has evolved from an ethical niche market to a mainstream financial services category, especially in the Gulf and the Asian and African continents. The **Islamic Financial Services Board (IFSB)** estimates the Islamic finance space to be worth US \$2.1 trillion in 2017. The concept is largely propelled by three foundational pillars - Financial inclusion, acceleration of economic activity, and infrastructure and development finance.

For the purpose of standardisation and ensuring compliance of sharia law, **Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI)** and the **Islamic Financial Services Board (IFSC)** have issued 26 Accounting standards and 11 prudential standards in Islamic finance. Additionally, **Dubai Financial Services Authority (DFSA)** introduced a framework for fintech companies to operate in the UAE while striking a regulatory balance between risk management and innovation in Islamic Banking.

Islamic countries are progressively leveraging the power of Sharia-compliant fintech, having established a supportive ecosystem or fintech hubs, incubators and accelerators, and even a regulatory sandbox.

OTHER INTERESTING NEWS

Amazon & Flipkart jostle for the ecommerce throne

Amazon India and Flipkart both assert they are outdoing the other in the growth-starved Indian ecommerce market, raising the stakes ahead of their annual festive season bout.



Source- The Economic Times

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Date- 08th August 17

Cairo (Egypt) has launched two accelerators while **Abu Dhabi** established the region's first regulatory sandbox facilitating exploration of new products securely without full regulatory compliance. **Malaysia**, for instance, formed the first Islamic Fintech Association in April 2017 while the **UAE** initiated Fintech Hive to enhance the country's Islamic fintech initiatives through collaboration between financial institutions and innovators. Dubai also hosted the Private Equity Fintech Forum in partnership with the MENA Private Equity Association to explore business expansion prospects and innovative approach of fintech participants. Widely regarded as THE Asian fintech Hub, **Singapore** has also invested in Islamic finance through wealth management and asset management tools.

Private fintech players like Kapital Boost and ClubEthis have also developed customised products for Islamic finance. **Kapital Boost** helps SMEs raise funds from investors through peer-based lending based on Islamic principles. While, **ClubEthis** helps investors discover social impact and real estate investment opportunities via crowdfunding.

A report by Ernst & Young (EY) states that the adoption of financial technology is not an option anymore, but an essential requirement for Islamic banks to gain more popularity. Mastering the understanding of cultural differences between Islamic and conventional banks is key for fintech players to exploit the immense potential of Islamic Finance and Sharia-compliant Fintech.

Today's News

Worldwide spending on augmented and virtual reality to double or more every year through 2021: IDC

Worldwide revenues for the augmented reality and virtual reality (AR/VR) market will increase by 100% or more over each of the next four years, according to the latest update to the 'worldwide semiannual augmented and virtual reality spending guide' from the International Data Corporation (IDC).

Total spending on AR/VR products and services is expected to soar from \$11.4 billion in 2017 to nearly \$215 billion 2021, achieving a compound annual growth rate (CAGR) of 113.2% along the way.

Source- *The Economic Times*

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For MSME suppliers, it pays to get on the TReDS platform

Micro, small and medium enterprises (MSMEs) supplying to top-notch corporates can get their invoices discounted at or close to banks' benchmark lending rates if they get on to the Trade Receivables Discounting System (TReDS).

This is so because financiers — banks and non-banking finance companies (who are into factoring business) — discount suppliers' invoices on the TReDS platform based on the strength of the corporate buyers' credit rating.

Source- *Business Line*

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

IBM revamps partner strategy to shore up revenues

IBM has revamped its channel partner strategy to beef up revenues and align itself to emerging technology trends such as cloud, IoT, analytics, mobile and social.

The tech giant has adopted a three-pronged strategy that includes enriching, enabling and engaging with its channel partners to transform them from 'resellers' to 'solution providers'.

Source- *Business Line*

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SoftBank looks for an Uber, Lyft in the cab-hailing space

SoftBank Group's Masayoshi Son expressed interest in the US ride-hailing market, saying that he would be willing to invest in Uber Technologies or rival Lyft.

SoftBank has backed Uber's competitors elsewhere, including China's Didi Chuxing, India's Ola and Grab in Southeast Asia. That had fueled the notion that Son is helping to organise an antiUber alliance. But last month, reports emerged that SoftBank was looking to take a stake in Uber by buying shares from existing investors, according to people familiar with the matter.

Source- *The Economic Times*

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Let bots do the shopping for you

The company Niki.ai provides an AI-powered chatbot interface that helps consumers shop for products and services, and helps place orders on their behalf with partner businesses. For businesses, it provides a plug and play technology that can be integrated on most operating systems and apps.

Sachin Jaiswal, co-founder of Niki.ai said that the traditional 'tap' interface is not natural to humans. A new UI for each service and tonnes of taps for every single service makes the experience cumbersome. Compare this to the traditional offline method, which allows customers to get suggestions and is more instinctive, but is slow and inconvenient.

Source- Business Line

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Touts cashing in on Aadhaar card rush

As Aadhaar becomes mandatory for more government benefits, and for income tax and banking transactions, touts and a number of enrolment agencies are making a killing.

"With Aadhaar necessary to file income-tax returns this year, many people are seeking appointments. But, the queue is long and we cannot accommodate them all immediately," said the manager of an enrolment agency, adding that the waiting period is about 20 days. However, many touts and enrolment agencies are seeking money to cut the waiting period for faster enrolment.

Source- Business Line

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Wipro builds industry focused big data Analytics-as-a-Service platform on Microsoft Azure

Wipro Limited today announced the availability of Data Discovery Platform, its big data analytics-as-a-service solution on Microsoft Azure.

The solution accelerates insight-driven decision making through pre-built applications for specific industries, such as banking and financial services, retail, energy, education and manufacturing.

Source- The Economic Times

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Chinese hackers step up attacks on Indian shores

A leading Indian infrastructure company recently discovered to its dismay that its IT systems were compromised, with hackers gaining remote access to some of the most sensitive information for a fairly long period of time.

While no official complaint has been made by the company, the attack might just be proverbial tip of the iceberg, and cyber-security experts engaged by the firm say Chinese hackers were behind the breach. Several Indian companies and some government institutions have seen an increase in cyber attacks originating in China, say industry trackers.

Source- The Economic Times

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Amazon using its 'India lessons' to improve operations globally

Amazon's innovations in India are being adopted by the company's other teams from across the globe including its European and US e-commerce arms, Terry Hanold, vice president of international consumer technology in Amazon told TOI. Some of these innovations are around mobile, sellers' initiatives and enabling customers to sell used items on Amazon.

One of the successful innovations, called seller flex, allows a seller to make their location available for Amazon to store inventory and help them receive an additional stream of revenue.

Source- The Economic Times

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Fiserv raises offer for Monitise to \$98 million

U.S. financial technology provider Fiserv made an improved offer for Monitise worth about 75 million pounds (\$98 million) on Monday, hoping to secure backing from the British financial services technology group's investors.

Fiserv's earlier offer, which valued the group at about 70 million pounds, drew criticism from Monitise's investors led by Cavendish Asset Management, for being too low, given that the British group was worth over 1 billion pounds three year ago.

Source- Reuters

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