



## NEWS HIGHLIGHTS

**PAN-Aadhaar linkages is about 7.36 crore, reveals Income Tax department**

**Active.AI Joins Infosys Finacle's growing FinTech Ecosystem**

**Xius ties up with Adpay**

**Venture capital cos' investments jump 150% during Jan-June period**

## Today's View

### Banking for the Elderly

While majority customers today appreciate the convenience of banking online, still vast swathes of the population, particularly the elderly that are less familiar with latest technology or simply skeptical about it, are increasingly at the risk of being cut off from banking. A report by United Nations Population Fund and HelpAge India suggests that the elderly population in India would grow to 173 million by 2026 from 103 million in 2011. Both the share and size of the elderly population has increased over time from 5.6% in 1961 to 8.6% in 2011. Hence, the potential financial exclusion of the elderly from the growingly digitized banking structure is daunting.

Globally, banks are being encouraged to create "age-friendly" branches for the older that are largely "less digitally aware". Most "age-friendly" measures have focused on physical limitations (such as talking ATMs for the blind) or helping people get online. Barclays, a British bank, is using voice recognition to help customers facing trouble with passwords and developing products using assistive technology to make older citizens comfortable with digital banking. One of the ideas sprouting from the R&D includes a wallet shaped foldable display displaying recent transactions (with dates and amounts) and account balance (as a figure and an analogue quantity). Other assistive technology devices would mimic the 'physicality' of cash which would be instrumental for the older working in 'cash economies' and wary of ATM cards.

Back in India, RBI has mandated Senior Citizens Savings Scheme (SCSS) which offers tax benefits, assured returns, safety of capital and regular payouts. To guard the interest of the senior citizens in a falling interest rate regime, the government has announced Varishtha Pension Bima Yojana (VPBY) 2017, guaranteeing an interest rate of 8% for 10 years. The Banks, public and private alike, are also beginning to acknowledge the needs of the elderly and are providing incentives customized to the needs of senior citizens. Bank of Baroda provides a host of benefits to senior citizens like no restriction on deposits, additional interest of 0.50% on fresh deposits and renewal of existing deposits, concessional rate of interest for Loan against deposits, etc. Furthermore, Kotak Mahindra Bank is offering the Grand Savings Programme for

## OTHER INTERESTING NEWS

**Venture capital cos' investments jump 150% during Jan-June period**

Investments by venture capital firms recorded more than 150% jump during the January-June period 2017 compared to the same period last year, to touch \$5.17 billion, according to data compiled by Tracxn Technologies.

Top Investors Jan to Jun 2016			Top Investors Jan to Jun 2017		
	No. of deals	Total Invested (\$ mil)		No. of deals	Total Invested (\$ mil)
Sequoia Capital	8	1,191	SoftBank	3	1,000
IDG Ventures India	7	114.5	Sequoia Capital	12	589.8
SAP Partners	9	111	SAP Partners	6	151
Accel Partners	13	96.2	Accel Partners	10	112.9
Beneast	7	70	BVP	5	113.1

Source: Tracxn Technologies BVP: Benchmark Venture Partners

Japan's SoftBank Group invested the maximum at \$1.6 billion during the period compared to just \$15 million during the same period last year.

Source- Financial Express

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Date- 05<sup>th</sup> July 17

55+ providing customers cash rewards, priority service, cash delivery, SMS to receive call back, Health card, etc. Most Banks are now offering the SMS alternative for the often confusing and time consuming IVRS-based customer redressal process.

By prioritizing solutions to concerns of the older and correspondingly implementing intelligent new approaches, the financial services space can achieve substantial progress toward meeting the needs of the ageing section. Hence, it is imperative for every financial services provider to place "age-friendliness" at the heart of their propositions.

## Today's News

### PAN-Aadhaar linkages is about 7.36 crore, reveals Income Tax department

Out of the about 6.44 crore e-filers registered on the e-filing website of the income tax department, a senior official said, the Aadhaar-PAN linking had been done in about 3.06 crore cases.

The jump in the number came after the government made it clear that the PAN-Aadhaar linking was mandatory from July 1 for filing of income tax returns (ITRs) and for obtaining a new Permanent Account Number (PAN).

Source- Business Standard

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### Govt to soon release digital payment fee policy: Niti Aayog official

The government will soon come out with a policy on the fee being charged for different modes of digital payments. Government think tank Niti Aayog has submitted a research report on digital payment trends and challenges to the government.

