



NEWS HIGHLIGHTS

GST to lower overall tax burden over time, says RBI governor

Going digital can help Fintech cos earn \$3.5 b extra

Biometrics, e-mandate and bigger transfers in UPI 2.0

ItzCash enables Bharat QR on its PoS terminals

Today's View

GovTech: Transforming Governance

GovTech, a global market estimated at \$500 billion as per GovTech Research titled 'GovTech: an Emergent Sector Revolutionising Public Services', holds the potential to transform governments and their functioning. In the modern era of smartphones, self-driving cars and microsatellites, it's imperative for governments to leverage technology in planning, executing and monitoring projects.

Ahead of many countries, the Indian Government has believed in the promise of e-governance and adopted a tech-driven approach toward projects. The Government's Digital India programme has a suite of e-governance services across the banking, healthcare and education sectors resulting in more than Rs. 1,000 crore of e-governance transactions in 2016. Aadhaar seeded bank accounts have been instrumental in Direct Benefit Transfer (DBT) schemes which have resulted in subsidy savings of Rs 49,560 crore as of January 31, 2017.

Another key initiative- UMANG (Unified Mobile Application for New-Age Governance), has been instituted to develop a common, unified point of access to all government services, integrating 200 applications to offer about 1,200 services. Besides external offerings, internal plumbing is also being done in the form of a Public Financial Management System (PFMS) which has been developed to link the financial networks of Central, State Governments and the agencies of State Governments.

While the government is providing thought leadership, the private sector companies are doing their bit in helping the government launch various GovTech portals. For starters, **Infosys** has developed Ministry of Commerce & Industry's **eBiz** portal, aimed at improving the business environment in the country by enabling fast and efficient access to Government-to-Business (G2B) services. Further, international organisations are also playing an active role such as **Thomson Reuters**, which has signed a MoU with NSDL E-Governance to offer Joint Solution for GST compliance services. Beside private players, countries like **Portugal** have signed an agreement with India to cooperate in the field of Public Administration and Governance Reforms.

OTHER INTERESTING NEWS

Biometrics, e-mandate and bigger transfers in UPI 2.0

The National Payment Corporation of India (NPCI) is expected to release the new specifications for UPI 2.0 by early July for banks to start incorporating them.

UPI 2.0 is set to have several new specifications, the biggest of them being an electronic mandate, which will allow customers to preauthorise transactions.



Source- The Economic Times

[READ MORE](#)

Date- 23rd June 17

Besides India, multiple countries around the world have progressively pressed on the need for digital disruption in governance. The U.S. President recently acknowledged the importance of GovTech by instituting **American Technology Council** comprising top technology companies like Amazon, Apple, Google and Microsoft. The country also established a dedicated GovTech fund with the objective of investing in governance-focused tech start-ups. While in Singapore, Government Technology Agency of Singapore has collaborated with Singapore Customs to build the National Trade Platform, a one-stop next-gen trade information management platform to support companies in trade finance.

GovTech, indeed has immense prospects to create a more participative political system with more informed citizens. While there is some debate around incremental privacy and security issues involved - including the risk of cyber-attacks, cyber-sabotage and identity theft - this should not deter us from the enormous potential of opening up the conventionally closed and centralised government processes, making them more transparent, engaging and collaborative.

Today's News

GST to lower overall tax burden over time, says RBI governor

Governor of the Reserve Bank of India (RBI), Urjit Patel, on Thursday said the soon-to-be implemented goods and services tax (GST) will not only create a national market but will also broaden the tax base which in turn will lower the overall taxes in the long-term.

The prudent point is that GST itself is part of the digitisation revolution, which along with the reforms on the information tax side in terms of the processes and operations, have the potential to broaden the tax base considerably.

Source- Mint

[READ MORE](#)

IT job losses overly pessimistic; start-ups compensate with new jobs: Urjit Patel

Despite pressure in the IT (information technology) sector, start-ups are creating more jobs. The pessimism regarding job losses is a judgment too soon, RBI governor Urjit Patel said on Thursday.

“While there could be pressure on employment in some of the IT sectors, it is not necessarily in terms of literally a job destruction, but may be the growth rate is affected...The number of start-ups in that same space is almost compensating for most of this.

