



NEWS HIGHLIGHTS

Bank of Baroda bets on new digital platform to expand retail lending

\$1 trillion dream: Fintech firms' valuations are doubling within months

Card storage norms give advantage to UPI over credit cards

Traditional lenders retake the digital initiative, says S&P report

Today's View

Parking Payments

Increasing adoption of integrated automated solutions coupled with the advancements in wireless technologies are expected to drive the growth of smart parking market. Major technologies used for the deployment of efficient systems include sensing devices, machine-to-machine (M2M) communication, smart parking meters, data analytics, mobile apps for e-reservation of slots and online payments.

According to Brand Essence Research Report, Global Smart Parking Market was valued at USD 5.62 Billion in 2018 and expected to reach USD 12.83 Billion by 2025 with a CAGR of 12.5% over the forecast period.

In recent years, parking payments has drawn the attention of many FinTechs and digital payment solution providers. In India, **National Payments Corporation of India (NPCI)** has introduced an interoperable system so that FASTags can be used to pay parking fees at malls, airports and other private parking lots across key metros - Delhi, Mumbai, Chennai, and Bengaluru.

Such payments will be contactless, which assumes significance in the wake of Corona virus pandemic. The **NETC FASTag** solution will work both as post-paid and pre-paid solutions for securing parking at a parking plaza. There will be no additional cost to customers with respect to the parking fee, other than the one-time purchase cost of the tag. There will also be dedicated FASTag lanes.

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SBI, Paytm Payments Bank, PhonePe Lead In UPI Transactions In February

State Bank of India was the top remitter on the UPI platform in February, while Paytm Payments Bank led the chart in the beneficiary segment, as per data published by the National Payments Corporation of India.

PhonePe topped the app category on the UPI platform in terms of volume and amount involved in the transactions that it facilitated. According to the data published by NPCI, SBI recorded 656.92 million remittance transactions in february, that is money was sent out from the bank using the UPI platform.

Source – Bloomberg Quint

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17th March 2021

In the US, **Passport**, a transportation software company supports the management of vehicle interactions with streets and sidewalks, through its robust digital parking payment technology. Passport supports over 1,000 clients of all sizes in North America and has processed more than \$2B mobility transactions to date.

Similarly, **ParkMobile** is another leading provider of smart parking and mobility solutions in North America, using a contactless approach to help people easily find, reserve and pay for parking on their mobile devices.

Last month, **Google** announced entering into an advanced partnership with both **Passport** and **ParkMobile**. The parking payment feature can be availed in over 400 US cities, including Boston, Chicago, Houston, Los Angeles, New York and Washington DC.

Simply tap on the 'Pay for Parking' button that appears as you near your destination. Then enter your meter number, the amount of time you want to park for, and tap 'Pay'. The payment will be processed through **Google Pay** application.

Google Maps, along with **Passport**, is in the process of expanding the ability to pay for transit fares for "over 80 transit agencies" around the world, allowing the users to plan their trips, buy tickets and start riding without needing to toggle between multiple apps.

We believe that the increased interest around the parking payment technology will provide an opportunity for IoT and mobility players to up their game and significantly increase revenue generation, to get back on track in the wake of the pandemic.

Today's News

Bank of Baroda bets on new digital platform to expand retail lending

State-owned Bank of Baroda is making a bold move to expand its retail lending through a self made digital lending platform which assesses credit risk through varied public and private data points like bank account statement, tax statements and consumption trends.

Akhil Handa, head Fintech and digital lending said the bank has already disbursed Rs 1000 crore through this new platform since it was launched at the end of November and expects half of the bank's retail loans to be originated through this platform by the end of the fiscal ended March 2022. BoB has offered 1.25 lakh loans so far, roughly 80% of which are personal loans. The personal loans are capped at Rs 50,000 and are currently offered to only the bank's customers. Handa said BoB plans to increase the maximum ticket size to Rs 2 lakh and also offer the loans to non customers of the bank before the end of the month.

Source – *The Economic Times*

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Dynamic QR codes: Making payments simple and error-free

Paytm, the Noida-based e-commerce payment system and financial technology company, has been the pioneer of driving static QR codes in the past five years. Today, it supports over 17 million merchants and is used by millions of individuals daily to pay for utilities, groceries, movie tickets, and more.

