

NEWS HIGHLIGHTS

These 5 regulatory changes could have a major impact on the digital payments ecosystem

How fintech firms can keep the consumer liquidity flowing

Microlenders seek e-KYC authentication for client onboarding

Standard Chartered unveils online remittance services

Today's View

Tech-enabled Hostels

In the current era of technological advancements where there is an app for almost everything, hostel management appears to lag behind in adopting a new innovation.

From redundant paperwork to time-consuming manual processes, most of the hostels are still following archaic methods to manage their day to day activities. These old school methods of functioning results in ineffective communication between hostels, its students and parents.

Some of the hostels or student housing companies are investing in new-age technologies to differentiate themselves by being markedly different from traditional university-led hostel systems. Such technologies include facial recognition security systems, RFID enabled libraries and canteens, attendance systems that both students and parents can access on their smartphones.

Even though student housing as a market is currently dominated by university-led facilities, it will potentially see a substantial growth with private companies entering the space to plug demand gaps.

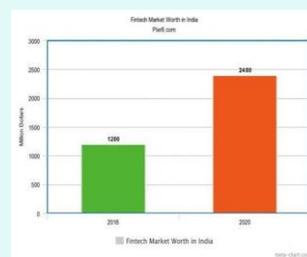
Real estate consultancy firm **JLL** estimates the space is expected to see a 38% CAGR amounting to Rs 2,400 crore by 2020.

Akhil Handa
+91 22 6759 2873

Manish Kulkarni
+91 22 6759 2885
Manish.Kulkarni@bankofbaroda.com

Why it is the right time for India's Fintech Industry to go global

Total investments touching almost \$1.5 billion – that is a 60% increase over the previous year's investment. Plus, over 70 major funding deals in the first half of the year – that has contributed nearly \$4 billion of funding to the industry.



Source – India Infoline

[READ MORE](#)

17th September 2020

Most companies in the space, like **OxfordCaps**, **Stanza Living** and **Placio** have standardised their attendance systems with a professional escalation matrix. They also offer biometric security systems where entry and exit times are recorded. Hostels can set a threshold time, based on which if the student is not in within a certain time, parents get a notification. **OxfordCaps** is leveraging IoT-connected devices to monitor energy and space consumption, specifically in gyms, reading lounges and TV rooms, where usage usually remains untracked.

Considering industry average of around 40% for food wastage in hostels in urban centres, various organisations like **Stanza Living** are using advance analytics to reduce operational costs. With the ability to predict and analyse consumption data, food wastage at Stanza properties have been reduced to less than 10%.

On the other hand, **Placio** brings social incentive that is used by ride hailing firms such as **Uber** and **Ola** to hostels. It digitally tracks various parameters like student behaviour, general cleanliness, punctuality etc. to reward the better ranked students with online gift vouchers.

With majority of the students staying at hostels to complete their education, such tech-based offerings not only improve the quality of life but also help them get exposed to advanced technologies like facial recognition, digital gift vouchers etc.

Today's News

These 5 regulatory changes could have a major impact on the digital payments ecosystem

The Reserve Bank of India (RBI) regulates the digital payments ecosystem and releases regulatory updates on a regular basis. August 2020 was a very busy month in terms of key regulatory changes introduced around the fintech space.

From a new retail settlement agency being proposed to the setting up of a self-regulatory organisation for payments, each of these guidelines is expected to have a major impact on the digital payments ecosystem.

Source – Money Control

[READ MORE](#)

DBS Bank's attempt at a hassle-free online SME loan platform

DBS Bank India announced its online credit solutions platform - DBS Digital Business Loans for SMEs; driven by its constant focus on building simple, intuitive and hassle-free banking solutions for customers.

This segment-flagship platform from DBS enables easy access to business credit for the entire spectrum of micro, small and medium-sized enterprises. The loan application process is made seamless and can be done online by just uploading bank statements, and IT Returns.

Source – The Economic Times

[READ MORE](#)

Standard Chartered unveils online remittance services

Standard Chartered Bank's outward Remittance Online Service provide clients with means to transfer funds overseas using their laptops or mobile phones. This facility enables Indian Residents, Expats working in India and Non-Resident Indians (NRI) / Persons of Indian Origin (PIO) to send funds overseas for multiple reasons.

Without visiting the branches, Online Remittance Service enables resident clients to make a remittance under the Liberalised Remittance Scheme without visiting the branches.

Source – The Economic Times

[READ MORE](#)

HDFC Bank launches video KYC

HDFC Bank has enabled opening of savings account remotely by activating video KYC. The bank is also offering personal loans to new customers who can avail of the facility.

