



NEWS HIGHLIGHTS

Central bank e-cash could 'challenge' role of big banks, Bank of France says

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Digital identity can help advance inclusive financial services

Google Pay UPI payments to use NFC soon in India, but you will need a premium phone

Today's View

Space Exploration v2.0

Exploring outer space has always been one of the most challenging endeavors human race has undertaken. Considering the limitless challenges faced in this task, human beings are leveraging numerous advanced technologies like Artificial Intelligence (AI).

Given the rate at which AI has been advancing, we are just limited by our imagination on how far the technology will be able to go. Hence, space scientists are working on utilizing the power of AI to further explore the universe.

NASA is currently adopting a number of AI technologies. The Mars 2020 Mission incorporated three major areas of AI: the rovers themselves were equipped for autonomous driving, the systems that assist the rovers made use of AI along with a sophisticated scheduling system to ensure optimal productivity.

Considering the expertise built around AI by top technology firms, space agencies are partnering with such tech firms to develop numerous AI-based modules. For instance, **IBM Watson** is partnering with **Airbus** for developing CIMON (Crew Interactive Mobile Companion), the AI-based robot which will accompany German astronauts on the **International Space Station (ISS)**.

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The coolest digital banks around the world

Digital banks can be thought of as the Netflix and Spotify of banking. It has radically disrupted existing financial institutions by democratising banking services whereby they run on a subscription model like Netflix, and brought down the cost of servicing for both the low and high income users.

CASH	GEOGRAPHY	YEAR FOUNDED	NUMBER OF BANKS	NO. OF USERS	WEBSITE
N26	Europe, U.S.	2016	1	10 million	n26.com
Ally	Latin America	2015	1	10 million	ally.com
Chime	U.S.	2015	1	10 million	chime.com
Monzo	U.K.	2015	1	10 million	monzo.com
GoBank	Indonesia	2016	1	10 million	gobank.com
Monzo	U.S.	2015	1	10 million	monzo.com

Source: Bain

Source – *The Economic Times*

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It is expected to help astronauts in a variety of roles, including conducting medical experiments, studying crystals and minerals etc. However, the most interesting application is the potential of CIMON to mimic human interactions and act as a 'smart assistant' to the astronauts onboard.

AI has also found its way into a number of direct scientific applications. The WATCH software, which enabled the MER rovers to automatically detect dust devils in image sequences, generated much more efficient image sequences for download and analysis. Similarly, the AEGIS software enables scientists to declare general target characteristics, such as size, shape and texture, when the rover captures images and targets for follow-up imaging.

Though truly self-aware AI is far from being developed, but present AI-based systems are slowly but surely pushing the boundaries of what machines and programming are capable of – even in cutting-edge areas like space exploration.

Today's News

Merchants payments is next battleground for SBI, HDFC Bank and ICICI Bank

State Bank of India, HDFC Bank and ICICI Bank have lined up a slew of plans to capture the payments and settlement market as they ramp up their digitisation initiatives. ICICI Bank, India's second-largest private sector lender by assets is eyeing a large share of the potential Rs 31 lakh crore of payments and settlement market to more than 2 crores small, big, offline and online businesses by fiscal 2022 by offering these wholesalers and retailers payment systems bundled with cash management and credit facilities.

The bank is targeting income from fee, credit and savings due to use of technology by offering these services to these large and small establishments spread across the country. As per RBI data the market for merchant services is Rs 2.32 lakh crore or about Rs 24 lakh to Rs 25 lakh crore in fiscal 2020 and is expected to increase 45% to Rs 31 lakh crore by fiscal 2022.

Source – The Economic Times

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Central bank e-cash could 'challenge' role of big banks, Bank of France says

Central bank digital cash could give new types of businesses access to ultra-cheap central bank funding and lessen the role of big banks in settling large transfers, a senior Bank of France official said on Thursday. With high stakes involved in the development of e-cash, the Bank of France is part of the European Central Bank's research into how a future digital euro could be used both in wholesale bank-to-bank lending and in everyday retail banking.

A wholesale central bank digital currency could spark demand from financial firms which don't currently have access to central bank money, Denis Beau, deputy governor of the Bank of France, told an online seminar organised by the OMFIF think-tank. "Even if these actors would be ... subject to similar regulatory requirements, the role of large banks in the settlement of transfer orders in central bank money would be challenged," Beau said.

