CASH-BASED to CASH-LESS Economy

With NPCI's Unified Payments Interface – UPI, making payments becomes as simple as sending SMSs

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BFSI 2016-17
EVENT CALENDAR

JUNE	AUGUST	OCTOBER
BFSI 2nd Annual **Leadership Summit** DIGITAL MONEY - THE FUTURE OF BANKING 3rd June 2016 MUMBAI MUMBAI	MAHARASHTRA COOPERATIVE SUMMIT **elets** 26th AUGUST MUMBAI	**elets** GUJARAT COOPERATIVES SUMMIT GANDHINAGAR

DECEMBER	FEBRUARY	
elets KARNATAKA COOPERATIVE SUMMIT BANGALORE	**elets** 4th **FIPS** MUMBAI	₹

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the BANKING & Finance Post · elets

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JAM-Packed

T he term 'JAM' could confuse one with the synonym for gridlock – traffic jam. However, with changing times and evolving technologies, 'jam' has went all caps, to present an entirely different connotation — a trinity of the Pradhan Mantri Jan-Dhan Yojana, Aadhaar initiative and Mobile number.

The JAM trinity is the key to one of the biggest reforms India ever attempted, i.e., direct subsidy transfers (DBTs). The NDA Government is pinning its hopes on these three modes of identification ((JAM) to deliver direct benefits to India's poor.

The criticality of the term JAM lies in the fact that until recently, benefits of the numerous government subsidy schemes for the poor would reach the desired beneficiaries passing through various channels, owing to which a major portion of it would be eaten away on the way; but the JAM trinity obviates the need to have those channels, and the benefits for the poor reach directly to their bank accounts. It saves on expenditure to reach benefits to the poor, it saves on time and it plugs leakages by way of weeding out duplicate/fake beneficiaries.

In a recent statement, the government announced that it has disbursed a total of ₹61,000 crore through DBT window in the financial year 2015-16 and saved an estimated ₹27,000 crore by making DBT payments to beneficiaries under various welfare schemes in the last two years!

Besides, with more and more people going for digital banking via Internet and mobile, also fuelled by the growth of e-commerce sector, the country is confidently moving towards becoming a cashless economy. Given the pace and scale of India's shift towards going fully cashless, we decided to come up with an in-depth coverage of the phenomenon. This special issue features voices and views of the major stakeholders in the Banking, Financial Services and Insurance (BFSI) domain, who provide more clarity on whether the time is ripe enough to go for cashless-only transactions. They talk about the roadblocks and opportunities in moving towards a cashless economy.

With a view to having a meaningful discussion that leads to churning out of a pragmatic approach to going cashless, Elets Technomedia plans has organized "2nd Annual BFSI Leadership Summit" on 3rd June 2016. The day-long Summit will provide a platform to discuss, deliberate and chart the future course of action for this sector with burgeoning opportunities.

The Summit will see coming together of the four pillars of Indian Banking — the Government, Regulator, Bankers and FinTech Industry — on one platform and deliberate on the way forward for the Banking and Finance industry in India. They will also focus on the challenges and opportunities of digital banking, and recommendations from the policy makers and the bankers. In short, the event will help create awareness about BFSI initiatives in Maharashtra, in particular, and across the nation, in general.

We look forward to your sustained patronage and your valuable feedback.

RAVI GUPTA
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Unified Payments Interface -
New Mode of Transaction

UPI - A Step Towards Cashless Economy

At a time when Government is reinforcing its efforts to bring millions unbanked into banking folds, NPCI, backed by Reserve Bank of India, has unveiled Unified Payments Interface (UPI) to facilitate payments as simple as sending SMSes. Even Prime Minister Narendra Modi recently advocated the need of adoption of digital transactions. **Vishwas Dass** of **Elets News Network (ENN)** gives an insight on UPI's functionality, significance and the mission of migrating from a cash-based economy to a cash-less society

Ever since the incumbent Government came to power in 2014, it has been laying a lot of emphasis on bringing banking and financial services to millions of citizens—particularly the disadvantaged and those living in the remote parts.

Irrespective of the fact that the Government has intensified efforts of strengthening financial inclusion, a huge chunk of population is yet to have bank accounts. Enabling 1.2 billion people, many of whom have never seen a bank or opened an account, to send digital payments to each other is an herculean task in front of the Government.

In this context, National Payments Corporation of India (NPCI)— the umbrella organisation for all retail payments in the country, backed by Reserve Bank of India (RBI), launched Unified Payments Interface (UPI) on April 11 with an objective to change the way digital payments are made in India. With UPI, NPCI is endeavouring to migrate to a less-cash and more digital society.

UPI is a system designed to make transferring and receiving money as easy as sending text messages. At present, banks are testing pilot apps with UPI system, which are expected to be unveiled in a few months. You'll be asked to sign up for UPI once the bank app is updated with the feature. It will run on Immediate Payment System (IMPS) platform. IMPS allows one to send money from one account to another in real-time basis but a transaction can be made only if both the sending and receiving banks have enabled the IMPS.

While IMPS needs receiver's bank account details, the UPI system will just need a virtual ID, similar to an email address for authentication. UPI already has 29 banks on its network. Though the transaction limit for IMPS is ₹2 lakh per transaction, for UPI the limit has been set at ₹1 lakh.

According to UPI's mechanism, one will get an ID from the bank that serves as the username for transactions. In order to make payments like for shopping or paying utility bills, besides the usual netbanking, credit and debit card options, there will also be a UPI option. On choosing the UPI,

Raghuram Rajan, RBI Governor
UPI is one of many innovations taking place in the financial sector that will benefit the customer. What we have in India is the most sophisticated public payments infrastructure in the world. (But) It is not just the payments that are part of the revolution; it is a whole new set of banks that are coming in

UPI'S CORE FEATURES

- Unified Payments Interface provides following core features via a single payment API and a set of supporting APIs
- Ability to use personal mobile as the primary device for all payments including person to person, person to entity, and entity to person
- Ability to use personal mobile to "pay" someone (push) as well as "collect" from someone (pull)
- Ability to use Aadhaar number, mobile number, card number, and account number in a unified way. That apart, ability to pay and collect using "virtual payment addresses" that are "aliases" to accounts that may be payee/amount/time limited providing further security features
- Make payments only by providing an address with others without having ever provided account details or credentials on 3rd party applications or websites
- Ability for sending collect requests to others (person to person or entity to person) with "pay by" date to allow payment requests to be "snoozed" and paid later before expiry date without having to block the money in the account until customer is ready to pay
- Ability to pre-authorize multiple recurring payments similar to ECS (utilities, school fees, subscriptions) with a one-time secure authentication and rule-based access
- Ability for all payment system players to use a standard set of APIs for any-to-any push and pull payments
- Ability to have PSP provided mobile applications that allow paying from any account using any number of virtual addresses using credentials such as passwords, PINs, or biometrics (on phone)
- Ability to use a fully interoperable system across all payment system players without having silos and closed systems
- Ability to make payments using 1-click 2-factor authentication for all using just a personal phone without having any acquiring devices or having any physical tokens

one will be asked for his/her username — email-like ID — provided by your bank. Once it is provided, one needs to enter a MPIN which is like an ATM pin and that is set up on the first UPIN transaction.

During an interaction with The Banking and Finance Post Magazine, Managing Director and CEO of NPCI, Abhaya Prasad Hota admitted that IMPS already

Shikha Sharma, MD & CEO of Axis Bank
The launch of the Unified Payments Interface (UPI) is a 'WhatsApp' moment for payments in India. The industry is excited about the opportunities that the UPI will open up, says Shikha Sharma, MD & CEO of Axis Bank

entails a facility for immediate transfer of funds but lacks immediate receipt or collect which NPCI always wanted to incorporate.

"IMPS requires IFSC code and account number at the time of sending the money. We thought of creating an ecosystem where we can avoid such large data entry and IFSC code and account numbers are masked in such a way that a new financial address is built up. UPI was the answer to this problem which offers a facility to identify a bank customer with an email-like virtual address. It allows a customer to have multiple virtual addresses for multiple

A P Hota, NPCI managing director and CEO
Our focus is in line with RBI's vision of migrating towards a 'less-cash' and more digital society. NPCI has always been at the forefront to innovate and introduce new products and services at par with global standards

"

In the 20th edition of 'Mann Ki Baat', Prime Minister Narendra Modi on May 22 laid emphasis on the need of migrating from cash-driven economy to a cashless economy

than the customer's own bank. This allows the customer to freely share the financial address with others. A customer can also decide to use the mobile number as the name instead of the short name for the virtual address like 1234567890@sbi.

Nineteen banks like Axis, ICICI, and HDFC have already come on board with the UPI and many more are expected to join the system by end of this year, remarked Hota.

In order to go deep into what made the NPCI to introduce the UPI, we need to understand the RBI Payment System Vision Document (2012-2015) as well. It underlines a few challenges like number of non-cash transactions per person stands at just 6 per year, a fraction of the 10 million plus retailers in India have card payment acceptance infrastructure – presently this number stands at just 0.6 million and less than one lakh out of six lakh vil-

accounts in various banks. There was an urgent need for improvising the success ratio in the eCommerce transaction. In card payment system when the eCommerce transaction happens and people pay by cards, the success ratio is hardly 65 to 70 per cent. We thought that how can we make use of IMPS for eCommerce transaction. So if there is a button for eCommerce collect which is UPI or IMPS Plus then money can be collected easily. User experience also needs to be made more friendly."

Hota further said that to ensure privacy of customer's data, there is no account number mapper anywhere other

Nandan Nilekani, Advisor to NPCI
This is a leapfrog. It is been made possible because NPCI had built Immediate Payment Service (IMPS) platform and this is a layer we have put on IMPS

lages have banking services at the end of March 2011 and around 145 million households are excluded from banking. The document attributed Direct Benefits Transfer (DBT) and Jan Dhan Yojana (PMJDY) behind significant growth in the number of households having bank accounts.

NPCI has also found increasing usage of mobile phones as a main reason behind unveiling UPI. One of the most transformational technologies that has changed India is the massive adoption of mobile phones. From nearly no phone access, Indians went straight into using mobile phones in a massive way. A combination of regulatory and open market approach led to massive competition among a plethora of companies to compete and provide

OBJECTIVES OF UPI
To offer an architecture and a set of standard Application Programme Interfaces (APIs) to facilitate the next generation online immediate payments leveraging trends such as surge in smartphone use, Indian language interfaces, and universal access to Internet and data

The RBI Payment System Vision Document (2012-2015) emphasises the mission and vision clearly-

Mission Statement- To ensure payment and settlement systems in the country are safe, efficient, interoperable, authorised, accessible, inclusive and compliant with international standards.

Vision- To proactively encourage electronic payment systems for ushering in a less-cash society

"There was a time when barter system prevailed much before the commencement of coins and currency notes. Then followed the coins and currency, but now the world is heading towards cashless transactions," Modi told in his public broadcast.

e-Wallets see UPI as a big challenger

With the launch of UPI, some fear that mobile wallets may become obsolete. What worries the e-wallets is the fact that only banks are allowed to be a part of UPI that has been launched by the NPCI while the wallet players have been left out of its ambit.

Experts opine that using UPI could also make it easier

best value to end-customers. Low cost phones, affordable tariffs, and a massive distribution network to handle pre-paid plans and recharges allowed an explosion of user base to a billion people.

Desktops never managed to penetrate into daily lives of masses due to their price, complexity, interaction model, and its inability to be mobile. Whereas smart phones, with its affordable prices, simplicity, easier touch-based interaction, and mobility has caught the imagination of masses. Smartphone adoption in India is exploding at a rapid pace and is expected to become the de-facto computing device for millions of people.

Chanda Kochhar, MD and CEO, ICICI Bank
It is going to make small value payments more electronic. I think what UPI can do is bring next innovation such as e-payments on delivery. I see this becoming really a preferred option for payment for both customers and the merchants

"The developments in mobile telephony, as also the mobile phone density in the country, with over 870 million subscribers, presents a unique opportunity to leverage the mobile platform to meet the objectives and challenges of financial inclusion. By harnessing the potential of mobile technology, large sections of the un-banked and under-banked society can be empowered to become inclusive through the use of electronic banking services."- Report of the Technical Committee on Mobile Banking, RBI, Feb 2014

In the 20th edition of 'Mann Ki Baat', Prime Minister Narendra Modi on May 22 laid emphasis on the need of migrating from cash-driven economy to a cashless economy. He said that globally, more technology is being used and people prefer digital transactions today.

to directly transact with a seller for a buyer. Wallet payment services enable people to make payments only to those who have also subscribed to the same service. As an instance, a consumer can pay for, say, a taxi ride using his e-wallet only if the driver is also using the system, but UPI does not require that and one can send money to any account.

It has emerged as a real big threat to wallet players who have wooed a large chunk of tech-savvy urban customers.

If experts are to be believed, in order to survive and remain in the industry, wallet players will now need to tweak their business model to generate additional sources of revenue.

It is evident that UPI can reach far more people than all e-wallets put together today, given that its platform is open to users from all banks. ■

Sachin Bansal, co-founder, Flipkart
The real benefit of UPI will be in digitizing last-mile payments. In a lot of ways, cash on delivery and wallets exists in the interim until we find the final version (of payments). We are hoping that UPI will solve the last-mile final gap and make our experience for users a magical one

A Leap Towards
CASHLESS ECONOMY

National Payments Corporation of India (NPCI) has always been at the forefront to innovate and introduce new products and services at par with global standards. Our focus is in line with RBI's vision of migrating towards a less-cash and more digital society, says Managing Director and CEO, NPCI, **Abhaya Prasad Hota** in an interview with **Arpit Gupta** of **Elets News Network (ENN)**

RuPay

Unified Payments Interface (UPI) is a buzz nowadays in BFSI domain. What prompted NPCI to launch it and how is it unique from Immediate Payment Service (IMPS)?

UPI is a unique payment solution primarily because it has empowered recipient to initiate the payment request from a smartphone. It is an advanced version of NPCI's IMPS which works round the clock. It is being improvised.

First, in IMPS, there is already a facility for immediate transfer of funds but what is not available is immediate receipt or collect, so we wanted to incorporate this facility. Secondly, there is a need of putting the IFSC code and account number at the time of sending the money in IMPS. So we thought of creating an ecosystem where we can avoid such large data entry and IFSC code and account number are masked in such a way that a new financial address is built. UPI offers a facility to identify a bank customer with an email-like virtual address. It allows a customer to have multiple virtual addresses for multiple accounts in various banks. Third, we found that there is an urgent need for improvising the success ratio in the eCommerce transaction. In card payment system, when the eCommerce transaction happens and people pay by cards, the success ratio is hardly 65 to 70 per cent. We thought of how can we make use of IMPS for eCommerce transaction. In the eCommerce transaction, it is almost like the merchant doing the collection. So if there is a button for eCommerce collect which is UPI or IMPS Plus then money can be collected. And the fourth thing we wanted to improve is the user experience to become more friendly. To ensure privacy of customer's data,

there is no account number mapper anywhere other than the customer's own bank. This allows the customer to freely share the financial address with others. A customer can also decide to use the mobile number as the name instead of the short name for the virtual address like 1234567890@sbi.

Keeping in mind four objectives to improvise the current payment services, UPI has been launched. It facilitates virtual address as a payment identifier for sending and collecting money and works on a single click. It also provides an option for scheduling "push" and "pull" transactions for various purposes like sharing bills among peers.

Has UPI been able to penetrate into the entire banking sector? How will it transform the world of payments?

