



NEWS HIGHLIGHTS

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Today's View

Banking, enabled with IoT

In the increasing connected universe, we are all going to be surrounded by digitally connected devices, from our smart phones and wearable tech, through numerous sensors in our homes, on our highways and even in our workplaces. This will be made possible through Internet of Things (IoT) which is built with a network of Internet-connected sensors that can be embedded into physical devices like TVs, cars and refrigerators. According to **MarketsandMarkets**, the market size of IoT in the financial and banking industries is expected to reach over USD 2 billion by 2023. **McKinsey Global Institute** expects the Internet of Things will help companies generate more than \$6 trillion of revenue by 2025.

In a way, banks are already at the centre of the IoT as banking services are connected to multiple devices like mobile phones, payment terminals and ATMs. Leading companies like Visa and FICO have come up with products to help banks in using phone's geo-location data to verify a customer's identity. Financial institutions are also using the IoT to improve the banking experience for customers. Recently, **Citigroup** unveiled Citi Mobile Challenge to develop innovative IoT solutions for the bank's mobile-device platform, wearables and other technologies.

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Tough data storage norms to deter Chinese apps

The ministry of electronics and information technology (MeitY) plans to shortly formulate a set of intermediary guidelines to regulate Internet apps and social media platforms based on the country of origin.



IN THE OFFING

A different set of norms would govern apps from countries sharing land border with India

- Such app providers would need to store consumer data within the country
- They would also need to store all consumer data for a minimum of three months
- These guidelines would not apply to US-based firms like Facebook, Google, etc

Source— Financial Express

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28th July 2020

In future, banks can track raw materials and inventory stocks by using sensor installed at the borrower's warehouse. This tracking enables banks to deduce the account balance and ensure that a loan is paid when inventory is sold. This helps banks reduce overhead costs of tracking and stops borrowers from indulging in fraudulent practices.

Though the use of IoT has potential to provide innumerable benefits, there are also some associated risks. All transaction data, including the information sent through connected devices, will be available to banks and financial institutions. If such data gets into wrong hands, it will lead to a breach of privacy as well as financial damage to customers and fracture their relationship with the banks.

The banking industry is usually ahead of the curve when it comes to safeguarding customer data. However, challenges of data security increases exponentially when we take into account so many connected devices and data sources. Hence we feel that it is important to take all stakeholders into confidence while developing and implementing bank's data security policy. The key for banks is to provide customised services without crossing the line.

Today's News

Wibmo unveils Video-based Customer Identification Process for Banks

Wibmo Inc, payer authentication services provider of card payment security solutions has launched Wibmo Video-KYC, its video-based KYC solution in a bid to enable banks to digitally onboard their customers. With Indian regulators opening up digital channels for KYC compliance, lenders are looking at faster and more cost-effective ways to onboard customers especially during the current Covid-19 pandemic.

This solution will not just assist banks and financial service providers in bringing on new customers, but also opens up more ways for reaching their customers online. Wibmo Video-KYC serves as a one-on-one digital interaction platform between banks and their customers. "Wibmo's Video-KYC platform has been designed keeping in mind the emerging need of financial service providers and their customers worldwide to establish a trust relationship in a digital world.

Source – *The Banking and Finance*

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SBI Card & IRCTC launch co-branded credit card on RuPay platform

SBI Card and Indian Railway Catering and Travel Company (IRCTC) launched the co-branded credit card, IRCTC SBI Card on the RuPay platform. The card is designed to reward frequent travellers. The card provides cost-saving advice to passengers travelling on Indian railways. Further, transaction fees are waived and discounts offered in retail, dining, and entertainment purchases.

On the RuPay platform, IRCTC SBI card holders can get up to 10% rebate for bookings made on the IRCTC website air-conditioned bookings in trains. The reward points accumulated on the card can be redeemed for free air tickets on the IRCTC website.

Source – *The Economic Times*

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Venture investors double their bets on faux meat startups

Hoping to find the next Beyond Meat, venture investors have more than doubled their bets on alternative protein makers this year, raising more than \$1 billion for startups that focus on everything from lab-grown meat to protein derived from volcanic microbes.

More than 20 faux meat startups raised about \$1.4 billion from venture investors in the first seven months of 2020, according to a report on Monday from London-based investor network Farm Animal Investment Risk & Return, known as Fairr.