Source- Money Control

[READ MORE](#)

This News Letter has been prepared with the assistance of Pankaj Tadas and Manish Kulkarni

Flipkart, Snapdeal merger at risk as Azim Premji's Premjinvest objects

Flipkart Online Services Pvt.'s planned acquisition of rival Indian e-commerce provider Snapdeal has hit a snag that may put the deal in jeopardy, or at least substantially drive down Snapdeal's valuation from a previously agreed-upon \$1 billion.

One of the smaller investors in Snapdeal, the family office of billionaire Azim Premji, objects to special payments to certain shareholders including its two co-founders and two early backers.

Source- Mint

[READ MORE](#)

Fintech Startup Kisst Raises \$2M from Endiya Partners and Ventureast

Fintech startup Kisst has raised \$2 million from early-stage technology-focused fund Endiya Partners and Ventureast. The company is also planning to raise series-B round of funding. It had also raised angel funding earlier so the total funds raised by the company is \$2.7 million.

Founded in 2015, Kisst provides collateral-free loans to consumers to facilitate purchases such as mobiles, laptops, jewellery and electronics. “Going forward, we will be a data and analytics company enabling consumers to get loans from banks and NBFC working with us as lending partners,” said Krishnan Vishwanathan, CEO, Kisst.

Source- Business World

[READ MORE](#)

Boost to farmers as 34 government 'mandis' join virtual agri market platform

As many as 34 government mandis (markets) will join the e-national agriculture market (e-NAM) platform by the end of this month taking the total number of such markets to 100.

Bringing 34 markets on the e-NAM platform before the completion of 100 days of the Yogi Adityanath government on June 26 was on the agenda of Mandi Parishad.

Source- Hindustan Times

[READ MORE](#)

WhatsApp in talks with SBI and NPCI for payments via UPI

Messaging application WhatsApp has initiated discussions with Indian banks and other institutions to allow its users to make payments via United Payments Interface (UPI), which facilitates instant fund transfer between two bank accounts on the mobile platform.

The messaging app, owned by American online social networking company Facebook, is in talks with the State Bank of India, the National Payments Corporation of India and a few other financial institutions to integrate payments on its platform.

Source- The Economic Times

[READ MORE](#)

ItzCash enables Bharat QR on its PoS terminals

ItzCash, a leading fintech company, has rolled out 'Bharat QR code' feature across its retail network. With this, users can scan and pay money with ItzCash's 'Point-of-Sale (PoS)' devices by simply flashing their cell phones.

This means that customers have multiple options to make payment through this device - debit cards, credit cards, prepaid cards, and now with Bharat QR can enjoy the ease of cashless shopping even if they leave wallet at home.

Source- The Times of India

[READ MORE](#)

Going digital can help Fintech cos earn \$3.5 b extra

The Indian financial services industry can potentially increase its retail profit pool by more than \$3-3.5 billion in the next three years by switching to digital and reducing its cost base.

India is rapidly transitioning from a data-poor to a data-rich nation, with immensely useful data being created across businesses and consumers alike.

Source- The Economic Times

[READ MORE](#)

Fintech Startup LoanTap Raises \$4 Mn from Kae Capital, India Quotient, Others

Mumbai-based fintech startup LoanTap has raised \$4 Mn Series B funding. The round comprised a mix of equity and debt instruments from Kae Capital, India Quotient, IFMR, and MAS Financial Services Ltd.

"We saw strong demand reflecting in the growth since our last round of investment and we believe that innovative personal loan products from LoanTap would serve a large segment not served by traditional banks", said Madhukar Sinha, co-founder at India Quotient.

Source- Inc 42

[READ MORE](#)

FreeCharge goes big on digital entertainment space, partners with ALTBalaji, Eros Now, SonyLIV

FreeCharge, India's leading digital payments platform on Thursday announced its partnership with ALTBalaji, largest digital platform for original shows from India, to provide easy, secure and fast digital payment solutions for users.

The company also recently partnered with Eros Now and SonyLIV to accommodate a large set of millennials' preferences of watching their favourite movies and shows on the go and to binge watch at their convenience.

Source- Business Standard

[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.