As many as 29 banks have evinced interest to provide UPI service to their customers. Nineteen out of 29 banks have gone live with UPI while remaining 10 banks would also come on board soon. We believe that by June-mid, a few more banks will go live. With about 20-25 banks the applications will be released in the market. We are confident that several banks will join UPI this year. It is entirely a mobile-based service. With the smartphone there will be an application whereby customer would download it and they will register with one of the banks called PSP and their bank account may be with some other bank but they can avail the payment service from one particular bank. It's also a deviation from IMPS where the bank providing the payment service and the bank holding the account are same. In this way, it is different.

Do you think the country can cut down its cash transactions given the way cash continues to be a prime medium of transactions today?

The entire market has not been covered under electronic payments. The area which has not been covered is micro-payment for an instance bus ride, train ride, buying tickets at the counter or in the bus itself by paying cash. We are poised to make transportation sector cashless. That apart, small purchases from grocery stores need to be brought under electronic payments. Many stores do not accept cards due to lesser amount of transaction value. We need to build an electronic micro-payment ecosystem and we are working on this. We shall be able to launch this facility in Bengaluru by next month as National Common Mobility Card. It would begin with the Bangalore Metropolitan Transport Corporation (BMTC) buses and would be extended to grocery stores and other places where acceptance infrastructure is built.

RuPay came as a miracle for Financial Inclusion. What are your plans for debit and credit or combo cards?

RuPay card has already reached to 265 million people which is almost 35-36 per cent of the market share. It can be used

for withdrawal of cash from nearby ATMs or micro-ATMs available with business correspondents of banks in an inter-operable way. We have already launched debit card and within the debit card we introduced classic and platinum cards. We are mulling to launch our credit card by this year. It was scheduled to get launched in June but it is getting delayed due to some reasons. We are working on to make it different. We are working on a combo card which would be functionality wise a little different. If the customer is choosing credit/debit card, at the time of purchase, that kind of scenario would be required

NPCI
भारतीय राष्ट्रीय भुगतान निगम
NATIONAL PAYMENTS CORPORATION OF INDIA

> "UPI is a unique payment solution which empowers recipient to initiate a payment request from a smartphone

for overhauling of the acceptance infrastructure. So it can not just be done like that, it requires a little bit of planning.

Government is contemplating to go cashless. How NPCI is contributing to this cause?

For going cashless, we will have to see payment transactions in various segments especially those which are in bulk and repetitive like salary, pension and dividend. Nowadays, salaries and pensions are no longer being disbursed across the counter. They have all gone to NEFD ECS and now NPCI's NACH. NACH is a centralised system unveiled to consolidate multiple Electronic Clearing Service (ECS) systems running across the country in a decentralised manner. It is a web-based solution which facilitates interbank, high volume, electronic transactions that are repetitive and periodic in nature. It empowers banks, financial, corporate and govern-

ment institutions for making bulk transactions towards distribution of subsidies, dividends, interest, salary and pension among others. Transactions towards collection of payments pertaining to telephone, electricity, water, loans, investments in mutual funds and insurance premium are also processed seamlessly through NACH.

It plays a key role for processing bulk payments. With over 1,000 member bank participants now, we are well poised to support government's efforts for modernising payment standards and digitising money transfers. Today, the eCommerce is fully electronic except cash on delivery. It is quite a significant part, we will have to see how we

> **NPCI has started offering USSD-based mobile service to make bank account holders access their accounts using an ordinary mobile phone**

can make it electronic and we believe that UPI will be quite helpful in making everything cashless.

Give a brief about Bharat Bill Payment System. When it is likely to get launched?

The Bharat Bill Payment System (BBPS) — a comprehensive bill payment system that connects multiple billers who accept online payment for their products or services, is expected to be rolled out by July. It will enable customers to use various ways of online payments or, in case of those who do not have access to internet or do not use the internet to make payments, visit any physical touch-point belonging to any entity with a licence to operate a BBPS unit. It will be operated and managed by the NPCI. The BBPS will function as a tiered structure for operating bill payment system in India with a single brand image providing convenience of 'anytime anywhere' bill payment to customers.

What was your role in Pradhan Mantri Jan Dhan Yojana? Please define the linkage between Financial Inclusion technology and payment systems.

While implementing PMJDY—largest ever Financial Inclusion drive in the world, payment services offered by NPCI have been leveraged significantly. The eight services provided by NPCI— RuPay Card, Aadhaar Payments Bridge, Aadhaar Enabled Payment System (AEPS), Payment System Network of over 1000 banks, Enabling Payment banks for Financial Inclusion, USSD based Mobile Payment, Overdraft Verification Mapper and Provision of Accident Insurance - establish the linkage between Financial Inclusion technology and payment systems.

In few countries like Kenya, Bangladesh and Afghanistan, mobile-based services played a key role in introducing financial services to the people. In India, there is no such compulsion. However, NPCI has started offering USSD based mobile service to make bank account holders access their accounts using an ordinary mobile phone. It need not be a smart phone and does not require any application download. By dialling, *99#, a customer can do balance enquiry and remittances on a real-time basis.

How do you view the Payments Banks and Small Finance Banks?

The philosophy behind institutions like Payments Banks and Small Finance Banks is that existing universal banks

may find it extremely difficult to provide basic financial services like acceptance of deposit, withdrawal when needed and remittance in a cost-effective manner. Financial inclusion initiatives would require new institutions with focus on transactional services by leveraging emerging technologies for payments. After careful scrutiny of the applications, the Reserve Bank of India has granted in-principle licenses to 11 players including the Union Department of Posts. Interestingly, five of them are from telecom industry (Airtel, Reliance, Vodafone, Idea Cellular and Aircel). It is enough to indicate that the RBI wants the large network of service outlets to be leveraged for Financial Inclusion. There are also three information technology/payment gateway companies (NSDL, Tech Mahindra and Paytm) who have already created innovative products in their domain and can replicate the same in Financial Inclusion. The reason for granting license to the Department of Post is to leverage the reach of 1,55,000 post offices in the country. The payment bank license will help bring dynamism in the organisation and modernise the century old savings and remittance procedure. ∎

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Bank That People Trust
BANKS ON FINTECH

India's largest lender — State Bank of India (SBI) — has implemented comprehensive trade finance solutions in five countries out of 26, where it has business operations, and also signed a contract with Encore Theme to offer front-to-back trade finance solutions across these countries, says **Shiv Kumar Bhasin**, Chief Technology Officer (CTO), SBI, in an interview with **Arpit Gupta** of **Elets News Network (ENN)**

The State Bank of India has signed a contract with Encore Theme to implement comprehensive front-to-back office trade solution in several countries. How will it help corporate customers in their cross-border trade business?

As CTO, I handle the Technology wing in the State Bank of India, whose job is to stay focused and work on innovations like digitisation, re-engineering and transformation areas. Under these heads, we are carrying out various programmes, which lead to transformation of the Core Banking System (CBS), going into the various new digital channels – be it a wearable devices banking, social media banking, the wallets or newer technologies. These are the staple menu options for any bank. We are using lots of innovative frameworks, most of which are the market leaders. A lot of transformation has also been brought about in the product platform, like in the foreign office, we have migrated from our old version of core banking platform to the latest version last year in record time. Simultaneously, we also started the trade finance platform. For trade finance platform, sufficient functionality was not available in the existing platform.

SBI has two business units — National Banking Group (NBG) and International Banking Group (IBG). Last year, former MD IBG Krishna Kumar decided to go for the trade finance platform, and around 25 per cent of the revenue of the bank should be coming in the next five years through international banking. The percentage currently is much lower, but it has witnessed improvement in comparison to the last year. Keeping in mind the revenue growth, we wanted a diversified platform, which can host many international products suiting to the global market places as well as cater to the trade corridors across the globe. This way, some of our Indian customers having businesses abroad and those in India could be served.

There are trade corridors between the US and India, the UK and India, Middle East and India or India and Africa, etc., and operating in these trade corridors have been traditional NRI corporate. Keeping these things in mind, we wanted that whatever trade products we launch have same customer experience across the globe. So, we needed a single unified platform which can handle a multi-entity environment, and that is what Misys Trade Finance Platform and trade portal was offering us. Hence we selected it. So far, we have released it for the five countries and we have business across 26 countries, and plan to launch trade finance platform in all these countries. We are looking further to the next level of technology on the lines of international corporate portals working on a single sign on model. By January 2017, we shall be able to finish implementation. Before the close of 2016-17 financial year, we will have all 26 countries live with Trade Finance and Misys Trade Portal.

What is the roadmap of SBI to achieve its ambitious goal to become one of the leading global banks from India?

We have business offices right from Japan to the US West Coast, so the entire time zones are being served by our international banking group. One of the differentiating points of the Encore Theme and Misys products have been that they support multi-entity implementation, and Encore Theme, based on their experience in the international market in the Middle

> **"** We are using lots of innovative frameworks, most of which are the market leaders. In our foreign office, we have migrated from core banking platform to the latest version last year

East and some of the Far East countries, they have dealt with the diversity of the time zones. We had requirement similar to this, as we have business offices in Japan, Hong Kong, Australia, Singapore, Indian Ocean countries, the Middle East and West Coast. We have divided the world in five time zones and we have grouped the countries accordingly.

Also, we are fully automating the end-of-day processes so that there is no human intervention in spite of various time zones being there. That's where Encore Theme will help us out to automate the process and get us all the information at the click of a button.

SBI Main Branch, Mumbai

What challenges do you see in offering a world-class experience to the customers with changing needs?

When we look at offering the world class services, the key challenge is that our domestic processes are still paper-based, while in the international banking, the drive is to go for digital, i.e. paperless. That's where we are bringing this multi-entity deployment of Misys platform, so that we can have our back office trade operations in all 26 countries consolidated in India. Currently, all trade finance operations are in the specific countries. But very soon, we will have a very small footprint or very small shop in foreign country, with a Centralised Processing Centre doing the complete back office operations in India. India being a cheaper location, many western banks are setting up their

> "Technology adoption in banks…used to be a huge challenge few years back, but now Indian PSU banks have learnt that if they have to survive in this competitive market, they have to embrace technology

operation centre, while we still continue to hold our operation centre in those native countries.

So that we can provide a uniform customer experience while processing any trade LCs and BG's or different trade finance products. Whatever the regulatory requirements allow us to make it paperless wherever signatures are not required we will be going lot of digitisation. We will be asking the customers to book their LC & BG's thru the Misys Trade Portal which will be given to them, so they don't need to visit branches. Any paper documents need to be flowing from those countries they will be flowing in the form of scan document over the workflo defined. Having a same product across all these countries deployed in a multi-entity fashion was much needed. The first step we did during this roll out that we unified the business process largely across the country thru Model Bank implementation approach. So if the business processes are aligned, remaining things

will start falling in place. So unless there are specific regulatory requirements in some countries, largely the trade finance process have been unified and same processes are executed across the countries. First step was to unify the process and second step was consolidation of business operations at the central location to give the global experience and similar experience across multiple global branches of SBI. These are two key things we did to offer world class customer experience.

How important has leveraging technology and innovation become in the changing banking scenario? Can you highlight adoption and infrastructure challenges for the banks?

Technology adoption in banks is significantly high. It used to be a huge challenge few years back, but now Indian PSU banks have learnt that if they have to survive in this competitive market, they have to embrace technology, also because it helps cuts the overall operation costs. The cost to income ratio can be brought down below 40 per cent using technology. We have a clear message from the SBI Chairperson that the cost to income ratio over a period of three years should be coming down below 40 per cent, which is a global benchmark. Most profitable banks are running the cost to income ratio around 40 per cent or below. That's where we have a lot of drive to adopt digital technology.

Give us a brief about the concept of Digital Financial Superstore.

We are in the process of setting up a Digital Financial Superstore where all the corporate banking products would be hosted and the customer acquisition can happen online and the corporate banking products could be bought from the superstore. That will be a very big game changer for the industry. It is not just the front-end but back-end process will also be paperless, aligned with that product and customer acquisition could be straight through process.

What role small FinTech companies have to play in the banking sector?

FinTech companies have major role to play to bring innovation in the Trade Finance, Bill Discounting and SME/Corporate Loans processes. One of the core differences in approach to financial services between banks and FinTech lies in democratization. FinTech companies often aim to serve a noble goal of financial inclusion and making financial services more accessible for those not fitting into the credit score-based estimation of eligibility for another loan. SBI is collaborating with FinTech companies to enhance customer experience & service. SBI is fueling innovation by partnering with FinTechs using its Core Banking Services published as APIs to integrate with FinTech products & services. FinTech companies need to focus on the pain points of Corporate Banking & Trade Finance processes to bring more innovations. ■

2nd EDITION

27 August 2016, Mumbai

After grand success of **MAHARASHTRA COOPERATIVE SUMMIT 2015**, we are now all set for **2nd edition of Maharashtra Cooperative Summit**. The one-day event is being organised by **Elets Technomedia Pvt Ltd** in association with **Department of Cooperation, Government of Maharashtra**

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Maharashtra Cooperatives Summit 2015:
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WHO WILL ATTEND

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Core Banking Solution Providers

Security Solution Providers

Cash Management players

IT Peripherals players

Payment Gateway operators

Mobile Banking operators

IT Solution Providers

DISCUSSION POINTS

The Cooperative Movement In Modern Era

Leveraging Technology, Driving Cooperative Banking

Strengthening Cooperative Banking through Technology: Opportunities & Challenges

Safe & Secure Cooperative Banking (Urban & Rural): The Way Forward

Urban Cooperative Banking & Financial Inclusion through Modern Technologies: CBS, Data Center and Payment Solutions

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DBT for Full Payment to
RIGHT BENEFICIARY

The Direct Benefit Transfer (DBT) architecture has obviated the need for middlemen and infused end-to-end transparency in the whole delivery chain, says **Peeyush Kumar**, Joint Secretary, Direct Benefits Transfer, Government of India, in an interview with **Arpit Gupta** of **Elets News Network (ENN)**

The Direct Benefit Transfer (DBT) scheme has led to saving of over Rs 28,000 crore for the Government. What are the major achievements of your department?

The Direct Benefit Transfer (DBT) scheme was conceived to improve the Government delivery process by using Aadhaar as an identifier, and banking and postal network as the vehicles. Under DBT, existing fund flow mechanism and scheme business have been re-engineered using modern ICT tools. Benefits of the government's welfare and subsidy schemes is transferred to accurately identified right beneficiaries through electronic means directed in their Aadhaar seeded bank/postal accounts.

DBT architecture has obviated the need for middlemen and infused end-to-end transparency in the whole delivery chain. As fake and duplicate beneficiaries have been removed from the beneficiary list and databases, the whole process has resulted in a saving of Rs 29,135 crore (PAHAL – ₹14,672 crore, Food – ₹10,000 crore, MGNREGS – ₹3000 crore, Pension – ₹66 crore, Scholarship – ₹797 crore in Andhra Pradesh, Telangana and Punjab, and Teacher posts – ₹600 crore).

Through DBT, a large number of fake beneficiaries have been weeded out. For instance, over 1.6 crore bogus ration cards have been deleted. Similarly, 3.5 crore duplicate beneficiaries were weeded out in the PAHAL scheme. Apart from efficiency gains, accountability and transparency in management of welfare and subsidy programmes has also been facilitated.

What challenges did the Department face in weeding out duplicate beneficiaries under various schemes?

