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PwC sets up innovation hub at T-Hub

Today’s View

How many are too many?

What’s common between a cab aggregator, handset manufacturer, bank, payment gateway, telco, and a caller ID app?

It’s, the desire to be in the payments space.

We’ve heard too many cooks spoil the broth. Does the same apply to all the players jumping on to the payments bandwagon?

Ever since the government has declared its intent to transform India into a digital economy, many players have entered, and continue to enter, the payments market to cash on (pun 😊) the Government’s digital push.

Almost catching up to Samsung introducing its mobile payments service in India was caller-identification app Truecaller introducing Truecaller Pay with plans to leverage their colossal user base. The new feature, launched as a tie-up with ICICI Bank, will allow users of the app to create a UPI ID, and send money to other UPI IDs or mobile numbers registered with any UPI app.

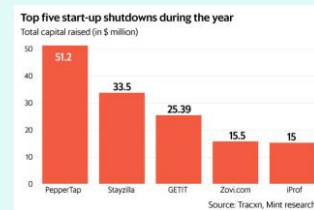
The payments industry at present is seeing a barrage of similar products in the same space. At one end of the band are digital wallets like Paytm, Mobikwik and FreeCharge plus there are semi-closed wallets like the taxi aggregator Ola wallet, the telco JioMoney etc and on the other end there is the government’s Unified Payment Interface (UPI) , which has near universal interoperability.

This trend is not limited to India though. Some of the Asia’s top messaging apps like Wechat and Line have already incorporated payment methods in their apps. WeChat offers the WeChat Wallet, a platform on which users can order taxis, book movie tickets, check-in to plane flights and even send red packets under a single integrated user interface. LINE has LINEPAY and has also partnered with Japanese credit card company JCB to launch the LINE Pay Card targeted at LINE’s multimillion customers.

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2016-17 in review: Start-ups look to conserve cash

In the financial year funding slowed sharply for Indian start-ups. The year also saw several start-ups down shutters as funding became hard to come by and competition intensified.



Valuation markdowns, executive departures, job cuts and market share losses to American rivals dominated the headlines which conspicuously lacked big-ticket fund raises.

Source-Mint

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Date- 31st Mar 17

It operates as a pre-paid card and features attractive designs to appeal to the Japanese market.

We feel as competition in payments industry intensifies, customer experience, ease of use, universality and personalization will be the differentiators and those running me-too products will be consigned to the me-too bin.

Centre sets 5.5 mn PoS machine installation target; deadline September

The government has set a target for installation of 5.5 million point-of-sale (PoS) machines by September.

In addition to existing 2.5 (million), another three million has to come. One million traditional PoS, one million QR code (-enabled PoS) and one million Aadhaar (-enabled PoS). The government also plans to assign bank-wise targets in order to meet the September deadline.

Source-The Financial Express

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You can pay via UPI by scanning QR codes

The National Payments Corporation of India (NPCI) launched a new retail initiative, which enables payments in shops using the Unified Payment Interface (UPI) platform by scanning QR codes. Reliance Retail has become the first organised retail chain to accept payments under the new facility.

The initiative is live in over 200 Reliance Retail stores across various formats, including Reliance Fresh and Reliance Digital. The facility will be extended to all Reliance Retail stores across the country.

Source-The Economic Times

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Status quo on merchant discount rate: RBI

The Reserve Bank of India said its mid-December 2016 'special measures' on rationalisation of merchant discount rate (MDR) for transactions up to Rs. 2,000 will continue.

The instructions were issued to facilitate wider acceptance of debit card payments. The measures, whereby MDR for transactions up to Rs. 1,000, and above Rs. 1,000 and up to Rs. 2,000 were capped at 0.25 per cent and 0.50 per cent, respectively, of the transaction value, were effective from January 1, 2017 till March 31, 2017.

Source-Business Line

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Cryptocurrencies Can Make India A Global Fintech Hub – DABFI's Petition

DABFI has published a report regarding the potential for crypto-currencies for India and suggested how to regulate the industry. As per the report, crypto-currencies are legal in most countries, for example, USA, UK, EU, Japan, Singapore and Australia.

India has become a global technology hub. Our technology power can help us become a global fintech hub by allowing this technology to develop.

Source-Tech Story

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PayPal, Vistarooms partner for online payment to book hotels

Digital payment firm PayPal has a partnered with Vistarooms.com to enable foreigners travelling to India book hotels in the country.

PayPal Director said that Vistarooms.com will help us further add to the existing list of travel and tourism partners that includes OYO rooms and Makemytrip. Additionally, our seller protection programme helps merchants safeguard their online services from frauds.

Source- Money Control

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

ET GBS 2017: Modi govt targets 25 billion digital transactions in next financial year

Experts at Global Business Summit said that the government's plan to reach 25 billion digital transactions in the next financial year will be driven by consumption-based payments, who expect digital education of both consumers and merchants along with security steps and enabling regulations to support the process.

The government is targeting to achieve 25 billion transactions in India through multiple facilities including platforms such as Aadhaar Pay, Unified Payment Interface, Immediate Payment Service and debit cards.

Source-The Economic Times

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Kotak Mahindra Bank's disruptive 811 may spell trouble for payments banks

Payment banks could be staring at an even more uncertain future with the launch of Kotak Mahindra Bank's 811 digital banking service. Unlike payment bank accounts, Kotak Mahindra Bank's customers can use the 811 account not only to transact, but also avail other services like loans and manage investments.

The mobile app will offer an ecosystem on which the customer can shop and spend through an array of partnerships the bank intends to forge.

Source- Money Control

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NPCI to be cautious with fresh UPI request from banks

National Payments Corporation of India (NPCI), which launched UPI payment system last year, is being extra cautious to go live with smaller banks after the banking industry witnessed a fraud of Rs. 25 crore at Bank of Maharashtra (BoM) on February 22.

A P Hota, Managing Director of NPCI told that the umbrella body for retail payments' would not allow banks to join UPI unless they have a thorough reconciliation process or have got audited by the best of auditors.

Source-Business Line

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Digital transactions via UPI see 584% jump since demonetisation

There has been an increase of 584 per cent in digital transactions done through the Unified Payments Interface (UPI) since demonetisation.

Today around eight billion transactions take place annually through digital payment methods. The government is planning to increase this to 25 billion transactions in the current year to bring an end to the shadow economy by reducing black money flowing into the system.

Source-Business Standard

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ICONOMI Announces World's First Digital Assets Repayment Program

ICONOMI, is one of the world's leading digital asset management platform, and it recently introduced a repayment program that will serve to increase the stake every participant has in the company.

ICONOMI's repayment program will offer a unique mechanic as the company intends to purchase ICN tokens from exchanges using returns made via its actively managed performance array, and destroy them on a weekly basis, offering each participant a much larger percentage share of the total ICN token amount.

Source-Payment Week

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PwC sets up innovation hub at T-Hub

In a bid to engage with the startup ecosystem in Hyderabad, auditing firm PwC India on Thursday inaugurated its first innovation hub in the country at the T-Hub in Hyderabad.

T- Hub will be engaging with startups to accelerate their growth trajectory. Suppose startups want to access a company where they think their solutions will solve problems, T-Hub will be the bridge.

Source-The Times of India

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