These static QR codes can be seen in even the smallest of shops today. While that's still a way for merchants to accept digital payments and at absolutely no cost, Paytm has been working on migrating to Dynamic QR codes along with IoT devices.

Source – *Financial Express*

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To grow your startup, prioritise funding over valuation

This is the story of twin sisters Seeta and Geeta. And no, this is not another Hema Malini movie. It's a true story. If you don't believe me, I'll put you in touch with the young women. Anyway, continuing with our story, they had launched similar startups Beautynature and Lovelynature, respectively.

Both were marketplaces for natural, organic, and ayurvedic beauty products. The two companies were launched around the same time, but in different cities — one in Indore, the other in Bhopal.

Source – *Your Story*

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Card storage norms give advantage to UPI over credit cards

Do you transact with your card on a large e-commerce merchant or any merchant where you've stored your card details and while checking out you just have to enter your three-digit CVV number (card verification value) and followed by a one-time-password (OTP)? Possibly you'd also have to enter your 16 digit card number from July onwards.

The Reserve Bank of India in its Payment Aggregator and Payment Gateway Guidelines has asked merchants and payment aggregators to not store card data on their server. Experts believe this move is aimed towards ensuring fewer breaches from a security standpoint of view but it will also impact the user convenience. ETBFSI spoke to different payment ecosystem players to understand the balance between the security and user-convenience aspect.

Source – *The Economic Times*

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Traditional lenders retake the digital initiative, says S&P report

Pure-play virtual banks are getting squeezed just as the pandemic is hitting their nascent business models, said a report by S&P Global Ratings on Wednesday, adding that it believes new entrants are under strain at a vulnerable moment even as traditional players are aiming vast resources at digital services. According to the report, what was shaping up pre-covid-19 as a moment of glory for virtual banks is turning into an ordeal for some and the economic malaise has hit many lenders, but the less established institutions are often more vulnerable.

"The virtual banks have a low market share relative to traditional banks. In many cases, virtual banks have highly concentrated business profiles, often need to rely on higher interest rates to attract deposits, and have small, unseasoned lending books," it said. The pandemic, S&P said, has exposed gaps in the business model of some virtual banks; many will need to revamp their strategies or find a stronger partner with which to merge.

Source – *Live Mint*

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\$1 trillion dream: Fintech firms' valuations are doubling within months

Valuation of Indian fintech firms are seeing explosion as pandemic spurs digitalisation and a huge number of people take to e-payments and other digital modes of transaction. Take for example Cred, serial entrepreneur Kunal Shah's two-year-old startup is set to be the next unicorn (startups that are valued at \$1 billion or more). A new round of funding is expected to more than double the valuation of the company, which offers rewards for credit card payment, to over \$2 billion.

It is finalising a \$200 million fund-raise that will make it the second fastest startup to become a unicorn in India, in 29 months. Business-to-business (B2B) e-commerce startup Udaan is to date the fastest to reach unicorn status, in 26 months. The jump in more than double in just three months as Cred was valued at little over \$800 million in January. Cred will be the fourth unicorn in India this year, after online insurance startup Digit, B2B firm Infra.Market, and software-as-a-service (SaaS) firm Innovaccer.

Source – *The Economic Times*

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Fintech Startup YAP Raises \$10 Mn For Expanding Business To Middle East, Egypt

Mumbai-based API platform YAP has raised \$10 Mn in a Series B funding round led by Flourish Ventures and Omidyar Network India. This is Flourish Ventures' first investment in embedded finance infrastructure in India.

The fintech startup's existing investors BEENEXT, 8i Ventures and Better Capital also participated in this round. Prior to this, YAP had raised \$4.5 Mn in Series A in April 2020 led by Dirk van Quaquebeke at BEENEXT.

Source – *Inc 42*

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Why ecommerce is a game changer for MSMEs

Governments, whether of any state or at the Centre, have on various platforms accepted the potential of micro, small, and medium enterprises (MSME) and the pivotal role they play in the Indian economy. No matter what the industry or domain, MSMEs contribute a major role in its growth.

But with deeper internet penetration, MSMEs have gained muscle like never before by catering to an online base. The internet was once the weakness of MSMEs, but with the passage of time this has turned into their strength and eventually ecommerce has become a game changer for them.

Source – *Your Story*

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