In 2015-16, an amount of over ₹61,000 crore was distributed to over 30 crore beneficiaries, using Direct Benefit Transfer. This includes over ₹25,000 crore in MGNREGS and over ₹21,000 crore in PAHAL (for LPG). Several States and Union Territories too have achieved significant savings through DBT. Some of the major challenges faced by DBT Mission initially are as follows:

- Non-availability of beneficiary databases at central level;
- Non-digitised databases;
- Non-availability of bank/postal accounts;
- Beneficiaries without Aadhaar enrolment; and
- Linking of Aadhaar to banks/post offices and to beneficiary databases.

In every DBT scheme, these are the fundamental issues faced by the line ministries. There is also a lack of understanding about DBT in line ministries.

The government has fixed a target to transfer all subsidies through an Aadhaar-enabled DBT payments system by 2017. What is the roadmap to achieve this target?

With the new Aadhaar Act in force now, the government is aiming at payments through the Aadhaar Payment Bridge to eliminate any chance of leakage of payments to wrong beneficiaries. Applicability of DBT has been universalised to cover all Central individual-centric welfare and beneficiary schemes, both in cash and kind. Coverage of Aadhaar has also achieved a satisfactory level. Approximately 101 crore Aadhaar have been generated covering about 98 per cent of the adult population.

Prime Minister wants Aadhaar seeding in all DBT bank accounts, which stands at 65 per cent currently, completed this year. How would the target be achieved over a short period of time?

At present, there are about 21 crore Jan-Dhan accounts in which Aadhaar seeding percentage is 44.3 per cent, as on 31.3.2016. Use of Aadhaar in Jan-Dhan was also permitted by the Supreme Court of India and benefits are being delivered through the bank accounts. Since Aadhaar coverage is already at an impressive level, 100 per cent seeding in PMJDY accounts will be achieved.

The government aims portability of obtaining rations anywhere in the country through Aadhaar-enabled ration cards as part of PDS and

food subsidy reforms. What is the detailed programme?

Nearly 57 schemes have been covered under DBT to transfer funds into bank accounts of the beneficiaries including three major schemes – MGNREGA, LPG Pahal and the National Social Assistance Programme. As on date, 66 Central schemes have been brought on DBT in cash and PDS is being implemented the DBT platform. Digitisation of ration card and seeding of Aadhaar number of beneficiaries in ration card database is going on and we have achieved about 48.2 per cent Aadhaar seeding. Some states, like Andhra Pradesh, Madhya Pradesh, etc., are doing impressive work. Portability of PDS benefit across the state has been introduced by Andhra Pradesh. Once other states also come on board using modern ICT technology, it will be possible to implement nationwide portability of benefits and subsidies; thus, empowering the end beneficiary by giving choice in his hand as to what benefit he wants from where.

> "With the new Aadhaar Act in force now, the government is aiming at payments through the Aadhaar Payment Bridge to eliminate any chance of leakage of payments

The Centre will do a pilot in 33 districts in 11 states for DBT in kerosene and another in 20 states for fertiliser DBT. Please give an overview of it.

Kerosene subsidy, part of PDS, is planned to be brought on the DBT platform by March 2017. The longest target is for fertiliser subsidy coming under DBT – end of 2018. The government plans to extend the facilities for health insurance and fertiliser subsidies, too. After LPG subsidy reforms, kerosene and fertiliser are on the radar of the government. A pilot in kerosene in 33 districts is going on. However, looking at the level of electrification in various states and penetration of LPG coupled with schemes initiated by Prime Minister Narendra Modi like Ujjwala. The need for kerosene as a fuel of choice for cooking will reduce substantially. The objective is to make country kerosene free. Similarly reform in the fertiliser subsidy has also been initiated by undertaking a pilot in 16 districts and based on the experiences learnt, further decisions will be taken. ∎

Taking Banking
TO MAOIST-HIT TERRITORIES

Chief General Manager, Department of Financial Inclusion & Banking Technology, National Bank for Agriculture and Rural Development (NABARD), **Subrata Gupta,** elaborates on difficulties faced by banks in expanding their presence in Naxal-affected districts. Gupta, during an interaction with **Arpit Gupta** of **Elets News Network (ENN),** also underlines the need for constant power supply and telecom connectivity in rural and remote parts of the country

What kind of financial inclusion and IT driven initiatives have been undertaken by NABARD— an apex body for agriculture and rural development?

Ever since its inception, NABARD, as a part of its mandate of sustainable and equitable agriculture and rural prosperity, has been empowering rural populace particularly women, to be self-reliant.

The first landmark initiative was undertaken in 1992 when NABARD experimented with the Self Help Group (SHG) model – a pilot project linking SHGs, which are essentially self-selected, informal, and unregistered groups, with banks – as a cost effective way of providing financial services to the unreached rural poor. Currently, over 7 million such groups exist in the country. Moving ahead in the direction, NABARD took the initiative to digitise the SHG under eShakti project. It aims to bring the SHG members under the fold of financial inclusion thereby helping them access wider range of financial services, increase banker's comfort in credit appraisal and linkages of SHGs through digitisation of SHG accounts among host of others. On successful completion of pilot in two districts Ramgarh (Jharkhand) and Dhule (Maharashtra), NABARD is now moving ahead by rolling out the PHASE-II in 22 districts across the country. Digitisation is expected to rejuvenate the SHG Bank-Linkage Programme and recapture the economic potential of the poor.

In one of the biggest initiatives towards institution building, NABARD has facilitated the process of bringing Co-operative Sector onto Core Banking Solution (CBS) platform. The cloud-based CBS model is the first of its kind in the country. A total of 201 State and Central Co-operative Banks from 16 states and three UTs out of the total 380 licensed cooperative banks in the country joined the NABARD initiated Project for CBS in cooperatives.

Now these century old banks have started functioning in the CBS environment at par with the technological platform of the Commercial Banks and Regional Rural Banks (RRBs) and match up with these institutions in providing similar kind of services in the hinterland. These banks now render services to its existing and new clients keeping in sight the changing scenario and expectation level of the clientele. In time, their clients would be in a position to receive various government incentives/ subsidies and also other financial inflows directly in their accounts maintained with the co-operative banks.

As the basic platform of CBS is now ready, NABARD's role has changed from facilitating roll out in 201 banks to technology adoption in 384 StCBs and DCCBs. Accordingly, NABARD has been acting as mentor for the co-operative banks and has been assisting the banks in their efforts towards adopting various technologies. Efforts are now on to enable the banks to focus on adopting

other technologies viz., RTGS/NEFT, National Automated Clearing House (NACH) & Direct Benefit Transfer (DBT), Micro ATMs/PoS terminals, card technology to offer RuPay Cards, mobile banking, internet banking, tab banking, etc. Apart from the above, our focus is also to guide these banks to take membership of Credit Information Company (CIC) and put an IT policy in place which is also an RBI regulatory requirement.

NABARD has implemented the Bank-Sakhi model on pilot basis in Gramin Bank of Aryavart in Uttar Pradesh and Narmada Jhabua Gramin Bank in Madhya Pradesh. Under the project, women leaders/members of SHGs have been appointed by these banks to function as BC Agents for providing banking services in their areas. The underlying assumption of the approach was that by having agents

> **Financial Literacy Centers of RRBs and co-operative banks opened at the district and block level, actively take up financial literacy through the support of NABARD**

who are part of and selected by the community, the uptake and usage of financial services by community members would increase. The experience from the pilots has demonstrated better performance by Bank Sakhis vis-a-vis the conventional BC Agents/CSPs in terms of lower dormancy, fewer inactive accounts and lower agent attrition.

Connectivity remains one of the major components for all the banking technologies. There are locations in our country which have all the latest banking technologies available but are unable to use it to the fullest due to lack of connectivity. In order to target the issue, NABARD has also floated the scheme of supporting Banks at BC points for the setting of Solar powered V-SAT in the Sub Service Areas (SSAs) which have no connectivity or have intermittent connectivity.

NABARD has written to the Chairmen and CEOs of the Scheduled Commercial Banks, Regional Rural

Banks and State Cooperative Banks, emphasising on the need of more banks in the Maoist-affected (LWE) districts. Kindly share the plan?

Expansion of banking network in Left Wing Extremist (LWE) affected districts holds critical importance for the empowerment of people in those areas. No/erratic connectivity is a major deterrent for the banks to open new branches in LWE districts. With a view to expand the banking network in LWE affected districts, NABARD is providing support under Financial Inclusion Fund (FIF) to provide V-SAT connectivity support for new branches opened in un-banked villages in the 82 identified districts.

Seven branches from each identified districts will be supported under this scheme on a first come first served basis. Bringing the banking services to these LWE-affected

districts, where the reach has been negligible has to be thought of. It is time that initiatives be taken to reach the unbanked population residing in such districts.

What is your strategy to create awareness on financial inclusion in rural as well as urban India?

Financial Literacy Centers of RRBs and co-operative banks have been opened through the support of NABARD. These centers, set up at the district and block level, actively take up financial literacy and awareness programmes at their own location or conduct onsite programmes and cover a significant population.

While NABARD can take any initiative for financial inclusion, the success of the same would revolve around the banks operating at the grassroots level. Keeping this in mind, the focus of organising financial literacy camps is directed towards supporting such camps organised by the banks. We have been partnering with a large number of co-operative banks, RRBs and also commercial banks in this regard. NABARD has also extended support for organising financial literacy/awareness camps organised

through its own District Development Managers as well as NGOs to maximise the spread.

NABARD is leveraging technological solutions to help increase financial inclusion in rural India. What kind of technological challenges NABARD is facing in reaching the last mile?

As far as the implementation of technology based financial inclusion model is concerned, intermittent power supply and lack of telecom connectivity are major technological challenges.

For any banking related technological solution to function and to be commercially viable, constant power supply and telecom connectivity are basic necessities. Unfortunately, both are lacking in our rural areas due to limited investment made and vast geographical terrain. NABARD has been constantly advocating the use of solar powered systems as a viable alternative. In fact the V-Sat connectivity support given by NABARD under Financial Inclusion Fund is meant for solar powered V-Sat. Lack of skilled manpower is another constraint faced by the agencies. To operate a micro ATM also, some level of technical knowledge and banking knowledge is required. To do that, training is provided by the banks and technical service provider. However, retaining such people in rural areas is a big challenge for the bankers.

Information dissemination to the intended beneficiary is also critical. Targeted dissemination of information requires usage of multiple channels like mobile, television ads and newspaper advertisement among others. It can be very expensive. Technology adoption and resistance to adoption due to factors like mindset, illiteracy, social and cultural hindrances is also another issue which needs to be addressed.

On the whole, there are major challenges which have to be overcome to achieve the goals of financial inclusion, the most important of them being power and digital connectivity – not to mention the problems of physical connectivity in places like Arunachal Pradesh and Sikkim.

NABARD has decided to conduct a mega financial inclusion survey to capture the progress at the grassroots level. What all areas will this survey cover?

NABARD wants to take up a survey of this kind in a big way to have some basic data/information on the status of financial inclusion and not on its progress. The survey is expected to produce factual details based on a reasonably large sample leaving the conclusions to be drawn by the users of the data. Survey's USP is its ability to look into financial inclusion along with livelihoods. In this survey we are also trying to have a livelihood framework, as well as data on skill sets , social capital, indebtedness and to what extent different financial products have been availed by the rural households. ∎

(L-R) Ajay Bhushan Pandey, Director General & Mission Director, UIDAI; Sukesh Jain, Vice President, Samsung India; TRAI Chairman R S Sharma; Ken Kang, Senior Vice President, Samsung India Electronics; and Aloknath De, Corporate Vice President & CTO, Samsung India R&D Institute, launch Samsung Galaxy Iris Tab in New Delhi recently.

Iris-equipped Samsung Galaxy Tab for Govt, Enterprises

An advanced, secure and reliable biometric solution for Aadhaar authentication will spread the vision of Digital India

Samsung India has announced the launch of Galaxy Tab Iris featuring iris-recognition technology that is ready for Aadhaar authentication through an integrated and highly secure biometric device. The Galaxy Tab Iris will provide cashless and paperless services in various applications such as banking, eGovernance services such as passport, taxation, healthcare and education.

The easy-to-use biometric technology, currently incorporated in Galaxy Tab Iris, will help India spread its Digital India vision of providing technology, so that every citizen of the country can have access to financial inclusion benefits. The solution will support government benefit programmes and enable banks and financial institutions to streamline the process of an individual's authentication, regardless of language and literacy barriers.

The device is Aadhaar-compliant and STQC-certified. Galaxy Tab Iris is yet another Make for India innovation from Samsung. Embedded in a secure device, the advanced iris-recognition technology will provide an integrated solution that will help to solve the hassles of using separate devices for biometric identification.

"We're excited to offer biometric-based services to the billion-plus people enrolled in Aadhaar," said Dr. Aloknath De, Corporate Vice President & CTO, Samsung India R&D Institute. "Our India R&D team has made significant investments in biometric technology research and we built this product leveraging our knowledge in hardware design, biometrics and security for a high speed scan, greater accuracy and high reliability."

"Along with the device, we are providing an Identity SDK for application developers to build financial inclusion, payments and authentication solutions. This will encourage our start-up ecosystem to rapidly build relevant apps and services. We strongly believe this overall offering will in turn strengthen government programmes such as Jan-DhanYojana and e-Citizen services under the Digital India initiative," he said.

Announcing the launch, Sukesh Jain, Vice President, Samsung India Electronics, said, "This is another example of Samsung's pursuit for meaningful innovations. We see great potential for the iris-technology solution to be used as a means of directly facilitating greater inclusion in the Digital India programme. The biometric authentication can also act as an enabler in facilitating integration of financial services with the Aadhaar initiative. The Galaxy Tab Iris addresses consumer pain points across platforms such as banking, finance, education and various citizen services by bringing enhanced usability, versatility and reliability all through one device." ■

Differentiated Banks: THE LAST-MILE BANKERS

The Differentiated Banks thrive on capital, area of operation or scope of activities and geography or sectoral focus, says **P C Panigrahi**, General Manger – Financial Inclusion, Union Bank of India, while discussing their scope and challenges in tete-a-tete with **Arpit Gupta** of **Elets News Network (ENN)**

Define the concept of Differentiated Banks and its advantages.

The concept of Differentiated Banks first talked about in 2007 and again by the Reserve Bank of India (RBI) in 2013 as a transitional path for banking for all. The Nachiket Mor Committee on Comprehensive Financial Services for Small Business and Low Income Households came up with two broad frameworks of Differentiated Banks, which work in niche areas. They offer a limited number of services/products.

Advantages of these banks are normally unlocking potentials of the area, better Risk Management Practices, reduction of cost of transactions and other fixed costs/ investments, core competency leading to enhanced productivity, etc.

Basic objectives of small finance banks is to amplify and broaden steps on Financial Inclusion by provisions of Savings and Supply of Credit to Small Business Units, Small & Marginal farmers, Micro & Small industries and other unorganised sector entities through improved technology and low cost operations.

Objectives of payment banks are to further financial inclusion by providing (i) Small Savings Accounts and (ii) payments/remittance services to migrant labour workforce, low income households, small businesses, and other unorganised sector entities and users.

What are major challenges for Differentiated Banks?

Some of the major challenges include:

- Lack of consumer protection and grievance redressal mechanism
- Poor Liquidity Risk Management
- Insufficient capital allocation and exposure norms
- Tough to create trust among last-mile customers
- Creation of banking awareness among last-mile customers and making them transact
- Inadequate promoters' experience and corporate governance
- Poor last-mile connectivity and building franchises – factor related to operational risk
- Low income from customer services rendered.

Regulatory norms like 75 per cent of lending to priority sector by small finance banks and 75 per cent investment in government securities by payment Banks is prescribed, which may be a tough proposition and it may crimp their Return on assets (ROA) and erode capital base even with a slight economic turbulence. Ample unmet potential available in the rural, unexplored areas and unserved and underserved consumers needs contextualisation. Hence long-term sustainability balanced with Financial Inclusion goals will be the roadmap for their stakeholders to draw.