Video KYC requires the prospective customer to have an Aadhaar and PAN number. The prospective customer needs to download the bank application and complete an Aadhaar OTP-based eKYC. After completing this they get connected to a bank executive who undertakes Video KYC. This process requires the customer to have a physical copy of documents and the customer needs to be present in India.

Source – The Times of India

[READ MORE](#)

Flipkart allows PhonePe rival Paytm at checkout

In a surprising move, Flipkart has started integrating Paytm's e-wallet on its platform even as it continues to compete with its unit PhonePe for the high stakes online payments market.

Paytm's e-wallet and Unified Payments Interface (UPI) integration on Flipkart is already being rolled out to users gradually and it would be available to everyone eventually. Paytm, one of the leading mobile wallets competes against Flipkart's payment unit PhonePe in both e-wallets and fast-growing UPI payments.

Source – *The Economic Times*

[READ MORE](#)

Amazon's fintech push is a play to dig further into India

Having established itself as one of the leading e-commerce players in India, Amazon is now casting a wider net in the country. The Seattle-based company has been gradually expanding its fintech offering in India, organically as well as through acquisitions.

The move is a “natural extension” that will help Amazon shift from “mind space to wallet space,” said Krishna Kumar, an independent fintech and digital services consultant. “Payments complete shopping from viewing to sale,” Kumar added. In August, Amazon launched “Gold Vault” in India, where users can buy digital gold for as little as Rs5.

Source – *QUATRZ India*

[READ MORE](#)

How fintech firms can keep the consumer liquidity flowing

The fintech industry in India is growing rapidly. They have captured a good space with advanced technologies like smart usage of Data Science, Artificial Intelligence and Machine Learning. Even large banks and financial institutions have now started to value the importance of fintech.

The rapid growth of India's fintech space can be attributed to the success of mobile payments and digital lending. Hence, it is not very surprising that traditional banks are also keen on embracing new technologies and partnering with fintech players to improve their service standards.

Source – *Your Story*

[READ MORE](#)

Microlenders seek e-KYC authentication for client on-boarding

Sa-Dhan, an industry lobby of microfinance organisations, has written to the banking regulator and government seeking permission to conduct e-KYC authentication for client on-boarding. Currently, NBFC-MFIs are not permitted to do e-KYC for their customers.

Only MFIs that are operating as banking correspondents of commercial banks can do e-KYC for that category of customers. E-KYC helps lending institutions upload documents of customers digitally. “There is a lot of stress on contactless banking. But NBFC-MFIs are unable to do this because of unavailability of the e-KYC facility,” said P Satish, executive director of Sa-Dhan to Moneycontrol.

Source – *Money Control*

[READ MORE](#)

Fantasy gamers' e-spends may hit \$1 billion

The online fantasy gaming market is set to explode with the upcoming season of the Indian Premier League (IPL), with industry players and analysts expecting fans to spend \$1-1.5 billion (Rs 7,000-10,000 crore) to predict the performance of players.

Platforms like Dream11, My11Circle and HalaPlay - besides more recent entrants like Paytm and Mobile Premier League (MPL) - are competing to attract users as cricket makes a comeback after over six months.

Source – *The Economic Times*

[READ MORE](#)

Ecommerce sellers struggle to get inventory up for festivals

Sellers on e-commerce platforms - many new and some existing ones - are likely to face a funds crunch in stocking up for the upcoming festive season due to a squeeze in working capital loans to small businesses.

These small and medium-sized merchants are finding it tough to break out of the vicious cycle of sputtering offline sales – which has locked up working capital – and lending taps going dry from e-commerce platforms because they lack historical performance data to facilitate loans.

Source – *The Economic Times*

[READ MORE](#)

Disclaimer: The views expressed in this newsletter are personal views of the author and do not necessarily reflect the views of Bank of Baroda. Nothing contained in this publication shall constitute or be deemed to constitute an offer to sell/ purchase or as an invitation or solicitation to do so for any securities of any entity. Bank of Baroda and/ or its Affiliates and its subsidiaries make no representation as to the accuracy; completeness or reliability of any information contained herein or otherwise provided and hereby disclaim any liability with regard to the same. Bank of Baroda Group or its officers, employees, personnel, directors may be associated in a commercial or personal capacity or may have a commercial interest including as proprietary traders in or with the securities and/ or companies or issues or matters as contained in this publication and such commercial capacity or interest whether or not differing with or conflicting with this publication, shall not make or render Bank of Baroda Group liable in any manner whatsoever & Bank of Baroda Group or any of its officers, employees, personnel, directors shall not be liable for any loss, damage, liability whatsoever for any direct or indirect loss arising from the use or access of any information that may be displayed in this publication from time to time.