According to the research report, one of the major issues impacting digital transactions is the fee on digital payments. Digital payments through RTGS, NEFT and debit cards attract different charges.

Source- The Economic Times

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### Not linking Aadhaar with PAN could invite Income Tax dept's wrath

Not linking Aadhaar with the permanent account number (PAN) will not cost a defaulter his PAN, but will land him in a list of suspects who may be suppressing income and will therefore face scrutiny, in line with a shift in the income tax department's approach to widening the tax base.

The tax authority will now specify a fresh date for linking the two and those who fail to do so will be regarded as a potential revenue risk to the exchequer.

Source- Mint

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

## Indian-promoted fintech firm InstaRem raises \$13 mn in round-3 fundraising

InstaRem, one of Asia-Pacific's (APAC's) leading digital cross-border payments company, has just received a \$13-million investment, led by GSR Ventures, with participation from SBI-FMO Ventures, Vertex Ventures, Fullerton Financial Holdings (FFH), and Global Founders Capital (GFC).

InstaRem is a Singapore-headquartered cross-border payments company. Founded in 2014, InstaRem is licensed as a Money Services Business (MSB) in Singapore, Hong Kong, Australia and Canada. It powers local payments to more than 50 countries across the globe.

Source- Business Standard

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## Xius ties up with Adpay

XIUS, a division of IT firm Megasoft, has signed an agreement with AdPay Mobile Payment for integrating the former's Mobile Services Platform (MSP) with Aerovoyce, the latter's telecom service.

Aerovoyce, which will operate on the Virtual Network Operator model, had launched its mobile services a month ago in a tie-up with BSNL. Under the agreement, XIUS will integrate its MSP with BSNL's nationwide network.

Source- Business Line

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## Active.AI Joins Infosys Finacle's growing FinTech Ecosystem

Infosys Finacle, part of EdgeVerve Systems, a wholly-owned subsidiary of Infosys, announced a partnership with Active.AI, a Singapore based FinTech that offers an Enterprise AI platform for banks globally.

The Active AI platform, integrated with Finacle, will help financial institutions offer conversational banking services through chat and voice based interfaces across their digital channels. Banks can leverage the joint solution to harness artificial intelligence to automate and enhance customer experience.

Source- Data Quest

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## Snapdeal board rejects Flipkart's \$800-mn buyout offer

The board members of online marketplace Snapdeal have rejected the offer of \$800 million made by Tiger Global-backed domestic online retail giant Flipkart.

The Snapdeal board, which pegged the valuation of the company at a billion dollars, is unhappy with the quote given by Flipkart, informed sources. The board is unhappy with Flipkart pegging the valuation nearly \$200 million less, even though Snapdeal cleared the due diligence.

Source- Business Standard

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## Calling all fintech startups: ISME ACE, India's largest fintech accelerator is open for applications

India's largest fintech accelerator aims to on board up to 12 startups in September this year. The accelerator has begun accepting applications for the first cohort and select startups stand to get upto \$100,000 in seed funding, and so much more.

The accelerator has developed a collaborative ecosystem to accelerate FinTech startups joining the ISME ACE programme by partnering with large multinationals.

Source- Your Story

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## Snapbizz CloudTech startup helping turn kirana stores into virtual supermarkets with calculator to cloud solution

With Goods and Services Tax (GST) now a reality, kirana stores will have to transform themselves into virtual supermarkets to improve their financial viability and comply with tax laws.

Helping them in this endeavour is SnapBizz Cloudtech which has developed a 'calculator to cloud' theme to transform the lives of small-scale retailers across the country.

Source- Financial Express

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## China targets US\$3.4 trillion global digital payments market

A new Juniper Research study reveals the increasing dominance of Chinese companies in digital payments, with players such as Alibaba, Tencent and UnionPay seeking to bolster their revenues through international expansion.

The research, Strategies for Payment Providers: Opportunities, Risks & Competition 2017-2021, estimates digital payment transaction values to reach US\$5 trillion by 2021, up from US\$3.6 trillion in 2017. US\$3.4 of this figure will come from sales outside mainland China.

Source- Fintech Innovation

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## Banking startup Tide raises \$14 million to 'give small businesses back their time'

Banking startup Tide raised \$14 million in one of the largest Series A funding rounds closed by a fintech company this year.

Tide, a digital-only banking app aimed at small businesses, has also partnered with online lender iwoca, in a move to allow small companies access to loans of up to £100,000.

Source- Business Insider

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