



NEWS HIGHLIGHTS

NeSL gets registration to store information of bankruptcy cases

Credit card use on rise and so is demand for them

Govt launches electronic warehousing receipts

Flipkart acquires F1 Info Solutions

Google Cloud betting on artificial intelligence, machine learning in India

Today's View

Smartphones

Arrival of smartphones is amongst the most prominent factor attributable for the rise of Fintech. The leap to smartphones has been quite drastic with an entire generation moving to smartphones without ever owning a personal computer. Today, 95% of China's internet users access the internet via mobile devices while Indians access the internet through their mobiles nearly 80% of the time.

In most African countries, Fintech revolution has been led by telcos which have been instrumental in bringing Financial Inclusion to the continent.

The proliferation of smartphones and the world of opportunities it has opened for the development of financial technology cannot be underestimated. It has pushed open new doors for the unbanked and the underbanked. Despite smartphones being made affordable, there still is a section of the society that can't afford to buy one upfront. So, can Fintechs drive a change here?

Fintechs like **ZestMoney**, a consumer finance technology platform, enable online shoppers to create virtual EMIs on a real-time basis on e-commerce portals. With data gathered from sources like credit information bureaus, Zest Money conducts back checks before a loan is disbursed by the bank or NBFC. This model ushers in a new era of consumer finance and the model works fine if you have a credit score and shop online but what if one doesn't?

PayJoy, a Fintech in the U.S., helps the underbanked buy smartphones without formal credit histories, leveraging their operational mobile number and related data, their Facebook account and government ID. The scheme essentially turns the phone itself into collateral through "proprietary secure locking technology". While there are other fintechs that provide EMIs for more costly goods, PayJoy focuses exclusively on smartphones.

INTERESTING NEWS

Paytm Mall looks to raise Rs 4,000 crore

Paytm Mall is planning to close the new round of funding by end of this year and is talking to financial investors from Asia and the US.

Set for A Grand Show

Paytm Mall is targeting the no 3 slot in Indian e-commerce raised earlier this year from Alibaba, SAIF Partners

₹900 crore GROSS 4-DAY FESTIVE SALES FOR CO, OUT OF ₹9,000 CR FOR INDUSTRY

Paytm Mall and largest shareholder Alibaba may invest in logistics **₹1,000 crore** marketing, promotional expenditure lined up by co for Sept-Oct

The Noida-based etailer, in which China's Alibaba and its payments affiliate Ant Financial own a majority stake, has ambitious growth targets as it jostles for third place in a market dominated by India's Flipkart and the US-based Amazon.

Source- The Economic Times

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Date- 27th Sept 17

The start-up has collaborated with retailers and dealers and its application process is fairly simple. Customers can easily register at any participating retailer. The customer just selects a smartphone, makes a minimum down payment of 20% and chooses among 3-month, 6-month, 9-month, and 12-month payment plans. The store then installs PayJoy's software on the device which unlocks the smartphone only once the customer pays in full. If a user fails to pay despite multiple notices, PayJoy's software locks the phone until the payment is received.

We feel that this is a powerful amalgamation of Finance and Technology. Making smartphones easily available to the masses, once a dream, Fintechs are strengthening their own case.

Today's News

NeSL gets registration to store information of bankruptcy cases

National e-Governance Services Ltd (NeSL) Tuesday said it has become India's first information utility (IU) for bankruptcy cases. It will be regulated by the Insolvency and Bankruptcy Board of India (IBBI).

The information utility will store data on borrowing, default and security interest with safeguards like authenticating the terms of contract. It will store the details digitally in a central server.

Source- Mint

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Credit card use on rise and so is demand for them

As per survey conducted by TransUnion-Cibil, the credit card usage is on a faster clip, with 57 per cent of the cardholders doing transactions more than they did a year ago, and more people want to join the plastic credit bandwagon.

Survey respondents reported various reasons for using their credit card, adding that 19 per cent of people in cities are likely to apply for a credit card in the future.

Source- The Economic Times

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This fintech startup undergoes a revamp to cash-in post demonetization

As the start-up sector goes through a sentiment upturn, fin-tech sector has been seeing an increased traction post demonetization. Fin-tech and product startups are an investor favorite this year so it is interesting to see a fin-tech start-up going through a revamp and innovating its product to stand out.