These banks are to aim at providing high-volume-low-margin and low-value transactions in deposits, payments, remittances, etc., in a fully secured technology-based environment. Any variation in these breakeven statistics may impact adversely the Net Interest Margin (NIM) of the Differentiated Banks.

Can technology for Payments Banks' profitability and Service Excellence for Small Finance Banks be marked as key differentiators for Differentiated Banks?

Based on Capital, Scope and Area of Operation as key factors in benefiting from the massive financial inclusion policy being implemented by banks, creation of Payments Banks and Small Finance Banks have emerged as a favourable and welcome move in the Indian context.

It has been seen that payment technologies have proved effective and satisfactory in countries, especially in Kenya, where mPesa is used to transfer money, make purchases and remit funds. In other words, technology-intensive payment services can only enable reduction of transaction cost and as such can lead the customers to a cashless regime. It's also important to note that Differentiated customers will require changes in financial products and services, and therefore, will require innovation for these banks to maintain and progress with customers' expectations.

India's journey into a cashless economy requires promotion of digital ecosystem, and creating and facilitating 'digitally smart' financial services. This will lead to a paradigm shift in delivering Retail Banking as a key differentiator and creating a difference in value proposition for customers.

People and process are always around technology, hence improving skill sets of people and innovation of processes is a priority for the Differentiated Banks. Technology requires investment of time and money, generating banking interest among customers followed by making own Staff/ Correspondents tech-savvy. Thus, investment in technology is substantially required for customer convenience in use and choice.

Banking, at present—be it PSBs, private or Differentiated Banks—is in a seller's market and as such customers' expectations are ever-changing. As bank branches shift to cloud and banking becomes accessible from any part of the globe, technology becomes all the more indispensable. Hence these Differentiated Banks require huge skill development—both that of their staff and the last-mile customers—to move entirely to mobile banking and digital solutions.

What role technology would play in the Differentiated Banks ecosystem?

The Differentiated Banks should also leverage technology

> "As banks shift to cloud, technology becomes indispensable. The Differentiated Banks require huge skill development—both that of their staff and the last-mile customers—to move entirely to new-age banking

for compliance and risk mitigation, upgradation of systems and processes to make new-age banking a success and evolve a mechanism for direct payment of government subsidies and benefits in healthcare, education, scholarship, gas, etc., to the beneficiaries.

Differentiated Banks, therefore, while providing a whole suite of banking products can increase financial inclusion and provide services at low/ affordable cost, subject to compliance of above issues. Obviously they will bring an economic revolution, especially in the last-mile banking, focus on volumes over margins, boost competition in Retail Banking and will be more agile and nimble in responding to the changing market scenario.

Customers' adoption and engagement at the last mile, enriching their basic banking awareness, creating digital infrastructure and connectivity, etc., to address business strategy for making them viable over the next five years are the primary challenges. ■

LOW-COST BANKING MODEL FOR RURAL AREAS

The IDBI Bank is the youngest new-generation public sector universal bank, with its operations driven by a cutting edge core banking information technology platform, says **B K Batra**, Deputy Managing Director, IDBI Bank, in an interview with **Arpit Gupta** of **Elets News Network (ENN)**

With the advent of smarter mobile devices, digital banking is making in-roads into customer homes and places of business. How is IDBI transforming the world of payments and commerce?

We are consciously moving transactions from branch and ATM to internet banking and mobile banking. The percentage has been going up every quarter. It is continuously being done in such a manner that transaction cost comes down and overall costs get moderated. IDBI Bank has one of the best internet banking platforms. We have already initiated mobile banking and are going to introduce all exciting features in a short while. We are also going to make improvements in internet banking, so that it is at par with the best available in the industry.

Do you think the country can cut down its cash transactions, given that cash continues to be the prime medium of transactions in the country today?

In Indian context, there will always be a mix. There are a lot of people who have all these facilities yet they would like to visit a branch. They would like to spend some time in bank branch, and mostly this tendency is visible in the senior citizens' category or the customers who want some advice or the customer who wants

to do some transactions in the shape of cross-selling. Such customers want to visit the branch, understand the intricacies and then only conclude the transactions. But, there is a trend and we are part of that trend where more and more transactions are moving to 'alternate channels', as we call them. A large number of transactions are shifting now to ATMs. Besides, more and more non-cash transactions are moving to internet banking and mobile banking channels.

Rural areas have their own challenges. How do you operate in far-flung areas and what role does technology play in serving customers?

In remote areas, we operate either through the branches which have connectivity through VSAT or through Business Correspondents (BCs), who also have similar connectivity. We are soon going to open some low-cost model branches in interiors of India. We call them 'Kiosk Banking Branches', which will be outsourced in a way, because we will not create permanent infrastructure there. The infrastructure will be set up by well-established corporate and they will operate on our behalf. We will give them transaction cost, so it will be an OPEX model, where the CAPEX will be low. Although OPEX will be a little high, but the facility will be available to the catchment area of that particular kiosk. So, this is another way of moving transactions to an alternate channel in a low-cost fashion and also widening the coverage in rural and village areas.

What is your view about the Unified Payments Interface (UPI)?

We would like to take advantage of the Unified Payments Interface facility, as it will boost digital money transfers. UPI seeks to make money transfers easy, quick and hassle-free. We are studying the concept and we are going to become a member of it. Our board has already approved it. We would like to take mileage of technology and UPI facility for the benefit of our customers.

What has been the contribution of IDBI Bank in Pradhan Mantri Mudra Yojana (PMMY) scheme of the Government of India?

The IDBI Bank has taken proactive initiatives to launch the scheme and to facilitate, handhold and provide necessary guidance to start new ventures to SCs/STs and women entrepreneurs to realise their entrepreneurial dreams and uplift their economic and social status. We have achieved significant success in the implementation of PMMY scheme, which has helped 1.67 lakh small entrepreneurs realise their dream. We are hopeful of replicating a similar success in the 'Stand Up India' programme.

B K Batra, DMD, IDBI Bank (in the middle) at the inauguration of a Mini Branch Kiosk of the Bank

The IDBI Bank has become the first state-run lender to open an international banking unit at the International Financial Services Centre (IFSC) in GIFT city of Gujarat. How will this IFSC unit enhance the bank's global financing business?

> We are soon going to open some low-cost model branches in interiors of India. The infrastructure will be set up by well-established corporate and they will operate on our behalf

The IDBI Bank has become the first public sector bank to open its IFSC Banking Unit (IBU) at India's first and only International Financial Services Centre (IFSC) at Gujarat International Finance Tec-City (GIFT). As part of IDBI Bank's strategy to cash in on the emerging global opportunities, we have set up our IFSC Banking Unit at GIFT city and we are confident that it will significantly enhance our global financing business. The IDBI Bank's GIFT branch will provide full range of corporate banking services and will meet foreign currency funding needs of its vast Indian clientele. Through its GIFT branch, the IDBI Bank aims to foster greater trade and cross-border transactions between India and the rest of the world. ∎

Technology for Easy, SECURE AUTHENTICATION

ActiveIRIS® technology of Delta ID, when integrated with a mobile device, makes Aadhaar authentication and eKYC easy, secure and reliable, thus encouraging both Central and state governments to rollout more authentication-based services for the benefit of the masses, says **Vivek Khandelwal**, VP-Business Development, Delta ID, in an interaction with **Elets News Network (ENN)**

Give us an overview of the services Delta ID offers to its customers. How does your solutions helping the Union Government and various state governments?

Delta ID is the world's first company to bring iris recognition to consumer mobile devices. Our ActiveIRIS® technology can be integrated into mobile devices, and is extremely easy for consumers to use. ActiveIRIS® is now deployed in a various smartphones from global smartphone OEMs, and now most recently introduced in the Galaxy Tab Iris tablet from Samsung.

Now that the Union and state governments are scaling up the use of Aadhaar for various service disbursements, they need an even more stable, secure and more importantly, a reliable system.The iris works for people across broader age groups. Additionally, the iris, being an internal organ, it works across people from various occupations. Our ActiveIRIS® technology when integrated with a mobile device makes AadhaarAuth and eKYC easy, secure and reliable, which will allow the Union and the state governments to successfully rollout more services, with farther reach across all demographics, and significantly lower problems reported in field.

Reports suggest that Delta ID came into existence after Aadhaar was rolled out by the government. Since Aadhaar is an important component of JAM trinity, what plans do you have for the BFSI domain? How the application can help the banking sector?

Delta ID indeed came into existence after large-scale tests established iris as a better modality for Aadhaar. Since inception, our mission has been to bring iris to mobile, one of the components of JAM, and the result is our ActiveIRIS® technology. The BFSI domain stands to gain the most from both iris and mobile. One key aspect of iris important for the BFSI domain is security. The iris is intrinsically more secure, has orders of magnitude better false accept rate compared to fingerprints, which translates into lower risks of fraud for BFSI domain. Additionally, iris on a mobile device makes it easier to have this level of security and reliability in a more easy to use and deploy platform.

What are your plans and strategies for expanding Delta ID's presence in India?

Delta ID has already established a presence in India. With the increased interest and momentum around the use of iris on mobile, we are now expanding our team to work with partners and customers here. In addition to supporting our

initiatives will build upon. We look at Aadhaar as one of the most important infrastructure components to enable both these programmes.

Last year, Delta ID had unveiled its ActiveIRIS technology that powers the iris recognition feature of Fujitsu's smartphone. How is this technology beneficial for the BFSI sector?

The BFSI sector is always looking for the weakest link in the chain when it comes to authentication and security. The mobile device is one of the key links in this chain, followed by the mobile user, the network and so on. The Fujitsu smartphone uses iris for device unlock, thereby ensuring that only the authorised person gets access to a mobile device. In the context of BFSI sector, such an unlock feature will ensure that only the right operator gets to access device and provides services to the end users — customers.

What is your opinion on the emerging of Payments Banks? Do you have any products to cater to the demands of such banks?

Mobile is central to Payment Banking. Since all their transactions are on a mobile device, the need for authentication of the mobile device and the people using the mobile device for such transactions will play a critical role. Our ActiveI-

> Since inception (of Delta IT), our mission has been to bring iris to mobile, one of the crucial components of JAM, and the result is our ActiveIRIS® technology. The BFSI domain stands to gain the most from both iris and mobile

immediate customers, the mobile OEMs, we also want to educate and evangelise the use of iris amongst our customers, such as the banking and finance customers.

The government is laying a lot of stress on Digital India and Make in India programmes to give a fillip to the country's economy. What is your view on these flagships schemes of the government?

Digital India and Make in India, both point to a very progressive stance the government has taken towards developing and integrating digital technology into our daily lives, thereby giving a boost to the economy. Authentication and security are the foundations on which both these

RIS® technology has two components, one enables local authentication for secure access to mobile devices, as in the case of the Fujitsu device, the other component enables iris capture for authentication by the Aadhaar backend, as in the case of the Samsung Galaxy Tab Iris. Both these components are of interest to Payment Banks.

What kind of challenges are you facing in the market? Can you demystify the same for us?

We are seeing certain challenges that are typical in adoption of new technologies, for example, the need to educate the market about the benefits of the technology. We believe that the increased use of Aadhaar and preference for mobile devices in sectors such as BFSI will help us address this. ∎

IT Revolutionising
BANKING INDUSTRY

Technology in banking is evolving at a rapid pace and providing convenient banking to clients. There is a fierce competition in providing banking services on an omni channel, mobile-based technology, biometric, video banking and many more, says Vice President – Chief Technology Office at Deutsche Bank Ag, **K R C Murty** in an interaction with **Arpit Gupta** of **Elets News Network (ENN)**

IT, today is a quintessential aspect adopted in almost every field of operation, needless to say, banking adopted it to the highest concern. How long do you see it will be a game-changer in BFSI sector?

In today's world, technology is a necessity and a vehicle for organisations to ride on for survival and increased reach and profitability. There will be no end to the extent of which technology will be used. There will be newer channels explored at all times and advanced technologies deployed in a competitive spirit to be able to reach out to as many end users and make it simple to use. The patience levels of consumers are shrinking and with a touch of a button or even with biometric use transactions are expected to take place. Whilst security is of immense importance and no room is left for any leakage, technology will be top most priority in BFSI. There will be many technological advancements brought in for ease of transacting and reducing the Turn Around Time (TAT) to seconds or even nano-seconds. The competition to use technology will be aggressive. It is surely going to be a big game changer.

Will investments in newer technologies such as mobility, virtualisation, dev OPS and security change the scenario of Indian banking industry?

Investments in newer technologies such as mobility, virtualisation, dev OPS and security will not be an option but a mandate. Banking sector is transforming rapidly and with the technology taking the driver seat, it is inevitable to invest and not to ignore any spend in this space. Technology in banking is enhancing by leaps and bounds and providing convenience banking to its clients. There is a fierce competition in providing banking services on an Ominchannel, Mobile-based technology, Biometric, Video Banking and many more. BFSI will see ways to reduce Capital Expenditure (CAPEX) and move to Operation Expenditure (OPEX) based models and to reduce the overheads of managing the infrastructure and services. Outsourcing on non-core services will be on the rise to the SME's and who can manage the environment for the respective technology teams without spending their core teams' efforts on such operations. Technology will also help in reducing manual processes and human errors and create space for niche offerings if deployed in a well-planned and structured manner. IT strategy will make a difference for the banks if planned properly.

New payment banks are embracing cutting edge technologies to remain in the competition. Do you see stiff competition among small finance banks and payments banks, PSU and private banks?

Certainly yes; new payments banks are embracing latest technologies and pushing the legacy giants to expedite and move to the new platforms and offer similar services if not over and better. It is imperative that legacy giants have to relook at their digital initiatives and be able to move on shoulder to shoulder and to sustain. However, I personally do not see payment banks as a threat to the business models of giant banks. PSU's and private banks are too big in nature, experience, business models and the trust on which they sustain. This cannot be discounted and in no way can the

> Investments in newer technologies such as mobility, virtualisation and dev OPS will not be an option but a mandate. I do not see payment banks as a threat to banks

new payment banks take head-on collision with them. Payment Banks are for payments and banks are for investments and payments, having their way in this business.

Mobile and internet banking are two important components of the banking sector, having their own risks at the same time. What measures do you have to counter them to enhance banking security for customers?

Mobile banking and internet banking technologies have been there since few years now. However, the offerings have gone up and use of these channels by customers have sky rocketed with almost everyone now becoming tech-savvy. Visit to branches and interacting physically is a thing of past. Security is of course a very important and top most factor in this scenario and various measures and security standards are implemented to combat any kind of earlier known and to safeguard on new age breaches. There are several solutions available to safeguard and proactively monitor for possible hacks or breaches and regular monitoring and knowledge of new age threats is of utmost importance. ∎

Small Banks to
TURN BIG BUSINESS

The banking ecosystem in India has expanded fast ever since the Reserve Bank of India (RBI) gave approval to set up 10 small finance banks in the country. There is a huge opportunity lying in this segment, says **Priyam Alok**, Senior Vice President & Joint Head-Bank Project, Au Financiers (India) Ltd, in an interview with **Kartik Sharma** and **Manishika Miglani** of **Elets News Network (ENN)**

Can you brief us about Au Financiers (India) Ltd and its operations?

