



NEWS HIGHLIGHTS

Google signs MoU for digital Gujarat

Square Capital Becomes the Largest Organized Distributor of Secured Mortgages in India

Visa to expand Bengaluru centre with API expertise

IFC Invests \$10 million in Power2SME

CreditVidya raises \$5 million from Matrix, Kalaari

Today's View

Hit Keyboard

The proliferation of smartphones has completely revolutionized the general banking landscape and we are not just talking about digital transactions through the banking apps. The apps that connect people to their bank accounts give them real time control over their money than traditional bank accounts and paper checks.

So what could be better than opening a banking app and making a transaction? Not opening one at all. That's where smart-keyboards that allow you to do the banking transactions without shifting from one app to another come in.

Banks and Fintechs are today partnering to deliver such innovative solutions to their respective customers. Singapore's OCBC Bank launched an Android keyboard enabling peer-to-peer payments on any app or mobile browser. All one has to do is download the keyboard app, set it up, tap on *OCBC Pay Anyone* icon from within Facebook (or Whatsapp, Instagram, Chrome, etc.) to instantly transfer funds to anyone with a bank account in Singapore, just using their mobile number.

Similarly, United Overseas Bank (UOB) has made its UOB MyKey keyboard compatible with e-commerce apps such as Carousell, a Mobile classifieds marketplace for new and used items.

Back in India, ICICI Bank has integrated the 'iMobile SmartKeys' solution after it was developed by one of the ICICI Appathon winners. The keyboard, as part of ICICI's i-Mobile app, once downloaded from the app store, allows users to instantly make a secure payment on any mobile app.

While PayKey, an Israeli Fintech backed by Santander, offers a unique keyboard that seamlessly integrates with the mobile banking application and enables users to initiate and complete transactions without ever exiting their social interaction or switching to another app. It flawlessly integrates with the mobile banking app leveraging API level functionality while retaining the bank's authentication layers.

OTHER INTERESTING NEWS

PE giants locked in a race to invest in SaaS startup CRMNEXT

Private equity giants Warburg Pincus, TA Associates and Accel-KKR are in the race to invest in Noida-based software-as-a-service (SaaS) venture CRMNEXT, according to three people aware of the developments.



Source- The Economic Times

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Date- 07th Sept 17

PayKey has collaborated with Banks like Yes Bank in India, Westpac in Australia etc., to provide the smart keyboards to the Bank customers. However integration into the OS environment - seen as core by device manufacturers like Apple- is not without its share of issues. Apple in Australia has infact removed the Westpac's mobile app with Keyboard functionality Apple store. The reasons for this are not apparent but there are hints that Apple could be launching its own similar keyboard app with Apple Pay, or a similar service with Australia's banks on board, integrated.

Another Singaporean Fintech, HitPay Technologies, has built a smart keyboard solution that not only allows P2P payments through any social media channel, but also offers a customer service chatbot. The solution includes options to pay bills, split expenses with friends and personal finance management tools!

We believe that while the P2P payment space is overcrowded, these innovative solutions can still potentially be a hit with the millennials as it simplifies the customer's payment.

Today's News

Online lending marketplaces look at digital players to expand customer base

As digital-lending platforms come up with innovative products to disrupt the lending space, marketplaces which connect them to potential borrowers are opening up to enlisting their products along with those of traditional lenders like banks and NBFCs.

In an industry first, one of the country's largest marketplaces, Paisabazaar, has enlisted four players like CASHe, Paysense, EarlySalary and HomeCredit on to its platform for customers who come to the website looking for credit.

Source- *The Economic Times*

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Google signs MoU for digital Gujarat

Gujarat government has signed MoU with Google India towards actualizing the 'Digital Gujarat' movement under 'Digital India'.

Under the MoU Google will train small and medium scale entrepreneurs the use of digital platform for business development under the 'Digital Unlocked' programme and will provide 'cloud' facility up to \$20,000 to recognized startups. Google will help to develop skills in the use of modern mobiles and web technology, train degree, diploma and science postgraduate students in 'Google Android Fundamentals' and 'Mobile Development'.

