



NEWS HIGHLIGHTS

Nearly 67 crore bank accounts seeded with Aadhaar

RuPay to tap premium customers as banks renew deals with Visa, Mastercard

Paytm will be bigger than a traditional bank

Transactions of e-comm firms may come under taxman's lens

SAP launches new IoT solutions for businesses

Today's View

Security via Behavioural Biometrics

With the proliferation of digital channels and the increasing adoption of web and mobile banking, the likelihood of financial institutions encountering massive cyber-attacks is greater than ever in the past. According to a recent NIST survey, consumers are suffering from online security fatigue, feeling hopeless and overwhelmed being on constant alert for cyber-threats. To offer a convenient yet secure digital banking experience with least friction, security experts are exploring the next generation solution of online identity verification - behavioural biometrics.

Most often while discussing biometrics, we weigh up unique and static physical attributes for identification like the person's fingerprints, face, voice, iris etc. Smartphones today offer fingerprint sensors, microphones and camera to support recording biometrics. The future of leveraging the power of biometrics would lie in integrating features like gyroscopes, GPS, accelerometers and pressure sensors, in the modern smartphones allowing them to read or detect a much wider range of information. This offers the opportunity for a more evolved form of biometrics based on behaviour, rather than merely detecting physical attributes.

The sophisticated biometrics system would allow enterprises to continuously monitor more advanced behavioural metrics such as, a user's finger size, the pressure of the user's touch etc. Additionally, it answers questions like - has the device moved to a new location? Has the microphone picked up the user's voice recently? How is it being carried? Does the movement pattern and gait match the user? When was the last time the camera captured the user's face and so on.

For the banks, it would mean that every single mobile banking transaction will be analyzed based on a broad range of attributes from the user and the device, such as geo-location, device profiling, IP address, device assessment and behavioral biometrics.

OTHER INTERESTING NEWS

UPI off starting blocks but yet to pick up pace, falls short of Q1 target by 35%

Unified Payments Interface, the flagship digital payments instrument launched by the Reserve Bank of India, may have seen transactions rise over the past few months, but it has fallen short of its quarterly target by 35% as banks are not promoting the product.

Through the Gates

■ Volume (Million) ■ Value *(₹Cr) ** (₹Lakh Cr)

UPI transactions in past 3 months

Month	Volume (Million)	Value *(₹Cr) ** (₹Lakh Cr)
APRIL	6.9	2,200*
MAY	9.2	2,770*
JUNE	10.2	3,070*

Overall digital transactions

Month	Volume (Million)	Value *(₹Cr) ** (₹Lakh Cr)
APRIL	853	1.09**
MAY	858.5	1.11**
JUNE	831.7	1.13**

#Data sourced from RBI provisional figures

Source- The Economic Times

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Date- 12th July 17

Behavioral biometric authentication is a niche space currently, but there exist some innovative solutions providers such as Swiss-based NetGuardians, Zighra, SecureAuth, etc. Likewise, The Gemalto Assurance Hub is a smart risk assessment platform in the cloud, allowing banks to assess every online banking session in real-time using behavioral biometric.

A few months ago, Leumi Card, a credit card subsidiary of Bank Leumi, started testing the technology developed by Israel-based startup SecuredTouch. This Israel-based bank has become the first in the world to embrace behavioral biometrics as a password replacement mechanism on mobile devices.

We believe that security is paramount when it comes to banking and such multimodal platforms can reinforce the "traditional" biometric authentication, while retaining the user experience.

Today's News

Yes Bank to digitize its retail loan business leveraging technology and AI backed bots

Yes Bank, India's fourth largest private sector bank is all set to digitize its retail loan business using technology and eliminate paper usage. This will improve process automation and reduce overall cost to the bank.

With the digitization, bank aims to complete the entire process in less than 30 minutes over the next six months. Besides, it also plans to improve customer experience by leveraging AI backed chatbot.

Source- The Economic Times

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Paytm will be bigger than a traditional bank, says Vijay Shekhar Sharma

Paytm's payments bank expects to hit 500 million CASA accounts by 2020, more than double their current count of 200 million wallet users who've been transferred to the new payments bank format. "In the next 3 years, we're going to be bigger than the biggest traditional bank in India," Vijay Shekhar Sharma, Founder and CEO, Paytm, said.