Our company was born in 2003 and was started with commercial vehicle finance in Rajasthan with Jaipur as our head office. Then we moved to various states in the North, West and Central India, and right now we have our presence in 10 states, namely Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Chhattisgarh, Punjab, Haryana, Himachal Pradesh, Delhi and Goa. Over the period, we have grown exponentially in the Assets Under Management (AUM). For the last five to six years, our CAGR has been around 60 to 63 per cent consistently. We got our first set of funding in 2008 and a host of other organisations joined us as investors, with IFC (International Finance Corporation), a World Bank arm, being one of them. That has been our journey so far.

Our product of commercial vehicles accounts for 40 per cent of our portfolio, followed by our AU housing finance companies, which we recently sold off. Some of our major segments include housing loans, and loans to SMEs, MSME and commercial vehicles. We have a diversified assets portfolio as well and this makes us well-poised to become a bank. MFIs typically are into micro-lending and that's unsecure but our loan is all secure.

What challenges did you face in getting a small bank licence?

There are a few things, out of which processes were very strong from compliance, technical and technology points of view. We made investments in the right direction and ensured that the processes were completely seamless. We expanded in the right way and therefore our delinquency levels were low. We operate in a field where delinquency up to a certain percentage is very common, but we maintained a very good book. This was noticed by the regulators. Over 90 per cent of our book is into rural and lending.

We were a company with a good mix of product suite, processes and priority-sector lending. All this put together makes us what we currently are.

What are your major verticals and annual turnover of your company?

Our biggest vertical is commercial vehicle finance followed by separate housing finance companies. Then we are into structured finance and small and medium enterprise lending, which is growing at a fast pace. We also have an insurance broking company. This year, disbursement has been strong and we have crossed the magical figure of 10,000.

MSME is a very interesting vertical in the midst of the "Start Up India, Stand

Up India," wave. Considering this, do you see any growth in this segment?

A lot of start-ups are happening in the urban space. But when I talk about MSME, I am essentially going to the not-so-privileged sections of the society where banks are wary of lending and where there are not enough income documents from the bank's viewpoint.

As an MSME, our judging of people for their paying capability is very different from banks. For example, we don't go for something called a Personal Discussion (PD). We take the requisite collaterals and fund the people. And this segment is growing at an exponential rate of over 80 per cent.

Do you look forward to technology intervention for growing your business?

Technology is becoming increasingly important as the world is moving towards digital age. Therefore, we are also investing in technology and figuring out the right clients for the bank. We are not shying away in getting the best like any other bank would do. Even now, we have multiple ways of generating leads and also have an app in place for it. One software that we are using shows the entire portfolio and I can safely say that nobody in the MSME sector would have invested in something like this. We have two people who dedicatedly work on the portfolio analytics part with the help of a software and the reports are generated on a daily basis.

The way Digital India is panning out, one has to think in terms of digitisation. It's a myth that Digital India is only an urban phenomenon; rural India is going digital, too. And in no time, there would be complete transformation that we need to keep pace with.

What differences do see on becoming a small bank and how it takes you to another level?

There are two differences – one is one on the subjective side of it and another is on the objective side. The subjective side is how our customers perceive us now, which is quite different now. The trust of the customers goes up drastically the moment one becomes a bank. It is also easier to get talent if you become a bank. Our HR Department is getting resumes

RBI Licencees for Small Banks
- Au Financiers (India) Limited, Rajasthan
- Utkarsh Microfinance, Uttar Pradesh
- RGVN (North East) Microfinance, Asam
- Disha Microfin, Gujarat
- Capital Local Area Bank, Punjab
- Equitas Holdings, Tamil Nadu
- Esaf Microfinance, Kerala
- Janalakshmi Financial, Karnataka
- Suryoday Microfinance, Maharashtra
- Ujjivan Financial, Karnataka

THE OPPORTUNITY
The small banks can tap...

Farmers - 51.4% of farmer households have no access to either formal or informal sources of credit

Farm-related Businesses Includes irrigation cold storage, post-harvest support, farm technology, agri-related research & development, etc

MSME Sector - 78% of the total finance demand of almost ₹40 lakh crore is met either by loans from informal sources or personal savings

Social Infrastructural Initiatives Includes education, health and sanitation, Swachh Bharat Abhiyan, etc

from a lot of senior people of all the private sector banks which otherwise was not the case. Talking objectively, my cost of funds would go down because we will get low-cost deposits, which leads to better margins.

Do you feel you need some more training and knowledge to run as a small finance bank?

We would be becoming a bank by April next year and we have

> "It's a myth that Digital India is only an urban phenomenon; rural India is going digital, too. And in no time, there would be complete transformation that we need to keep pace with

a solid plan in hand to train our employees before that. We would be opening with 400 branches, for which we have to ensure properly trained manpower. We need to have mock test exercises of running a bank with proper detailing. We have to keep providing technology trainings as well.

How do you see yourself as a bank in the next five years?

We would be slowly and steadily growing in the next five years and the growth rate might not be 60-65 per cent which we are used to, but it would be healthy enough. As much as 25 per cent of our banks are in unbanked areas and we really need to work on this. We will also be launching a few products like consumer durables, gold loans, personal loans and business banking. ∎

NBFCs Driving
FINANCIAL INCLUSION

Raman Aggarwal, Chairman, Finance Industry Development Council (FIDC) and Senior VP, SREI Equipment Finance Ltd, gives an insight into NBFCs' growing role and requirement of support of the Reserve Bank of India to flourish. In a tete-a-tete with **Vishwas Dass** of **Elets News Network (ENN)**, he shares challenges faced by NBFCs and expectations from the government to give an impetus to the economy. Excerpts:

Non Banking Financial Companies (NBFCs) have seen tremendous growth in the recent past because of certain factors. Please throw some light on NBFC sector and how is it evolving?

NBFC sector has always shown a lot of promise and potential. The Finance Stability report released in December 2014 had stated that contribution of NBFC sector in the entire Indian financial system in terms of assets is nine per cent which is very significant. It's more than mutual funds and cooperative banks and next to banks and insurance companies. A credit rating agency had recently reported that three or four major NBFCs are even bigger than some of the scheduled banks. These figures reveal the kind of potential the sector has shown and it has grown inspite of adversities. Amid the economic slowdown, the overall quality of NBFCs has improved. The business model of NBFC sector is heavily relied on the retail sector. A lot has been talked about financial inclusion for the past four years but we have been practicing it for the last several decades. There is still a huge chunk of population which is not being catered to by the organised sector and they depend on the money lenders and that is where NBFCs are best suited to do this job.

What is your view on the Union Government's "Stand Up India" initiative to support entrepreneurship among women and the weaker section of the society? Besides, throw some light on the challenges being faced by NBFCs.

The "Stand Up India" initiative is really commendable. A recently published report showed that India's contribution to the world GDP has improved significantly. The development aspect is missing in the regulation of the NBFC sector. Regulations and development always go hand in hand. The ultimate objective of any regulation is development and survival of any particular sector. Institutions like Insurance Regulatory and Development Authority (IRDA) and Pension Fund Regulatory & Development Authority (PFRDA) are already playing a role of development bodies. The Reserve Bank of India (RBI) has played an excellent role as a regulator. But somewhere down the line the development role needs to be looked at.

There are two major challenges before NBFCs— first challenge is on the liabilities side while our assets side has been fully regulated and even now brought at par with the banks but the avenues of funds raising are getting restricted. If you see the composition of the sector, today there are about 11,000 NBFCs registered with the RBI. Ninety per cent of them are very small companies and playing a very significant role in financial inclusion in the rural areas and semi-urban areas and fully complying with the RBI norms. All key regulations are applicable to the NBFCs. But they are finding it tough to raise funds. You can't expect small companies to tap capital markets so there has to be other avenues for funds. We have been saying that there can be a refinancing mechanism something like the National Housing Bank, which refinances housing finance companies. The Parliamentary Standing Committee on Finance in their report in 2003 had strongly recommended a refinance institution for NBFCs. There are other challenges related to taxation. If you see the revised regulatory frame work which RBI issued in 2014, it advocates for harmonising regulatory framework of NBFCs as compared to banks and other financial institutions.

What are your views on the payments banks and their emergence in India? Do SRIE has any plans of floating a payments bank?

Payments banks in collaboration with full fledged banks has proved to be a great model. They are providing an alternative to conventional modes of payments. You now have options like mobile wallets which are very easy. Srie has no plans of setting up a payments bank. SREI's area of focus is infra lending, project and equipment financing. We are now focusing on the used equipment segment which is largely untapped. SREI today is the only NBFC which has not only survived but has grown in the infra lending business. Our success is our deep understanding of the market. We are trying to build a business for used equipment and also diversifying in farm equipment. Talks are going on with the government to set up a farm equipment bank for giving equipment on rent. One of the suggestions to government is the need for reviving "leasing" in India which is almost killed because of imprudent taxation policy. Leasing is the best tool both for lending to the MSMEs and agriculture sectors.

SREI Equipment Finance has recently launched equipment exchange scheme. Kindly elaborate on it?

Equipment exchange revolves around to the used equipment sector which is unorganised. We are the leading player in infra equipment finance and hold about 30 per cent of the market share and that is where we want to develop the used equipment market. SREI is perhaps the only one of its kind which is totally focused on the

Activities & Areas of Action of NBFCs

infra segment. If you look at all other NBFCs, they have a scattered model. We have become an expert of the infra segment. Our focus on infra domain gives us an edge over other players.

What expectations do you have from the government?

RBI being a regulator has to take up the role of development. Fund raising avenues and opportunities have to be looked at by the government. There is also a strong need for the government to revive leasing which has been the expertise of the NBFC sector.

Kindly inform us about your projects in the pipeline?

We see huge opportunities in MSME lending where the government is also giving a lot of thrust. NBFCs are best

> Building strong partnerships with banks and other FIs is another area for NBFCs which holds lots of promise

suited to take up this role because of their remarkable understanding of the market. As on date there are few challenges due to which it's not happening the way it should be. Even if you see MUDRA which was floated as a refinance body, nothing much has happened as far as the NBFC sector is concerned. The reason for this is the unfavorable eligibility criteria set for NBFCs to avail refinance from MUDRA.

Building strong partnerships with banks and other FIs is another area for NBFCs which holds lot of promise. The Mahapatra Committee setup by RBI has also strongly recommended developing such partnerships. ■

Arindam Mukherjee, Director- Banking, CISCO talks about huge opportunities in the BFSI sector and a range of solutions they offer for the banking domain. Mukherjee also gives an insight on digital payments in a conversation with **Poulami Chakraborty** of **Elets News Network (ENN)**

Making Banking a SAFER EXPERIENCE

Please elaborate on CISCO's journey in the banking domain and how is it leveraging information technology in the banking ecosystem?

Cisco as a company came into prominence with the advancement of internet. Basically, Cisco used to be a network provider and transporter of the internet traffic.

After the dot com bust, whole world came back to adopt this business model. Meanwhile, most of the business models got disrupted with the advancement of internet in the business modules. Almost all the sectors of operation got affected by this; accept the two industries, which are still untouched by internet, namely— banking and healthcare. The information that we deal with in

these two sectors are core to the customers-which are guarded by a virtual wall, making it not accessible to the world at large. Three to four years back bank customers used to turn up at the branch to withdraw money or to use ATM which has now been shifted to internet and mobile banking making it accessible to all with ease. The BFSI sector has evolved a lot in the recent years. Public sector banks took quite a while to understand whether they should embrace the transformation process. That is the reason is why the State Bank of India is the last one among the banks to come up with their wallets-"Buddy". The online wallet option in a way has secured personal information we use besides storing some small amount of money virtually, which can be used for any emergency purpose.
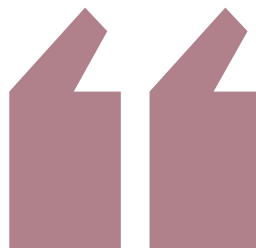
Customers are shifting from physical cash to online transaction of any form which is definitely a paradigm shift. Lending and collection are two primary tenants of banking. Most sellers in online platform usually do not go to any banks for any financial needs because of the validated personal data available in the internet platform through which bankers can process loans to these rising entrepreneurs easily as well as monitor collection from them too. The advancement of internet and technology in banking is disrupting traditional banking system thus reducing the lengthy procedures involved for lending and hassle-free collection and customer monitoring as well. The existing fin-techs are getting clouds funded. Thus, this kind of transformation is enabling CISCO to believe our potential to explore service opportunities we can involve ourselves in the entire banking ecosystem. Thus, when the banks are opening and accepting new applications, we at Cisco make solutions to deploy these applications. We have come out with a new device called 'Remote Advisor' which enables users to get control of the callers screen while in video call, to make video demonstrations more effective. CISCO is highly pinning on the BFSI sector to capture the customer market, to build on an effective relationship between the service provider and the recipient. Our core objective is to establish advanced security firewall banks which are voluminous source of public information and highly volatile to be infected by external threats. We at CISCO are very uniquely positioned to help our customers with solutions of threats of such nature.

As we know, that the banking ecosystem is embedded with a lot of volatile information which if threatened by outsiders may cause havoc.

Please elaborate on any solution that CISCO is bringing in to establish the security system stronger.
We take up to architectural build support including firewall for website and emails to enhance email security and web security. They basically conduct a network behaviour analysis in the banking ecosystems. It looks at the traffic flowing in a website from IPS, firewall and anti-virus and checks the signature of malware and traces it back to its origin, to the sender-base. On a command center where hundreds of expert engineers are working on a real-time basis to monitor the web-traffic and scan out the rogue IP addresses those are potential threats in the system. These are then categorised to make a dedicated list. So banks, which are our clients and opt for our web security appliances are basically cloud connected devices. Oracle is championing the cause of security in malware attack before it reaches your perimeter. In big organisations there are multiple layers of web security and plug-in, which the hackers always look for penetrating in the system to infect it. With network behaviour analysis, it correlates the traffic pattern to understand from where it is coming, which are the devices it is trying to infect and thus block the person with any kind of malicious intent. That's what our threat-centric solutions are catering too.

> CISCO is pinning high hopes on the BFSI sector to capture the customer market to build an effective relationship between the service provider and the recipient

Digital payments are the current trend in the Indian banking ecosystem. How do you perceive the same is going to affect the industry?
Undoubtedly so, the fact can be assured with the introduction of the new payments banks in the banking ecosystem. On the other hand, payment wallets like PayTM and similar ones would be acting as a transport for the money for an individual who is placed in hinterlands miles away. With the advancement of payment banks, people can now use this money on their own way, just how we work in the normal banking ecosystem. On the other hand, the banking domain paradigm on rate of interests that financial institutions offer goes for a fix due to the rising competition in the sector. This on the other hand will be able to make more customers by selling the financial products at one-third of the price. The proposition on this model was to firstly build on to the wallet and then eventually change into customer preference for higher value products to make up for the margin. Secondly, Unified Payments Interface (UPI) launched by National Payments Corporation of India (NPCI) will however take at least six to eight months to actually take off in the market on total functional mode. ■

Working Towards Making
INDIA A DIGITAL NATION

Oracle is endeavouring to align itself with Union Government's vision of transforming India into a digital hub and strengthening country's fleet of skilled youth. **Niraj Prakash**, Director, Solution Consulting, Oracle India in a conversation with **Vishwas Dass** of **Elets News Network (ENN)** throws light on Orcale's initiatives and strategies to expand its presence in the country. Excerpts:

According to reports, Oracle is supporting major investments to support India's global digital leadership. Oracle will also open nine incubation centres to support startups in India and train over half a million students to develop computer science skills through Oracle Academy. Kindly throw some light on this?

