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Today's View

Why COD still makes sense to customers

India is one of the few markets where e-commerce is conducted more through COD than online payments. Comparing it to the other Asian giant China, the thriving e-commerce market there is ruled by Alibaba's payment wallet Alipay and Tencent's WeChat Payment.

For the uninitiated, "Cash on Delivery" is a method of payment in which a customer make a purchase online but pays for it only after receipt of goods. The payment is mostly done by cash but also increasingly with physical cards or digital wallets depending upon the options available with the delivery guy.

There's no point in contradicting the fact that COD is the biggest game changer, which has given an edge to the e-commerce players in India. Suddenly every person, from a school kid who didn't even have a bank account, to a small town lass who didn't possess a debit card, were able to buy things with just a click.

With Government's financial inclusion and Digital India drive and so many different options available for online payments, COD mode should be seen waning but that's not the case. As per the India B2C E-Commerce Market 2017 report released recently- cash on delivery maintains its rank as the top payment method for Indian consumers.

The situation might look perplexing when we single out payments in the operating model but when we look at it from the customer's angle, payments acts as a seal of trust between the buyer and the seller. The customer will only make a payment when it trusts the seller to deliver.


There might be various reasons for this distrust. It could be ambiguity in the delivery address, where the consumer is not sure if the order would ever reach him. Like while ordering pizza or coffee, the website/app does not suggest my building's name or the correct street and I instead enter the nearest landmark.

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Aadhaar Data Gets New Security Guards

The Centre has put in new safeguards following a number of cases of Aadhaar data leaks on government websites. All ministries are being asked to encrypt all Aadhaar data and personal financial details.

GOVT DOS AND DON'TS		
Read Aadhaar Act carefully and ensure compliance on data	Full number display must be controlled. All displays masked	DON'T store Aadhaar-based data in unprotected devices like laptops, PCs or smartphones
Create awareness about consequences of data breaches.	If storing Aadhaar no in database, encryption must and keys must be protected	DON'T store biometric information of Aadhaar holders collected for authentication
Ensure swift action on breach	Conduct regular audits	
	One official from each dept responsible for Aadhaar data protection	



All departments have been asked to immediately review their website content to check if personal data is on display.

Source-The Economic Times

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Date- 2nd June 17

Delayed or fake/wrong deliveries might be other reasons. The flowers that I sent for my sister's birthday, never got delivered. Had this not been a gift, I would have used the COD option and it would have saved me the headache of following up with the website. The e-commerce businesses introduced "Cash on Delivery" to overcome the consumer's distrust about delivery, and reaped its benefits by being able to reach far flung places. We suspect that it's the same trust deficit that still drives the popularity of COD for ecommerce in India. COD ain't going nowhere for the time being.

Telangana launches T-Wallet for people with and without mobile phones

The Telangana Government has launched a digital wallet, named T-Wallet, which doesn't charge transaction fee from consumers. The government is planning to use the wallet, available in Google Play, for remittances under job guarantee scheme MNREGA and scholarships for students.

Addressing a gathering after launching the wallet, Telangana IT and Industry Minister KT Rama Rao said that the wallet is better than BHIM, the one launched by the Union Government. "T-Wallet is a bi-directional. While consumers use it for public and private transactions, the government can use it to make payments to various beneficiaries," he said.

Source- Hindu Business Line

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e-Lending firms may soon get a spot in the Kart

Online marketplace Flipkart is in talks with a clutch of digital lending start-ups to offer financial products. The Bengaluru-headquartered company has created a focused team for financial services and products.

Flipkart already offers access to loans to sellers on its platform in partnerships with banks and non-banking finance companies (NBFCs). Last year, it tied up with Axis Bank to launch a credit card with discount benefits. Apart from credit and loans, Flipkart is also looking at mutual funds and insurance products, one of the executives said.

Source- The Economic Times

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Taxmann launches GST compliance software

Taxmann, a recognised GST Suidha Provider (GSP) by the government, on Thursday introduced its goods and services tax (GST) compliance software, 'One Solution' in Ahmedabad.