Source – The Economic Times

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Ola to take e-scooter to international markets this fiscal

Ola Electric is looking at taking its electric scooter to international markets, including countries like France, Italy and Germany, this fiscal, a top company executive said. The company, which is working on setting up a 'Hypercharger Network' for its electric vehicle, is slated to launch its electric scooter in India in July this year.

"We are going to be launching internationally...this financial year itself, we will be selling internationally also. We start with India first but soon, we move into international markets with a focus on Europe," Ola Chairman and Group CEO, Bhavish Aggarwal told PTI.

Source – Your Story

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Challenges To India's Digital Payment Revolution

Widespread internet penetration, a slew of government reforms and sustained investor interest in payment space has led to a surge in digital payment adoption by consumers and merchants. Unified Payments Interface (UPI) has accelerated this adoption multi-fold as the simplicity and ease of use by both developers and consumers, unbottled many use cases.

Growing at a compounded rate of over 50% year-on-year, digital payments got a further tailwind during the COVID-19 pandemic as consumers adopted touchless payments.

Source – Business World

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Digital payments see muted growth in April

The growth of digital transactions eased in April at a time of localised lockdowns in several states amidst surging Covid-19 cases. The volume and value of transactions however, remained higher than that in February. According to data released by the National Payments Corporation of India on Saturday, transactions on the Unified Payments Interface (UPI) in April scaled down from the Rs.5 lakh crore peak it had touched in March.

As many as 264 crore transactions worth Rs.4.93 lakh crore were processed on UPI in April 2021 versus 273 crore payments amounting to Rs.5.04 lakh crore in March this year. Similarly, the Immediate Payment Service (IMPS) processed 32.29 crore transactions worth R2.99 lakh crore in April. In contrast, there were 36.31 crore transactions of Rs.3.27 lakh crore on the IMPS platform in March. The transaction value on Bharat BillPay increased in April even though the volume fell marginally compared to March. It processed 3.51 crore transactions worth Rs.5,201.92 crore in April as against 3.52 crore payments amounting to Rs.5,195.76 crore in March.

Source – *The Hindu Business Line*

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Digital identity can help advance inclusive financial services

To get through COVID-19 as best as possible and approach its aftermath triumphantly, business and government must put power in the hands of the populace. Catalysing a people-led recovery from the pandemic means employing new technology systems and processes, accelerating digital penetration in emerging markets to create a level playing field. The end goal? For each person to be able to buy, trade and live a fruitful life.

But how? First, we need to follow in the footsteps of Estonia and India, with every person granted a unique digital identity so that they have full access to the digital world in the economic, social and political realm. Digital banking must then become ubiquitous and innovative new payment infrastructures should be giving a helping hand. With these digital innovations connecting economies, new digital regulation needs to make inroads, giving consumers and small businesses more power over the data they produce.

Source – *Qrius*

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Google Pay UPI payments to use NFC soon in India, but you will need a premium phone

Google Pay for India is soon adding the option to pay using UPI over an NFC connection. NFC, short for Near Field Communication, is one of the most popular methods for one-touch cashless payments in the world, but its adoption is not so high in India. Google began using NFC-initiated payments for credit and debit cards recently in India through the Google Pay app. With new NFC-powered UPI payments, Google is hoping to bring NFC to the mainstream in India.

With both the requirements met, your Google Pay app will be able to make UPI payments over NFC. And for that, you will just need to tap or hold your phone close to an NFC terminal and the Google Pay app will open on your phone automatically. After this, you just have to enter the amount and enter the UPI pin to authenticate the transaction. According to the report, only Pine Lab terminals support Google Pay UPI NFC right now, but the range of PoS terminals will expand in the future.

Source – *India Today*

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Indian Overseas Bank launches retail loans on digital platform

Indian Overseas Bank has announced the launch of retail loans (home loan, personal loan and clean loan) on digital platforms. The launch was presided by Partha Pratim Sengupta, Managing Director and CEO, Indian Overseas Bank in the presence of Executive Directors A. K. Srivastava and Srimathy S.

The loans are now available through various channels, i.e. the bank website (www.iob.in), internet banking and the mobile banking app. IOB customers may apply for these loans through the bank website, mobile banking and internet banking, while non-customers may apply only through the bank website.

Source – *CRN*

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6 Ways Digital Is Transforming the Customer Journey In Banking

The Covid-19 pandemic has been challenging and, at the same time, a transformative experience for banks and credit unions. While banking providers have invested in digital capabilities, the pandemic pushed them to rethink, redesign and re-engineer their business operations, services and products.

To ensure business continuity, financial institutions transitioned to remote working models of sales, digital outreach and customer support.

Source – *The Financial Brand*

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