Source- *The Economic Times*

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

Lendingkart raises Rs 70 crore from Sistema Asia fund and others

Lendingkart Technologies has raised Rs 70 crore (\$10.51 million) in the form of equity funds. Singapore-based Sistema Asia Fund, along with existing investors such as Bertelsmann India Investment, Mayfield India, Saama Capital, India Quotient and Darrin Capital Management participated in this round.

The latest infusion of equity capital will enable the company to increase its loan book and strengthen its technology and analytics capabilities.

Source- *Business Standard*

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CreditVidya raises \$5 Mn in Series-B from Matrix, Kalaari

Financial technology company CreditVidya, which helps lenders underwrite loans to first-time borrowers, has raised \$5 million, led by Matrix Partners. The round also saw participation from existing investor Kalaari Capital, who led its previous round in 2016.

The Mumbai-based start-up uses traditional as well as alternative data sources to provide customer profiling, credit risk assessment and fraud detection services.

Source- *Business Standard*

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HDFC Bank uses purchase history, social media analytics to offer credit cards to customers

HDFC Bank is breaking its own tradition when it comes to credit cards. The bank, known for its conservative credit appraisal, is looking to sell new credit cards to first-time customers based on their purchase history and social media analytics.

With 92.5 lakh outstanding credit cards, HDFC Bank is almost twice as much as second-placed State Bank of India which has 49.75 lakh outstanding cards in use, RBI data shows.

Source- *The Economic Times*

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Retail electronic payment: UPI grows the fastest, jumps 45 pct month on month

Most modes of retail electronic payments grew month-on-month in August in volume terms, with the exception of the Unstructured Supplementary Service Data (USSD) channel, which remained flat, according to representative data released by the Reserve Bank of India (RBI).

USSD transactions remained unchanged in volume terms at 0.19 million and slipped 2.6% in value terms from the month-ago period to Rs 29.42 crore. This mode of payment is meant for users of feature phones.

Source- *Financial Express*

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Visa to expand Bengaluru center with API expertise

Top international credit card company Visa Inc. plans to expand its Bengaluru center to support the firm's global services.

The company will expand the Bengaluru technology center of excellence by using more application programming interface (API) expertise. In computer programming, an API is a set of subroutine definitions, protocols and tools for building application software. The Bengaluru center has added more than 200 APIs over the last 2 years.

Source- *Mint*

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Square Capital Becomes the Largest Organized Distributor of Secured Mortgages in India

Square Capital, the digital lending arm of India's largest real estate transaction platform Square Yards has underlined its market dominance by becoming the largest organized distributor of secured mortgages in the country.

It is currently facilitating USD 30- 40Mn (INR 200cr – INR 260cr) of loan disbursements every month, contributed majorly by secured mortgages spread across 50+ banking partners for their different products in home loan, home against property and business loan.

Source- *Business Wire*

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IFC Invests \$10 million in Power2SME

The International Finance Corporation (IFC) the private investment arm of the World Bank has invested \$10 million as equity in Power2SME, an e-commerce platform that helps small and medium companies buy raw materials at bulk prices.

In addition to the investment, IFC will also advise Power2SME to help it expand beyond its current 14 states, improve its ability to provide working capital to SMEs by adding more banks as partners, and increase the number of users on its platforms by up to 10 times in five years.

Source- *The Economic Times*

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Amazon India looks to cut costs, discounts to achieve profit by 2019

Amazon India (Amazon Seller Service Pvt. Ltd), which until recently had been spending freely to win market share, has been quietly trying to reduce losses to reach its target of getting on to a path to profitability by 2019, four people familiar with the matter said on condition of anonymity.

Amazon came up with this cost-cutting initiative called "Get Fit" around the time that chief executive Jeff Bezos committed an additional \$3 billion towards expanding the India business in June 2016. This came on top of the \$2 billion investment Bezos had announced in July 2014.

Source- *Mint*

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