One Solution is an integrated software for all GST and income tax compliances. The compliances under the GST are time-bound and every month, a registered dealer has to file three returns and an annual return, which means every taxpayer will file 37 returns in a year.

Source- Business Standard

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This News Letter has been prepared with the assistance of Manish Kulkarni and Aparna Anand

Tata Cleantech gets Rs200 crore from Tata Capital, World Bank's IFC

Tata Cleantech Capital Ltd (TCCL), a joint venture of Tata Capital Ltd and World Bank arm International Finance Corp. (IFC), has raised Rs 200 crore (about \$31 million) from its promoters to grow its loan book, a senior company executive said.

Tata Cleantech is a non-banking finance company (NBFC) that funds renewable energy projects across assets such as solar, wind, small hydro and biomass, as well as other green businesses such as energy efficiency and water treatment.

Source- Mint

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Amazon to dominate Indian e-commerce market in the long run: KPCB report

Amazon India is likely to emerge as the dominant e-commerce company in the country in the long run, while the overall number of Internet users in the country continues to grow rapidly, according to the latest Internet Trends report by Silicon Valley venture capital firm Kleiner Perkins Caufield Byers.

According to the KPCB report, the number of internet users has grown 40% over the past year to about 355 million. The report also indicated that Amazon India is most likely to dominate the country's online retail market in the long run.

Source- Mint

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Secure Cloud services paramount for data security: SBI

In order to ward off growing cyber threats against the banking and finance sector, standardising security infrastructure is the key and deploying secure Cloud services is the first step towards that, a top State Bank of India (SBI) executive has emphasised.

The SBI has deployed proactive security governance that includes security coding practices, master-data management policy, data dictionary and log maintenance policy.

Source- *The Economic Times*

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India's ethical hackers are rewarded abroad, ignored at home

It is a familiar tale for India's army of "ethical hackers", who earn millions protecting foreign corporations and global tech giants from cyber-attacks but are largely ignored at home, their skills and altruism misunderstood or distrusted.

India produces more ethical hackers — those who break into computer networks to expose, rather than exploit, weaknesses — than anywhere else in the world. The latest data from BugCrowd, a global hacking network, showed Indians raked in the most "bug bounties" — rewards for red-flagging security loopholes.

Source-*The Hindu*

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Venture capital firms shy away from backing new start-ups in India

It is no secret that for the past several months, more than a few venture capital portfolios in India have been up for sale en masse and at steep discounts.

The problem is that there aren't many buyers out there for those portfolios. Most of the portfolios on sale represent the so-called copycat investing that has marked the greater part of the past decade of early-stage investing in India and aren't worth much today in the midst of what is now clearly a prolonged downturn.

Source- *Mint*

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'Blockchain helps firms create new business models'

Financial institutions and banks globally are already either working or are trying to work on Blockchain, a decentralised and distributed digital ledger that is used to record transactions across many computer database so that the record can not be altered.

Technology leader IBM, which bets big on technology, has started working with several big and small banks and corporates to help them in adopting this technology, which is the future of financial transactions and payments.

Source- *Business Line*

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German fintech start-up Kreditech has grand plans to enter India

Pegged as financial freedom for the under banked, German online lender Kreditech is disrupting the fintech market by assessing the creditworthiness of an individual based on their online footprint and extending loans. It was inceptioned with an aim to build a technology that enables credit rating for under banked consumers through new data sources and modern statistics drawn from the field of machine learning.

Kreditech is in the process of preparing their market entry into India, and the organization shall very soon become operational in the country. With this move, Indian customers will be able to receive fast and convenient financing options.

Source- *Analytics India*

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Aadhaar, Reliance Jio, demonetisation aid surge in digital payments: report

A slew of factors ranging from digitization of services using Aadhaar to Reliance Jio's onslaught on data prices and the impact of the government's currency exchange exercise have led to a surge in digital payments in India, according to the latest Internet Trends report by Silicon Valley-based investor Kleiner, Perkins, Caufield and Byers (KPCB).

The key trend is the emergence of mobile as the preferred means of payments and consumption over the internet.

Source- *Mint*

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