



NEWS HIGHLIGHTS

Aadhaar enabled payments double to 13.7m in March

SEBI mulls biometric check for stock trading via mobile applications

Flipkart Walmart deal would be good for e-commerce: Amazon

Mahindra Electric ties up with Meru for e-vehicle project

Today's View

Islamic Crowdfunding

Islamic Banking has evolved from an ethical niche market to a mainstream financial services category, especially in the Gulf and the Asian and African continents. **The Islamic Financial Services Board (IFSB)** estimates the Islamic finance space to be worth US \$2.1 trillion in 2017. As per **World Bank** report, Islamic financing is currently focussed more on large corporates, while Islamic-based investments (outside of bank deposits) are limited to high-networth individuals.

In order to focus more on equitable distribution of wealth, various Islamic institutions like Saudi-based **Islamic Development Bank** are leveraging innovative financing options like crowdfunding. Islamic crowdfunding allows for a collective cooperation amongst individuals to pool resources for a cause, project or business in which they believe.

Islamic crowdfunding follows **maqasid al sharia** (objectives of Islamic Law) to unlock investments from the community and stream it down to businesses most in need of financing. Integrating both concepts can support overall community growth through increased entrepreneurial activities while reducing inequality.

Islamic crowdfunding has few distinguishing features apart from other types of crowdfunding. The first feature is the exclusion of interest, provided for – as an incentive. The second is about "the legality" of the project, which must

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Paytm Bank claims 100m e-Verified accounts

Paytm Payments Bank claims that it now has over 100mn KYC-registered wallets — which includes both complete and minimum KYC. This development comes even as there have been indications in the digital payments industry of a sharp fall in mobile-wallet users as customer authentication did not take off.



Source - The Economic Times

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Date - 23rd Apr 18



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be "halal" (i.e., allowed by Sharia). In other words, crowdfunding must avoid the promotion of forbidden substances and activities such as gambling, alcohol and animal fats.

Acknowledging the potential of Islamic crowdfunding, numerous companies have initiated Islamic crowdfunding-based platforms. For example, **EthisCrowd** has secured total crowdfunding amount of S\$ 345,000 from investors to build affordable housing units in Indonesia. It has crowdfunded similar housing projects in Malaysia as well. Additionally, it is funding the installation of fiber optics in Indonesia. The project aims to alleviate poverty by providing internet connectivity to many Indonesians. This will empower individuals towards entrepreneurship and enable businesses to develop in the digital age.

As per **S&P report**, fintechs have an immense potential to unlock new growth opportunities through faster execution and better traceability of transactions in Islamic crowdfunding. Watch out this space for more on this.

Today's News

Aadhaar enabled payments double to 13.7m in March

Transactions through the Aadhaar-enabled payment system (AePS) more than doubled to 13.7mn in March from 6mn in April last year, according to data released by the NPCI. AePS, which allows customers to carry out transactions through a micro ATM without any debit card, is mostly meant for those who are not comfortable with smartphones or debit cards.

AePS transactions done through a biometric-enabled point of sales (PoS) terminal could be for cash withdrawal or for direct merchant payment. Banks such as Yes Bank, RBL Bank, and IDFC Bank are leading the AePS volumes, along with the traditionally larger players such as ICICI Bank.

Source – The Economic Times

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SEBI mulls biometric check for stock trading via mobile applications

SEBI has proposed biometric authentication for traders and investors when they access mobile applications to buy and sell stocks. Aimed at improving cyber security, this is part of a long list of recommended dos and don'ts compiled by the markets regulator in a note recently shared with stock exchanges and brokers.

The draft note says that in case of applications installed on mobile devices such as smartphones and tablets, a cryptographically secure biometric two factor authentication mechanism may be used.

Source – The Economic Times

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This News Letter has been prepared with the assistance of Balakrishna

States get 'wallet' for timely GeM payments

Commerce ministry-led Government e-Marketplace (GeM) has designed 'pool accounts' where states can make advance payment for their purchases but can't debit, thereby eliminating the chance of non-availability of funds.

Source – The Economic Times

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DST Global in talks to invest in Swiggy

DST Global, which counts Facebook and Alibaba in its investment portfolio, is likely to join the ongoing round of fundraising at online food delivery platform Swiggy. The investment, for which talks are in an advanced stage, will see the start-up's valuation cross the \$1billion threshold.

Source – The Economic Times

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Micromax plans an electric vehicle trip as mobile battle gets fiercer

Micromax Informatics plans to enter electric vehicles and battery manufacturing, especially at a time when handset and consumer electronics segments have become hyper competitive. Micromax is in advanced stages of completion of the testing formalities for the vehicles and has got approvals for some of its lithium battery categories.

Source – The Economic Times

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Flipkart Walmart deal would be good for e-commerce: Amazon

Since its launch in June 2013, Amazon has been the biggest threat to market leader Flipkart. Now, Amazon is in a two-way race with rival Walmart to buy a controlling stake in Flipkart.

Amazon head Amit Agarwal, who is also one of the senior-most leaders globally at Amazon, talked about the company's plans for the next five years. Agarwal declined to comment on reports of Amazon's talks with Flipkart but said that if Walmart were to become a Flipkart investor, it will boost the ecommerce market in the country.

Source - Mint

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Mahindra Electric ties up with Meru for e-vehicle project

Mahindra Electric, part of the diversified \$19 billion Mahindra Group and Meru, technology-enabled cab Services Company, announced a collaboration for a pilot Electric Vehicle project.

According to a press release issued by the auto maker, the pilot project will see Meru deploy a fleet of eVeritos, the all-electric sedan by Mahindra and the model will be replicated in other cities soon.

Source - The Economic Times

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Twitter's Biz Stone invests in Delhi-based healthcare start-up Visit

Twitter co-founder Biz Stone has invested in his "personal capacity" in a Delhibased health start-up that uses an Al-based bot in its app as he wants to contribute to a future where Al is seen as a "positive enhancement of humanity".

It introduced an AI-based "chatbot" that acts as a digital assistant to provide "smart help" to patients in accessing consultation from doctors. Vaibhav Singh, co-founder and head of growth at the firm, claims it is country's first AI-integrated health app.

Source - Mint

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How Soft-Bank is steering e-commerce consolidation against Google, Amazon

Not just in India, global telecom giant Soft-Bank group, headed by Masayoshi Son, is out to consolidate the world's e-commerce and telecom business against titans such as Google and Amazon, backed by its \$100bn Vision Fund. From e-commerce, ride-hailing, telecom, artificial intelligence, media, to solar power and even football, Soft-Bank is either making fresh investments or consolidating the investments it has already made in these areas.

Source - Business Standard

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Al Platform to make machine learning easier for software developers

A new artificial intelligence platform has been launched, designed to make machine learning more accessible to any software developer. The focus is on developing machine learning applications for businesses.

Al start-up company Dimensional Mechanics has launched a so-termed next-generation Al modelling framework. This comes with a new form of programming language called NML 2.0.

Source – Digital Journal

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Catalyst Incubates B2B Fintech Start-up PayBee

Chennai-based B2B Fintech start-up, PayBee has been selected in the first batch of Catalyst's 'Fintech for the Last Mile' incubation programme.

Catalyst is an initiative that promotes last-mile digital payment solutions to help underserved communities of merchants and consumers access to broader financial services, and create opportunities vital to their future prosperity.

Source - PR Newswire

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