Source – *The Economic Times*

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Wipro may offer AI tool Ethica to clients

Wipro plans to take its artificial intelligence framework, Ethica, to clients as new chief executive officer Thierry Delaporte looks to ramp up its offerings of internal digital technology-based solutions, people familiar with the development said.

Developed as a part of Wipro HOLMES, the AI solution called Explainability, Transparency, Human-first, Interpretability, Common sense, and Auditability (Ethica) can help companies ensure that their consumer-facing solutions are transparent, ethical and unbiased.

Source – *The Economic Times*

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InCred kicks off talks to merge with KKR's NBFC

Global alternatives assets major KKR is in advanced discussions to merge its corporate lending unit KKR India Financial Services with InCred Finance, started by former Deutsche Bank executive Bhupinder Singh. This would be one of the major consolidation moves in the non-banking finance companies (NBFC) space. The two companies have entered into exclusive discussions for the next six-eight weeks, said sources briefed on the matter, as they look to finalise terms.

The deal, if successful, will create an NBFC with a loan book of over Rs 6,000 crore with a focus on the consumer lending segment. The deal will make KKR and its backers, which include sovereign wealth fund Abu Dhabi Investment Authority (ADIA) and US-based Texas Teacher Retirement System, the largest direct shareholders in the merged entity. They would hold a little over a third of the company.

Source – Times of India

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How India's IT sector growth has changed the lending industry

It looks like the Fintech space in India is heating up, especially the digital lending industry set to grow to \$100 billion by 2023. And, the country's IT sector boom is what is driving it. IT sectors have been booming globally over the past few years. Lots of tech hubs have transformed into the new Silicon Valleys around the world. And India is no exception to this rule. India's IT industry has become the country's success story and economy key growth catalyst, representing nearly 8% of the nation's overall GDP in 2017.

Last year, the IT industry also generated annual revenue of almost 180 billion US dollars, which represents a significant increase compared to the generated revenue nearly one decade ago. Moreover, experts predict this industry to contribute with a share of almost 10% to the country's overall GDP by 2025. The IT sector's market size saw a significant increase reaching approximately 26 billion US dollars in 2018, compared to 24 billion dollars as it was the previous year.

Source – Tech Story

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How neobanking platforms can add value in your financial life

You cancelled an order on Swiggy or Amazon for which you had already paid. The money has to come to your account in two-three days, but let's face it. You won't remember to follow up on it. What if your bank proactively notifies you if the refund has happened or not? Sure, you'd like it. Similarly, what if your bank moves your salary to a liquid fund as it gets credited to your account and after a couple of days when you have bills to pay or investments to make, it's back with some returns? Or, what if all your tax deductible transactions are at one place and you can easily send all documents to your CA in one click?

These are the services that neobanking platforms claim to offer. Essentially, neobanks are like traditional banks, but with a strong digital touch and customised solutions. They do not have direct banking licences by the RBI. They tie up with traditional banks to provide banking services licenced to them, but with digital tools. "All neobanking players should be addressed as neobanking platforms as the word 'bank' can only be used for a registered bank," says Anish Achuthan, Co-founder, Open, an SME-focussed neobanking platform.

Source – Business Today

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EPFO updates KYC details of 73.58 lakh members in Apr-Jun

Retirement fund body EPFO updated KYC details of 73.58 lakh subscribers in April-June, which enabled them to access a host of its online services, the Labour Ministry said on Monday. KYC updation enables a member to avail online services through member portal. A subscriber can file online for final withdrawal and advances including the recently introduced COVID-19 advances under Pradhan Mantri Garib Kalyan Yojana (PMGKY).

"To extend the availability and reach of its online services, which have become crucial in the wake of the COVID-19 pandemic, the EPFO updated Know Your Customer (KYC) data for its 73.58 lakh subscribers during the month of April to June 2020," the ministry said in a statement.

Source – The Economic Times

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Gurugram startup takes no-soil route to farming in urban areas

This Gurugram-based startup is growing tomato, strawberry, spinach, lettuce and much more out of thin air. You can even have a kitchen garden in the balcony of your apartment without getting your hands dirty—no soil needed.

Gurugram-based Barton Breeze is harnessing technology to grow clean food without large plots of land or heavy doses of chemicals.

Source – Money Control

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