According to a recent report on Digital Payment in India 2020, the total payment via digital instruments is expected to touch \$500 billion by 2020.

Source- Business Insider

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

Govt launches electronic warehousing receipts

Food Minister Ram Vilas Paswan on Tuesday rolled out negotiable warehousing receipts in electronic format that farmers can use to avail of bank credit easily and without fear of losing or misusing it.

He also unveiled a web portal for registration of warehouses in a faster and more transparent manner. Negotiable warehouse receipt, which was launched in 2011, allows transfer of ownership of a commodity stored in a warehouse without having to deliver the physically.

Source- Business Standard

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Flipkart acquires mobile and repair services company F1 Info Solutions

Flipkart has acquired mobiles and IT repair services company F1 Info Solutions. F1 Info Solutions, which has a pan-India presence of owned and franchised centers, will be a part of Jeeves, Flipkart's company that is a third party service provider for large and small appliances, furniture.

This acquisition will help Jeeves significantly expand Flipkart's offerings to entire lifecycle of mobile phones, IT products, and consumer electronics, from sales to after sales to repair services.

Source- The Economic Times

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India's Aadhaar rivals growth of Windows, Android, Facebook: Satya Nadella

Microsoft CEO Satya Nadella said that India's Aadhaar identity system rivals the growth of other platform innovations like Windows, Android or Facebook.

Nadella, in his book 'Hit Refresh', which was released during the ongoing Microsoft Ignite 2017 conference, has praised India's leap forward in the digital and technological arena. He also praised the creation of the new digital ecosystem IndiaStack.

Source- *The Economic Times*

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APIs contribute to business success with wide adoption in India – study

Results from the latest CA Technologies global study reveal that a majority of surveyed organizations in India recognized the importance of Application Programming Interfaces (APIs) in business growth, with an impressive 91 percent adoption rate.

According to the study, 85 percent of the Indian firms are confident in the effectiveness of APIs in helping them to differentiate from the competition. This confidence level exhibited by the Indian firms is the highest in APJ, and higher than the average APJ response of 55 percent.

Source- *The Economic Times*

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Google Cloud betting on artificial intelligence, machine learning in India

After delayed entry into India's fast-growing cloud services market, information technology giant Google is banking on its machine learning and artificial intelligence (AI) prowess to win customers and compete with rivals Amazon Web Services and Microsoft Azure.

The internet major has vast swathes of user data, thanks to popular services such as Android, Google Search, Gmail and YouTube. It is trying to sell its service by using tools that it says are tuned specifically for Indian users.

Source- *Business Standard*

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Anmol Ambani stresses on fintech as disruptor in first AGM speech

Anmol Ambani, son of industrialist Anil Ambani and the Executive Director of Reliance Capital, the financial services business of conglomerate Reliance ADAG, said the company aims to be the number one in the financial services market in the coming years on the back of technology.

We like to see ourselves as an incubation company. We will nurture and develop new business opportunities in the future, focusing only within the financial services and financial technology space, hinting that the focus is clearly on tapping the growing fintech industry in the country.

Source- *Business Line*

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Flipkart trumps Amazon in festive season sales, as e-commerce growth looks set to accelerate

Flipkart Ltd again beat arch-rival Amazon India in the festive season sales battle, underlining its tactical superiority and setting up the e-commerce firm for a strong end to a year in which it turned around its fortunes and secured its status as the country's largest online retailer.

The festive season period may have also marked a turning point for e-commerce in 2017, as online retail is now set to grow by more than 25% for the full year after a sluggish first-half performance.

Source- *Mint*

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Faster Internet speed spurring OTT growth in India

The improvement in average Internet speed in India over the last few months is spurring growth in the Over-The-Top (OTT) sphere and may bring about a behavioral shift among Indian consumers, industry players have emphasised.

OTT, or the delivery of video content via Internet, is looking up as Cloud delivery platform Akamai's latest "State of the Internet Report" indicates that the average speed has dramatically improved in the last 18 months from a 3-odd Mbps to a 6.5 Mbps.

Source- *The Economic Times*

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