Oracle CEO during her India visit had announced the opening of nine incubation centres in the country. The establishment of incubation centres is aimed at providing technology platform to those who are willing to work with Oracle. It will also help government programmes like "Start Up India" and "Make in India" where the new entrepreneurs want to understand and leverage technology to develop skills. Skill India focuses on several areas of skills and ICT is one of them where Oracle plays a major role. We have always been aligned to the vision of different governments. Government itself is a very crucial sector for Oracle. Several government projects actually run on Oracle. Departments like treasuries, urban and commercial tax are using services of Oracle. Digital India is a very clear pathway for us. Additionally, we are thinking beyond the Digital India programme and assessing other government's programmes on ICT to help state-run institutions to leverage technology.

How important is the banking domain for you. What kind of plans do you have for BFSI sector?

Banking is one of the largest segments for Oracle. We have been associated with all the leading public and private sector banks. Ace banks like HDFC and SBI are leveraging Oracle's technol-

ogy. We also leverage and learn from many big banks because they are dealing with citizens on a large scale. Oracle is also focusing on the payments banks. Oracle technology can be a significant intervention with Post Bank of India which is a payment bank to be established with Department of Posts. Department of Posts is a big customer of Oracle and they could potentially leverage Oracle technology for Post Bank of India. They do have a very strong presence in rural parts of the country. I believe if they use right technology and strategy, they can definitely achieve huge success. Oracle is striving to render best of the technological services to the banks.

Kindly give an overview of Cloud services Oracle offers to its customers? How does Cloud solutions help government of India and various other State Governments?

In terms of scope of services today, Oracle is perhaps the only big company which offers the entire gamut of SAAS (software as a service), PAAS (platform as a service) and IAAS (infrastructure as a service). There is one more element which is DAAS (data as a service) which is on the top layer. Other Cloud players might be offering one to two said services only but not all the four which Oracle offers. Similarly, in terms of deployment perspective, we are again in all the spaces. We can help Government and other agencies to do private, public and hybrid cloud. Even, we can help them do public cloud behind their firewall with Oracle Cloud Machine which is one of the latest announcements made during the CloudWorld. Hence, an unmatched range of deployments options are available.

Another very important thing is to evaluate how well the Cloud First policy of the government is going. In 2015, Gartner report stated that the IT spend of about 6.88 billion USD of which about 869 million is software and the rest is other services. Of this the cloud is likely to be very small. What is the strategy to bridge the gap of cloud deployment and that is where I think the importance of using public Cloud becomes very high. The Cloud First policy has been articulated appropriately but the government has to think more in terms of opting for public cloud as it is faster, easier and more efficient. When you move to public cloud there are issues around security. Ensuring security is one of the biggest strengths for us. Last year Larry Ellison at the Open World Keynote talked about "Security Always On". He said that security is not an option for us rather it is "Always On". If only the government goes beyond the conversation and understands the level of security, looked at various areas where there's no PI sensitivity, no confidential data is involved and see that how they can move it to the Public Cloud. That's how you start bridging the gap.

Recently, Oracle organised CloudWorld in Mumbai. How successful was it? Please elaborate the objective behind organising it?

CloudWorld helped us secure strategic position with the government. We had set up an independent demo pavilion for the government. We set up a half day track for the government where we had around 120 people who participated in it. In a panel discussion, Maharashtra government officials, IT secretary and BMC Commissioner were there. That apart, we had also set up a demo zone where there were 15 booths and five of them were run by our partners including one booth of Government of Andhra Pradesh where they showcased the state enterprise architecture as a benchmark.

We demonstrated our solutions for transportation, public safety, national and state level governance projects, and right to service application. We talked about Skill India and Start Up India. There were three components—Digital City, Skill India and Make in India. A few states who are availing our services include Madhya Pradesh, Rajasthan, Karnataka and Andhra Pradesh.

> "If the upcoming bank of the Department of Posts adopts right technology and strategy, they can definitely achieve huge success

What are your expectations from PM Modi-led Digital India initiative? Share your views on how technology infrastructure within the country will see a transformation?

At present, the good part is that government is looking at the structural changes with JAM. That apart, everything needs to be made faster in order to bring changes and benefit people. We know the procurement processes are long in the government sector. Complex IT structures take a long time to deliver. The more and more you are able to leverage Public Cloud, security validated, faster and more efficient the execution will be. Also, government must explore the idea of setting up a "National Digital Innovation Board" to reward and replicate use cases and deployments of digital technologies (preferably on the cloud) of Social, Mobile, Analytics & Big Data, Cloud and IoT for Digital India and related government projects. ∎

PROVIDING UNBEATABLE SOLUTIONS

Aligning itself with the government's programmes of strengthening financial inclusion particularly in the rural parts, Senrysa is striving to offer best solutions to the government and corporate giants, writes **K P Saha**, Managing Director, Senrysa Technologies Pvt Ltd

Ever since Senrysa Technologies Private Limited came into existence, it has always been driven by technological innovations. Senrysa's journey kicked off with a mobility platform optimally designed to provide government payments to beneficiaries in remote and inaccessible rural parts of the country that literally remained cut off from the main- stream economic system.

Senrysa has always endeavoured to develop technology solutions for rendering better services at affordable cost to the end users. The company believes in relevance, reliability, creativity and cost effectiveness as key drivers in their initiatives. It obtained a strong ground in technology industry for its unbeatable ICT solutions catering to financial inclusion in rural India. Aadhaar Enabled Payment System (AEPS) added another feather in Senrysa's cap and earned national-level acclamation for its high efficiency and fail-free working even when accessed from the remotest parts of India.

The vast and deepened rural network of Senrysa has catapulted it to a strong position in rural areas where it offers personal level services to benefit the masses. In order to further strengthen rural and remote parts, it endeavors to intensify requisite efforts. From the moment Jan Dhan Yojana was declared by Prime Minister, Senrysa Technologies set to utilise its existing vast field infrastructure of rural franchisee providing banking and other services to the masses.

K P Saha

Recently, Senrysa bagged a coveted assignment for providing financial inclusion solution to Microfinance giant Bandhan. The solution has been deployed on more than 15,000 handheld devices integrated with the core banking system for branchless banking.

For devising solutions for financial inclusion, Senrysa has consistently adopted latest and cutting edge technology. Thousands of devices from remote places connected wirelessly to the central system generated millions of fail-proof transactions every day. Senrysa was one of the few organisations who realised very early the versatility and power of biometric authentication through AEPS and decided to develop technology in the area. Soon they became the fore runners.

Senrysa has a firm belief in creating an exemplary infrastructure of trained manpower to exploit technology. It has created a human infrastructure in far and incommunicable parts of the country and made them tech-service ready through intensive training. ∎

FINO PayTech Embraces
'MOBILE FIRST' APPROACH

Executive Vice President & Head-Strategy, FINO PayTech Limited, **Shailesh Pandey** throws light on company's vision and strategy to take it to the new heights amidst fierce competition. He also talks about how FINO Paytech endeavours to further strengthen its position across India

Kindly give an overview of FINO PayTech Ltd. Also explain how FINO PayTech is striving to consolidate its presence across India?

FINO PayTech is a payments technology company which operates the largest business correspondent network in the country. Our micro banking solutions along with strong network of over 30,000 transaction points across 28 states have been helping banks, MFIs and financial institutions to enable financial inclusion since 2006.

The company is a pioneer in developing and deploying biometric authenticated smart card solutions for the unbanked and under-banked segment of the population. We have deployed end-to-end technology and BC services for over 20 public and private sector banks that facilitated financial inclusion – enrolled over 50 million banking customers and service over 28 million active customers; disburse welfare payments like MNREGA, old age pensions using smart cards, which now are disbursed using Aadhaar enabled payment system through DBT. FINO is also an authorised UIDAI agency to offer e-Authentication and e-Verification services.

From a predominantly rural presence, FINO ventured into urban markets in 2010 offering remittance services to migrant workers, daily wagers and low income households. Since then, we have expanded urban and semi-urban reach across 14 states through a network of over 10,000 access points, including 400 company owned FINO Money Marts.

As an alternate banking channel, what kind of services do you offer to your customers?

We have a network of over 30,000 access points, comprising over 20,000 BCs and 10,000 retail points. FINO's technology enabled business correspondents (BC) network in remote rural areas represents our bank partners in those locations. On behalf of banks we:

- Enroll new customers/ open bank accounts using Aadhaar as KYC
- Service customers by facilitating banking transactions – deposits and withdrawals
- Offer domestic remittance services from urban to rural
- Cross sell insurance – personal accident policy as well as Govt insurance schemes
- Provide micro credit/lending and facilitate Gold loans
- Offer RD and FD products

What are your plans to financially empower weaker section of the society?

FINO PayTech always believed that financial inclusion and financial literacy go hand-in-hand. To achieve full financial inclusion, it is extremely important that the unbanked and under-banked segment understand banking and various benefits associated with it. We have been working with World Bank, WHO, State Governments, NABARD and other associations in organising financial literacy programs across various states. Since 2008 we have empowered more than four lakh rural customers in states like UP, Bihar, Rajasthan, West Bengal, Jharkhand, Karnataka and Tamil Nadu among others.

How actively are you exploiting Information Technology to improve efficiency and services being rendered to customers?

Technology is at the core of our financial services delivery model. FINO is primarily a technology company that pioneered biometric smart card solutions for financial inclusion. Biometrics solutions allowed customer identification that resulted in weeding off unscrupulous beneficiaries and savings to governments.

Mobile technology is changing the banking landscape. We, at FINO, have adopted a "Mobile First" approach as our business strategy. We already offer a lot of services like remittance, online shopping and utility bill payments on mobile. We will continue to innovate and develop customized products for our target customers at a price they are willing to pay. Our mobile and biometric solutions provide great convenience to customers as services are delivered in the shortest time in a safe and secure manner. All along keeping costs low that ultimately benefits customers and the business. ∎

Tailor-made IT Solutions
to MEET SPECIFIC NEEDS

Traversing through the days of 'Bubble Burst' to a favourable 'Digital India' times, Netmagic has managed to grow slowly but surely, as we understand the requirements of individual clients like nobody else does, avers **Nitin Mishra**, Senior Vice-President - Products & Services, Netmagic, in an interaction with **Poulami Chakraborty** of **Elets News Network (ENN)**. Excerpts:

Please take us through the journey of Netmagic in the Indian business ecosystem.

Netmagic was formed in 1998 and its operation started in 2010 started with the launch of its first data center. During this period, we crossed a few milestones, which contributed to the growth of the company. Till about 2006, we were a single data center company and this phase was more of building base for the organisation. Due to the dot.com crash that happened in-between, the new-age companies and their business model took some time to take off.

Primarily, during this phase, we built some basic services and invested in managing these services. In the next phase — between 2006 till 2012, we witnessed rapid growth of our business. We scaled up from one data center to five data centers by raising data centers in Mumbai, Bangalore, Chennai and Noida. During this time, we were able to see a lot of enterprises evincing interest in putting their servers in third-party data centers. Earlier, organisations remained cold about putting their servers in third-party data centers due to security concerns. However, this has changed over the time and contributed to our growth.

Another important development was that eCommerce business had started finding acceptance in the Indian market. A lot of travel portals also emerged out as new pillars in the economy. In contrast to the earlier phase, this was different, as investors were able to build trust on internet for doing business. Besides internet banking being accepted by the masses, 3G also heralded mobile banking. These were the factor that helped us stay in the market during this phase.

The third phase is what we call 'post-entity business phase'. Whenever we had to raise fund to build our own private data center, we had to visit a BC. It helped us convince them easily as an established entity in the market. In fact, we also plan to expand our facilities further in the next two years. A lot of new businesses are coming from entity customers or global customers and we are also getting some more new contracts in the market. Today, we are able to build an enterprise base for almost 1,500 enterprise customers.

As a premium service provider in data analytics and information management system, how do you perceive your market presence?

We are not confined to data analytics; rather we are expanding by providing a platform where people can get to taste data analytics. Today, our focus is more on providing the IT Infrastructure as a Service (IAAS) to our customers, which they can use for multiple purposes like analytics, applications, SAP, etc. our focus is on customers who can bring their servers and co-locate; typically targeted for customers who have a good IT team and can manage these frontiers. There is a second set of customers whom we provide our service with complete packaged solutions, including storage, application, computing, security and also management of the whole infrastructure. The third area is cloud computing, where we provide every service as a virtual infrastructure to our customers. We differentiate ourselves from others in terms of depth of skill sets on the managed services and security to our customers.

What is the USP of Netmagic and why should a prospective customer opt for it?
We offer a whole range of IT infrastructure services, which acts as a differentiator for us. We provide hosted co-location for managing cloud infrastructure. There are organisations in the market, like Amazon and Azure, which are purely on public cloud and look for lot of co-location in private cloud. Based on customer requirements, we can re-size it and distribute the workload suitably. Some of the workloads require a lot of scale up and scale down, so we place them on public cloud. At times, the customer has a long term requirement. In that case, we enable him to integrate it for a long period of time with enhanced security. For enterprises today, compliances are very crucial, both from security perspective as well as from the standards perspective. Thus, when we give an integrated solution, it becomes easy for them to comply with. Besides, we have a strong financial organisation backing us in the India market operations.

Which are the key sectors of operation that Netmagic is primarily catering to?
eCommerce and media are the prime sectors of operations for us, which include companies like Flipkart, Shopclues, Apple, NDTV, Sahara Live and Business Standard. We have a unique portfolio of clients that includes some of the top national media and e-Commerce companies. The second key focus area of Netmagic is the BFSI sector; rather, it is the Banking & Financial Services and Insurance sector that we are more focused to. The third key sector for us is Manufacturing, which has been growing rapidly. We are also involved with governance ecosystem, though not much share of our revenue is drawn from this sector, as we focus more on quality of our product than being competitive on price point. Incidentally, MHADA uses our solution for the government lotteries and also for a variety of purposes by the Maharashtra Education Department. However, less than 5 per cent of Netmagic's revenue is generated from the government sector.

Netmagic Solutions co-location data center at BSE, Mumbai

Would you like to recount the roadblocks faced by Netmagic during your initial days of operation?
Initially, the biggest challenge we faced was the dot.com bust that took place. As we started off in 2000, we have got some

> We are not confined to data analytics; today our focus is more on providing the IT Infrastructure as a Service (IAAS) to our customers, which they can use for multiple purposes

investments from the first-time adopters of data centers. Thus, it was straight from the hardware age to the data center age; so, it took lot of efforts to convince our clients to believe in our services and capabilities.

How do you outline the roadmap of Netmagic for the coming a few years?
We are presently investing on a lot in technologies and cloud computing to keep up with our year-on-year growth of about 40 per cent. We are soon to come up with our own data centers at Mumbai, Bangalore and Chennai and are expecting to hit a CAGR of 30 per cent in the next five years. In fact, with the recent government's keenness to adopt technology at every level, we can see a steep growth in the number of state-owned data centers. ■

Expanding Global
PRESENCE VIA TECHNOLOGICAL INNOVATIONS

Jayant Dwarkanath, CEO, Intense Technologies Ltd, highlights achievements of his company and its global emergence. He also shares company's strong track record of deploying scalable products to Banking & Financial services, Insurance and Government sectors with **Elets News Network (ENN).** Excerpts:

Kindly give an overview of Intense Technologies. What are your plans to expand your presence in India?

Intense Technologies helps large enterprises to build business agility required to stay ahead in the digital world. We have pioneered technologies that allow enterprises to connect with their customers in a more personalised, consistent and contextual manner through physical and digital channels. We are a global enterprise software products company, headquartered in India with a strong presence in USA, LATAM, EMEA and APAC. Our enterprise software products are used globally by Fortune 500s for digitalisation of customer experience lifecycle resulting in greater customer centricity and reduced operational expenses. We serve customers in 30 countries across four continents. We have 10 years of experience in the telecom and BFSI domains, and an award-winning product portfolio.