Sharma said the company invested \$500 million in the last year to increase usage, which paid off during demonetisation. Now, its network is larger than that of all card companies put together.

Source- Business Line

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

SAP launches new IoT solutions for businesses

Enterprise solutions provider SAP on Tuesday launched several Internet of Things (IoT) solutions to help enterprises enhance digital logistics, manufacturing and asset management.

The latest solutions were showcased at the company's global summit "SAP Leonardo Live" in Frankfurt on Tuesday. The company intends to leverage technologies like Big Data, Cloud and machine learning to enable IoT and "Industry 4.0" strategies.

Source- The Economic Times

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Fintech firm Innoviti raises Rs. 120 crore

Bengaluru-headquartered, omni-channel payment solutions provider Innoviti said it has raised a fresh round of funding of \$18 million (Rs.120 crore) to further its vision of digitally organising the flow of money for businesses across the retail supply chain.

Innoviti has two product lines — uniPAY NEXT and smelending.com. The former is a cashless payments acceptance system which has been adopted by a marquee client base of over 100 merchants including Reliance Retail, Titan, Landmark Group, INOX, Indigo and Wal-Mart, and the latter enables working capital loans for 30,000 kirana stores.

Source- Business Line

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Nearly 67 crore bank accounts seeded with Aadhaar: Ravi Shankar Prasad

IT Minister Ravi Shankar Prasad said that as many as 67 crore of the 110 crore bank accounts in the country are now linked with Aadhaar, the 12-digit unique identification number.

Lauding the contribution of village level entrepreneurs in providing various services, Prasad noted that 22 crore Aadhaar enrolments had been done by the Common Services Centres (CSCs).

Source- *The Economic Times*

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RuPay to tap premium customers as banks renew deals with Visa, Mastercard

The National Payments Corporation of India (NPCI) is looking at increased uptake of its RuPay debit cards among premium customers, as deals signed between banks and its global competitors Visa and Mastercard expire over the next few years.

Though RuPay controls 42 per cent of the Indian debit card market, the share of its cards is only 16 per cent of total Point of Sale (PoS) and e-commerce transactions. This is largely due to the fact that the majority of RuPay cards — around 220 million — are held by benefactors of the Jan Dhan Yojana scheme.

Source- *Business Standard*

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Transactions of e-comm firms may come under taxman's lens

The Income-Tax Department is likely to monitor transactions by e-commerce firms in the coming year to maximise revenue collections including those from the equalisation levy.

"E-commerce has emerged as a huge business in the past few years," said the CBDT, noting that it not only involves advertisement on websites and portals of various organised and unorganised agencies, but also payments for job work — building website, translation of pages, data entry of text and research.

Source- *Business Line*

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Self-help group accounts in 100 districts to be digitised by March next: Nabard chief

Nabard plans to scale up the digitisation of self-help group (SHG) accounts and expand digital coverage to 100 districts by end of this fiscal, Harsh Kumar Bhanwala, Chairman, Nabard, said. This could lead to an additional Rs. 10,000 crore credit flow from the banking system to the SHG movement in the country in a year.

Another interesting dimension is that this digital intervention will also help build credit history for each member of an SHG and this could be passed on to credit bureaus.

Source- *Business Line*

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Cryptocurrency boom turns into bear market as scepticism rises

The sector has lost about a third of its market value since peaking in early June, pushing it into what traditional equity market analysts label as a bear market.

Bitcoin, the largest of the digital currencies, is down about 20% from its peak of \$3,000, reached 12 June. Smaller rivals such as ethereum and ripple are getting hit even harder.

Source- *Mint*

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Quattro Processing Services Announces "Strategic Alliance" With RS2

Quattro Processing Services (Quattro), a global FinTech company that specializes in full service payment processing, announced that it has signed a strategic alliance agreement with RS2, a Global Payments Software and Managed Service Provider to offer an end-to-end hosted credit card processing and acquiring technology platform, for the Banks and Financial Institutions in India.

As a result of the alliance, Quattro will be uniquely positioned to usher in disruptive changes in the Indian Credit Cards /Unsecured lending space, Merchant acquiring and fulfill the national objective of not only enhancing digital payments but also stimulating the economy and GDP by enhancing credit expansion, especially unsecured credit.

Source- *Business Wire*

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