Forrester prominently published us in their report titled "Hot Emerging Indian Business Technology Vendors to Watch in 2015".

Gartner featured us as a "Notable Vendor" in their Magic Quadrant for Customer Communication Management report in 2014 and 2015.

We leverage our advanced solutions capabilities, service offerings and domain expertise across our global and pan-India network to deliver managed solutions to multi-national enterprises and service providers.

Our partnership with systems integrators like IBM, TCS, Infosys

and Wipro help us in expanding our presence in local and global markets.

What kind of products and services are you offering to the various sectors like telecom, banking and financial services, government and insurance?

We partner with enterprises like Banks, Telecom service providers and Insurance companies to address their concerns relating to delivering a consistent brand experience across channels, reducing operational expenses while catering to customer requirements and exploring monetisation of customer data by delivering contextual up-sell and cross-sell opportunities.

Kindly elaborate functions of your product UniServe™. How is it helping banking and financial sector?

We enable banking and financial services companies to collaborate with digital customers. Today's customers being highly adaptive to digital technologies, banks and financial services need to be proactive in their approach to digitise their processes and data assets to remain competitive. Identifying and establishing 'one relationship' with customers subscribing to multiple services will be the key differentiating factor for delivering personalised customer experience.

Automation and unification of customer-centric processes across various lines of business will not only entice the customers but also causes reduction in operational expenses in the range of 40 per cent to 50 per cent. We help banks and financial services companies to migrate and unify processes to empower their customers with right information at the right time.

UniServe™ platform quickly modernises existing IT environment to deliver unified, personalised customer experience. We obviate the need to undertake high risk and multi-year transformation projects to achieve this objective. Leading players have included UniServe™ in their "world class" solutions list and are benefitting from engaging customers with agile processes. By unifying customer-facing process across various financial services, UniServe™ enables you to:

❍ Bring new customers on in hours, not days, while reducing acquisition costs and ensuring compliance.
❍ Gain invaluable insights and create unique ID for customers subscribing to multiple services
❍ Connect with customers across all channels with consolidated, interactive, consistent and targeted communications.
❍ Provide superior customer experience to B2C and B2B customers from start to finish.

What challenges are you facing in expanding your presence in the market?

India predominantly being an IT services player, product companies like ours which are in minority need more encouraging macro-economic environment for attaining formidable growth. Globally the challenge is that Indian companies have not carved a niche for themselves as enterprise software products companies and we face competition from large multi-national companies with big marketing budgets. We are working with NASSCOM to promote product companies in domestic and international markets, but we need more entrepreneurs taking this route with a determination to make India a destination for world-class software products.

What is your key strategy to compete with other major counterparts in the market?

Technological innovation is our weapon to compete with global counterparts in the market. Our strength lies in

We deliver agility by digitalizing your customer experience lifecycle

helping enterprises build agility in the fastest possible way, because time to deliver is the critical factor that brings them more revenues and improve customer mindshare.

Our platform is architected in such a way that components can be re-used to bring down application development and deployment cycles drastically. Various solutions like customer onboarding, customer communications management, B2B and B2C self-service portals and modernisation of order management are developed using our platform. The strength of the platform lies in rendering itself for development and deployment of mission critical applications in fastest possible time.

What are your views on Government of India's flagship schemes like "Make in India" and "Digital India"?

Digital India initiative of the government is a step in the right direction. This will put India as a formidable economic player in the International market, bringing in new investments, reduce operational expenses of rolling out citizen services, and enhance citizen experience by making it convenient to manage services through digital channels. We are having plans to work closely with Government of India to make this a reality in fastest possible time. ■

Cashing in on
OPPORTUNITIES
IN BFSI

Zerto is leaving no stone unturned to boost its presence in India particularly in the BFSI sector. Its Country Manager (India & SAARC) **Sumit Garg** and Zerto APJ Director, **Andrew Martin** shares some key strategies and plans in an interview with **Arpit Gupta** of **Elets News Network (ENN)** to take the company to newer heights. Excerpts:

Sumit Garg
Country Manager (India & SAARC)

What kind of services and technologies does Zerto offer to its customers?

We are a software company with our core area of strength isnbusiness continuity and disaster recovery for virtualised, software defined and cloud based environments. We offer some really unique value propositions in this area with two routes to market. The first allows our customers to purchase our software and own it on premise, the second is to work with one of over 250 service providers globally that offer disaster recovery as a service powered by Zerto. Our reach is global and we are beginning to develop our business further throughout Asia. We began our investment in this region less than two years ago yet we are already working with major well-known customers and partners in every part of Asia and into almost into every sector including finance.

In terms of Indian BFSI market how relevant is your software? How would you describe your current positing in India?

Zerto is highly relevant to BFSI. This sector is tightly regulated in terms of application protection and recovery, with many companies struggling to meet the regulations. Recovery audit is often problematic and time consuming. Zerto is unique in addressing these concerns in the BFSI sector. We have been working with various organisations and partners who address this market. We find that our solution can not only help to protect critical applications and data but also help with mobility. In every country across Asia including India, we are already working with many customers from the BFSI sector.

Our company is just over five years old and in Asia we are very much in startup mode. Unusually for a company in such early stages, we are finding that many large institutions in India are already using our software, actively trailing

our solutions. We have a BFSI footprint in almost every country in Asia.

What is the main focus of your company? For the BFSI Sector what software do you provide and what is the experience across the globe?

We are working with large enterprises in India across the financial, manufacturing and IT sectors. We work with major System Integrators and will continue to increase our presence and awareness in the India market.

BFSI is one of our strongest segments. Our software and business proposition resonate strongly due to the critical nature of the data and applications; whilst we are strong in BFSI, our solutions are relevant to anyone that values business uptime; to that end we have market penetration across every major sector. The bottom line is that we are relevant to any organisation that doesn't tolerate downtime in its business. Of course this is particularly relevant to the BFSI sector because downtime is quantifiable in terms of cost and data loss. For many regulated BFSI companies, penalties can be issued if they have downtime and/or data is lost; even seconds of data can be disastrous both in terms of regulation and customer satisfaction. Zerto prevents even seconds of data loss.

How do you compete with your rivals as you are new in the market? Share your experiences with us.

We are in a very fortunate position because we have unique elements to our technology that make us so different. We may not have such unique advantages forever but at the current time if you compare us with some of the biggest competitors who have hardware based replication; something that the banks have used for many years, they are behind what we can do when it comes a virtualised or cloud environments. They just can't do the same things we can do in terms of mutually allowing you to recover back to any point in time down to seconds. They also can't guarantee consistency in business critical applications that can be brought up quickly.

Our biggest challenge is not competition, it's actually awareness and ensuring the right people in the right organisations are aware of our technology and solutions. When we do that, there is no one that can match what we do and usually those people want to invest in our technology.

Considering the growing competition amongst the start ups mainly because of Government of India's initiatives to attract investors, what is your strategy to expand your business in India?

There is another feature particularly related to BFSI which is non-disruptive disaster recovery testing and for the financial sector it's very important. For most BFSI companies they have stringent DR audits they need to undertake every year. Typically we see companies having to allocate

Andrew Martin, Zerto APJ Director

weeks of time and resource to make sure the audit runs well and is successful. Companies that use Zerto can test DR with just the click of the button with no disruption or planning needed. Instead of testing once a year just for audit, Zerto users can test every week and have complete peace of mind that the DR solution is running properly. So

> " Zerto is highly relevant to BFSI as it is unique in addressing many concerns in the sector. Our company works with various organisations and partners who address this market

for BFSI this is a big reason why they are looking at the Zerto solution. Also many companies, who are in the process of adopting virtualisation, moving from physical infrastructure to virtual space, start to look online to find new solutions because the old solution doesn't work anymore.

How confident are you about the Indian market adopting Zerto's solutions?

BFSI in India is ahead of the curve for virtualisation so it's happening quickly in BFSI. As critical applications move into virtual environment they must be protected and there should be minimum downtime. India is in very early stage of cloud adoption, companies that invest in Zerto today for DR for their virtualised environment are buying into a technology that will replicate them into cloud when they are ready. A decision to work with Zerto is a long term winner because we become the platform that can move and protect business workloads between clouds and data centres. ∎

Solutions for Secured
DELIVERY OF PAYMENTS

We provide innovative payment management tools and a highly secure environment to deliver the payments worldwide, claims **Rajesh Desai**, CEO & Director, Lyra Network, in an interaction with **Arpit Gupta** of **Elets News Network (ENN)**
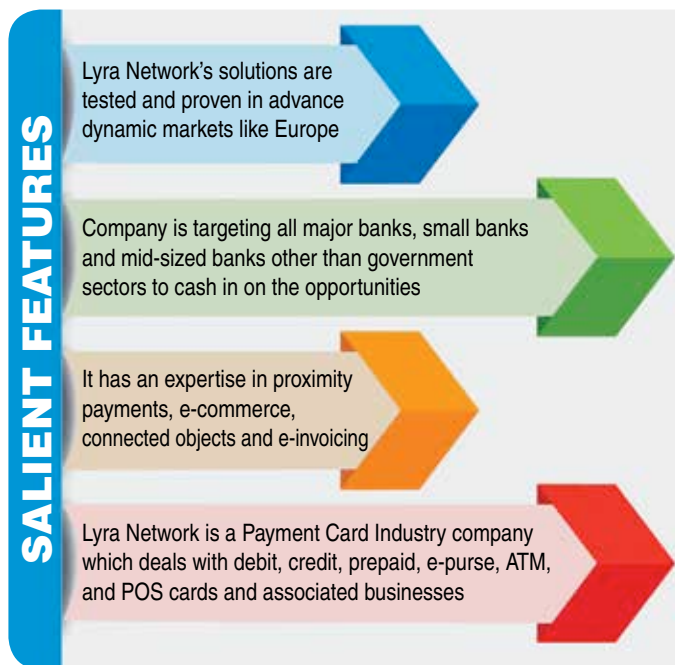
What kind of services does Lyra Network offer in India?

As a leader in the French online banking industry, Lyra Network has been securing data flow between merchants and banks since 2001. We are a company that offers technology services in the connectivity space. The entire gamut of sectors like banks, financial institutions, railways and transport are our customers. The way we offer solutions is highly secured, stable and robust. The best part is that our solutions are tested and proven in advance dynamic markets like Europe. In these sectors specifically, we try to replicate the same technology in India keeping in mind the local demand.

We are 10 years-old in the Indian market now and we have huge plans of expanding our presence in India. We are currently working with major banks in India who use our solutions to acquire financial transactions on our network. At present, our presence is in Mumbai and Bengaluru with very high-end infrastructure in both the places. We play a critical part in the payments technology domain in India and want to make it big.

Do you see ample opportunities for technology companies in the BFSI sector?

Opportunities in the Indian market are huge because it is continuously evolving. What is new today is going to be old tomorrow. It's a big opportunity for us to explore the industry. We are targeting all major banks, small banks and mid-sized banks to cash in on the opportunities. We want to leverage all the banking expertise we have in the European countries. We are addressing Tier I, Tier II, Tier III and all remote areas because we

SALIENT FEATURES

- Lyra Network's solutions are tested and proven in advance dynamic markets like Europe

- Company is targeting all major banks, small banks and mid-sized banks other than government sectors to cash in on the opportunities

- It has an expertise in proximity payments, e-commerce, connected objects and e-invoicing

- Lyra Network is a Payment Card Industry company which deals with debit, credit, prepaid, e-purse, ATM, and POS cards and associated businesses

play a big role in financial inclusion, along with banks. We want to leverage on our strengths and the government's vision using our technology as a key enabler.

What kind of measures you take to ensure safety of your solutions?

We are a PCI DSS company which stands for Payment Card Industry Data Security Standard which deals with debit, credit, prepaid, e-purse, ATM, and POS cards and associated businesses. We get a lot of security audits and require multiple security certifications in India and globally also. We ensure that the entire infrastructure is completely secured and stable. We also ensure that the entire solution and services which our customers are using is completely protected.

Our company operates in four continents which makes us a global player. We are aiming at expanding our business in India on a large scale. We offer services that were developed and implemented to secure and manage your payments and data.

Kindly elaborate your areas of expertise.

Our areas of expertise include proximity payments, e-commerce, connected objects and e-invoicing. Other key services are mentioned below.

POS Services

Lyra Network has established itself as a trusted brand among its customers for the quality of its services in securing and managing electronic payment transactions. The company has a unique online portal for customers

with tools adapted to the field constraints and to the complex management of POS facilities. Our expertise expands to the whole range of technologies related to the development transactions on varied POS terminals.

E&M Payment

Because of growing demands from consumers, companies have introduced new distribution channels. Payment methods follow this transformation by means of e-commerce and mobile devices. In order to cater to the demands of customers and the market, the company has developed its own online payment platform and a supporting proximity payment service (mPOS) under the PayZen brand. The aim was to provide a cross-channel solution to facilitate payment management depending on the sales channel.

e-Invoicing

Lyra Network facilitates and optimises payment management by offering customers payment options via online direct debit with online mandate signature, transfer. Company's e-invoicing service is designed
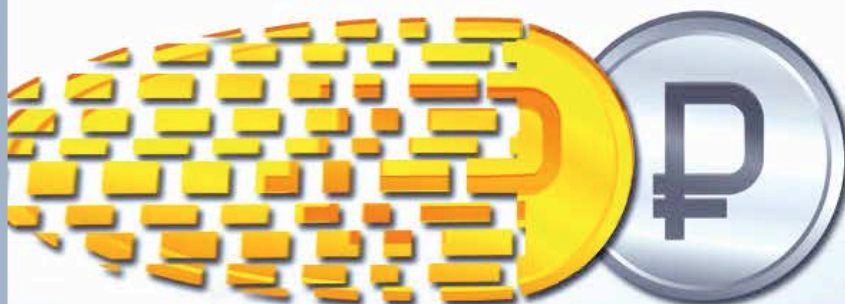
> **We have a rich experience of around 10 years in the dynamic Indian market and have huge plans of expanding our presence in India**

to suit professionals as well as individual debtors and increases the percentage of full payments while bringing down delays.

Lyra Network mediates the e-invoicing process to secure the transmission of the message and the resulting transaction. The firm is an essential link between creditor and the bank offering the reconciliation between the payment request and the payment.

GPRS M2M

Lyra Network provides a comprehensive routing solution for GPRS mobile network with a simple and quick installation. In addition to a maximum level of security, customers get access to a web management and monitoring interface giving access to both administrative and technical details of all their SIM cards irrespective of the operators. ∎

ENABLING A BILLION ATMs

Ashutosh Pande, Founder & Chief Innovation Officer, PaySe speaks about how PaySe delivers convenience of a card with atomicity of cash. Pande, in a converstation with **Vishwas Dass** of **Elets News Network (ENN)**, also gives an insight on the Union Government's much ambitious "Digital India" and "Make in India" initiatives poised to boost country's economy

Kindly give an overview on PaySe. For digital platforms, private players are always game for new innovations but do you think the government will come up with more demand?

PaySe™ (पैसे) is the world's first offline digital cash solution designed and created with an aim to democratise money. Democratisation of communication drove the velocity of information and democratisation of money is poised to drive velocity of cash. PaySe™ utilises the latest advancement in mobility, big data, open source and crypto currency (primarily tokenisation) to deliver world's first secure offline peer to peer payment solution. PaySe™ is digital cash

operating within the regulatory guidelines of the Reserve Bank of India (RBI). It delivers the convenience of a card with the fungibility and atomicity of cash.

With the government's latest approach of Unified Payments Interface (UPI), it is visible that innovation is the need of the hour to uplift BFSI sector. New technologies have become adaptable solution even for the government. We are confident that we will surely see a surge in demand from the government for innovative platforms, like ours.

Government of India is laying a lot of emphasis on financial inclusion these days. What is your view on financial inclusion through digitisation? How do you see this theme moving ahead from here?

In the recent years, we have seen a technological evolution across sectors, bringing in solutions to the once unimaginable problems. Technology also comes as an answer to the current problem of non-financial inclusive states, making digitisation as its leading weapon. As an instance Bill Gates once said, "If we were building a financial system from scratch today, we'd do it on a digital platform." Going by his words, we can see that digital technology has immense potential to reach out to the masses and engage them in fast paced and easier communications, and this is what a financial system needs in broadening its outreach amongst the lower income groups.

JAM initiative has brought over 200 million people under the fold of banking system. Use of Direct Banking Transfer (DBT) to Aadhaar linked bank account has enabled direct deposit of government subsidy/payment to beneficiary's account. However, the key challenge in the last mile remains intact. Once a citizen receives the DBT in the bank account they need to withdraw it. Most of the beneficiaries have to travel long distance (around 10-20 KM) to withdraw money as there are no ATM's nearby and even if they get one, then the chances of money availability in those ATM's is scant. Due to this hassle, most of the beneficiaries try to withdraw money in the one go resulting in money moving out of banking system. Bridging the last mile is where PaySe™ can play a key role.

You are in talks with banks, MFIs, NBFCs and small finance banks already. What exactly is your plan as of now?

The time and money consumed in collection and transportation is huge. Collecting cash from the groups and moving to regional branch or bank branch is a tedious task. Due to security risk, most of the MFI's cap the limit of CASH their executives can carry, thereby artificially constraining the growth. Also, reconciliation of cash is a big challenge which consumes lots of time and effort of MFI branches. The limited on the ground operation of the executive leads to scal-

ability of SHG groups becoming linear and is driven by the number of executive an MFI can hire and trained. PaySe™ addresses most of these issues through its digital solution— PURSE. It gives the freedom of transferring the collected cash to one's bank account at the comfort of the collector through PaySe™ device. We have recently released a report of the field trials. Our initial focus is to reduce cost of cash and escalate velocity of money. Conversion Points (CP) is an individual person or entity that converts physical currency to digital currency and vice versa.

PaySe could also address challenges faced by banks and microfinance institutions in making basic banking services accessible to the unbanked. Please elaborate on this?

PaySe™ is focused in reducing the cost of cash for banks and other financial institutes, like the upcoming Payment Banks and Saving Banks. By digitising CASH, PaySe™ makes cash available for "Withdraw" or '"Deposit" from the remotest corner of India; or the world. While Micro ATM has been introduced, they still require "Physical" cash disburse-

> "PaySe™ addresses issues through its digital solution PURSE which gives the freedom of transferring the collected cash to one's bank account at the comfort of the collector

ment. PaySe™ disburses 'Digital' cash from any Bluetooth enabled Android Smartphone. With the 'Deposit' feature all the collections of an MFI can be deposited into the sponsor bank account in less than 30 seconds. There is no need to count, transport and reconcile cash.

What is your take on Government of India's much ambitious flagship programmes like Make in India, Pradhan Mantri Jan Dhan Yojana (PMJDY) and Digital India? What are your expectations from the government?

The government is taking major steps to make India a financially inclusive nation. It has started various initiatives to make the agenda a success through JAM, Make in India, PMJDY and Digital India. While initiatives like these help in educating the general public it also makes India a favorable space for entrepreneurs and startups.

Electronic hardware development requires a complex ecosystem of component suppliers and fabricators. Government will need to create an environment for 'Co-opetition' – cooperation and competition in this ecosystem. ∎

Using JAM to Create New Products **& Services**

An informal, unofficial Paper by Rajesh Aggarwal

The trinity of JAM—Jan-Dhan Yojana, Aadhaar and Mobile—has the potential to revolutionise the Banking, Financial services and Insurance (BFSI) sector, provided there are some visionary officers, coupled with a strong political will, to take it forward, writes **Rajesh Aggarwal**, Joint Secretary, Ministry of Tribal Affairs, Government of India for Banking & Finance Post. Aggrawal is, however, apprehensive that this innovative idea could nipped in the bud by the wily file pushers in the government

JAM in governance would usually lead to a thought of how our bureaucracy has "jammed" the development by tying up all processes in red tape. Luckily, there are some in our bureaucracy who are not mere file pushers, and who can dream of new ideas. JAM is an idea which needs visionaries within the bureaucracy, which needs political inputs and constant political oversight so that file pushers do not kill this idea. We need an army of start-ups who will disrupt existing systems, and these start-ups need to be insulated from old fashioned bureaucrats and regulators. And we need citizens who have seen the best-of-class services globally and will demand the same from our municipalities and government organisations.

Let us start with "J" – the Jan Dhan, or more broadly the banking channels.

Five years ago, while working as Secretary (Accounts and Treasuries) in Maharashtra, I exhorted my Team to abolish cheque books used by Treasuries and DDOs (Drawing and Disbursing officers). They thought I had gone nuts, and said as much behind my back. Everybody knows that a clerk can hold on to a cheque due to an employee or a vendor (for some commission, speed money etc.), or even if nobody is demanding commissions, the citizen may have to make multiple trips ("sahib is on leave/has gone out for lunch/printer not working"). Hence, electronic transfer to the bank account of an employee, or a pensioner, or a kid getting scholarship, or to a vendor/contractor makes a lot of sense. Thus the idea of going cheque-less made so much common sense, and implementation was so easy, that vested interests could not stymie it, and we could go whole hog in six months. We kept it simple ("KISS – Keep it simple, stupid"). If software was not there, the DDOs and Treasuries were asked to give handwritten or typed "advice notes" to banks.

Now DBT is in fashion. What we did in Maharashtra five years ago, was classic, plain vanilla DBT (Direct Benefit/Bank Transfer). We saw that going cashless and cheque-less brought 30 per cent savings in some schemes! Ghost employees, pensioners and beneficiaries seem to vanish! Probably the bankers are afraid of ghosts, and don't open their bank accounts! Or is it the other way around? Is it that even the ghosts are afraid of bankers?

We know that common citizens are afraid of banks – the poor are afraid of even the guard standing on the door of the bank – stepping up inside the bank doors is something they could not even dream of. This is something that Jan Dhan program nailed very well. Though RBI (Reserve Bank of India) had floated simplified KYC norms for no-frill accounts, the poor would find it difficult to open bank accounts. The DBT thing cannot take off if poor people do not have bank accounts. Jan Dhan envisaged that every family in the country will have at least one bank account,

and the bankers were told to go all-out to achieve this. A masterstroke by the Prime Minister was to advocate zero balance account. Many analysts think that pull factors like added insurance cover, overdraft etc. are key factors behind the success of Jan Dhan - but I feel that zero balance account, along with free passbook and Rupay card are the key factors. It is not about economy, stupid! This is more about Social Status rising. Thus, a villager without a bank account is poor, downtrodden, zero self-respect Parsu. When he opens zero balance account, he goes up in social status, and people call him Parsa bhai. When he starts using bank, and proudly goes to ATM to withdraw money, he feels like and gets treated like Parasram ji. In Mission office, we get lots of feedback, and one particular

> The idea of going cheque-less made so much common sense, and implementation was so easy, that vested interests could not stymie it, and we could go whole hog in six months

letter I will always remember is the one which said – "Our village has a bank branch, but please give us an ATM, because the ATM does not insult us, or make us feel small" - ATM हमारी बेइज्जती नहीं करती). Thus, in Jan Dhan Mission office, our team works more like passionate agents or catalysts of social change, rather than having the airs of working in an economic ministry.

Jan Dhan was never about bank account opening and DBT only. A bit of Insurance (life and accident) and access to credit (overdraft) was inbuilt. This later evolved into market-priced, zero-subsidy insurance covers of Life and Accident (Pradhan Mantri Jeevan Jyoti and Suraksha Bima) schemes, at ridiculously low premiums. Beauty was that no fresh KYC was needed, auto-debit from bank account was done, subscription form was incredibly simple, and

one could even subscribe by a simple SMS! No wonder, we sold more than 100 million subscriptions in two months! The easy-loan scheme of Mudra also evolved out of good feedback from Jan Dhan overdraft component. So many things can piggyride on a bank account!

We see new age in banking coming up. I love to talk to start-ups, to new FinTech guys. I have also been talking to new 11 payment bank teams. We have an opportunity to leapfrog, provided we don't kill them with heavy regulation, with old-fashioned banker-style thinking. We need to totally redefine and reimagine – what is a bank, what is a branch,

Leveraging the Power of JAM
Jan Dhan, Aadhar & Mobile

1,80,96,130 Guinness World Record for most bank accounts opened in one week

19.72 crore Bank accounts opened	**16.8 crore** Rupay cards issued	**28k crore** Cash Deposits	**131 crore** Overdraft

Pradhan Mantri Suraksha Bima Yojana	Pradhan Mantri Jivan Jyoti Bima Yojana	Atal Pension Yojana
Provides accident insurance worth Rs 2 Lakh at Rs 12/ year.	Provides life insurance at just Rs 330/year 3 crore - people joined	Provides pension upto Rs 5000 / mo 15.85 lakh - people registered

> "
> Jan Dhan was never about bank account opening and DBT only. A bit of Insurance and access to credit (overdraft) was inbuilt

what is a passbook, what is a chequebook, what is KYC, what is a transaction. Traditional banking channels and software (RTGS, NEFT, remittances) are expensive and slow; telecom channels (mobile money, mPesa) are faster and less expensive; internet based channels (bitcoins or blockchain-based digital currency zipping over internet, undiminished in value) are much faster and almost have zero cost. Will we see the "WhatsApp" moment in banking, or will we let it go past us? The traditional incumbents will do every trick to kill the new-age players ("why should they get friendly eco-system and regulation when we got harassed so much?"). Thus the new airlines face roadblocks from existing players (recall 5/20), WhatsApp and
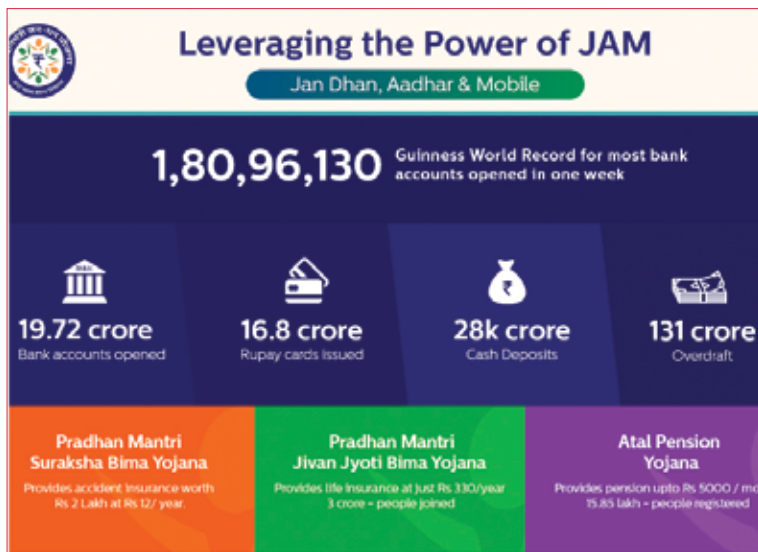
Skype face roadblocks from existing Telecom players, new Payment banks will face many overt and covert challenges from existing players. I hope that new payment banks are not killed in the womb, by traditional treatment of KYC, Passbook, Chequebook, Branch concepts. Let us hope that banking regulator RBI will issue lightweight regulation for payment banks.

Now, let us talk about "A" in JAM, which stands for Aadhaar.

There are many good things and bad things possible with Aadhaar- but being a government official, let me talk only about great, good possibilities with Aadhaar. First is obviously cleaning and de-duplicating any database - be it voter list, ration card list, driving license or passport, pensioners list, and so on. Our databases – all of them – are in pathetic state, and linking with Aadhaar can bring some sanity, by removing duplicates, and by having uniformity of basic demographic and address metadata – making these databases "talk" to one another. (This unfortunately can lead to Big Brother watching the citizen at every step - in a democracy, it is essential that different departments remain isolated and don't work in tandem to harass the citizen. Second benefit of centralised Aadhaar database is anytime, anywhere, online verifiable identity check (eKYC), working on open API methodology. This can let us leapfrog over many developed nations, provided we can change regulation accordingly. Out Telcos may be wasting thousands of crores of rupees every year in collecting and preserving paper-based KYC documents. eKYC done at telecom franchises can result in instant SIM card activation and zero paperwork. Similarly, if a person does not want a chequebook, then banks don't really need a wet signature, and the bank account opening process could be made paperless and eKYC based, saving the banks hundreds of crores of rupees every year, apart from being convenient for the citizen. Let us hope that the banking regulator RBI and telecom regulator TRAI will do something about this.
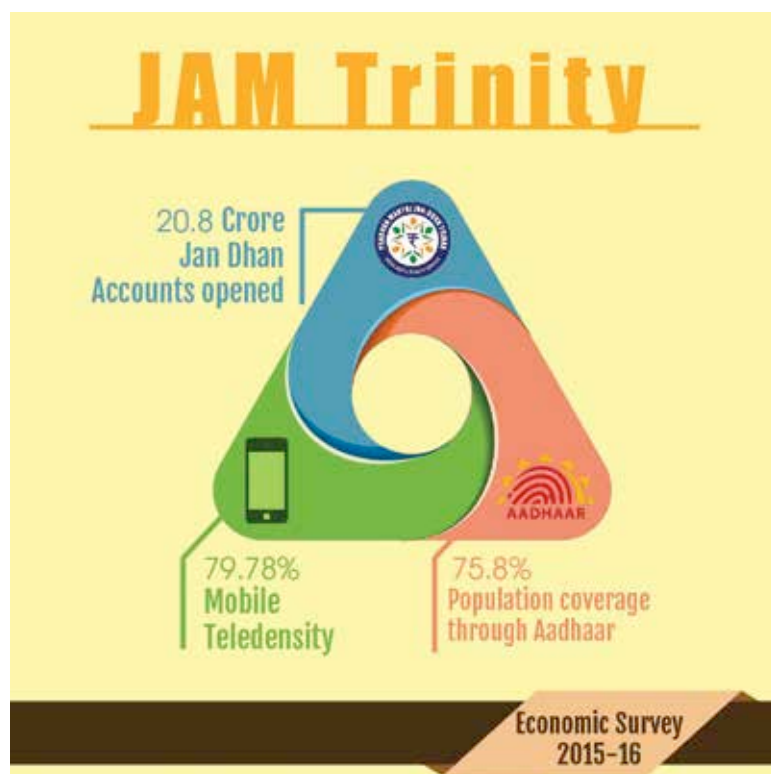
eKYC can help in proving you are you, and also that you are alive! Five years ago, as Secretary (Accounts and Treasuries) in Maharashtra, I would frequently chat with pensioners sitting in our Treasuries. The annual "main zinda hun" (I am alive) certificate by banker or tahsildar, can be painful to senior citizens. I vividly remember bouncing the idea to Nandan Nilekani, of eKYC machine giving "main zinda hun" certificate. Nandan, in his typical IIT lingo said "Boss, great idea!". Now we see millions of pensioners linking their Aadhaar number to the pension databases.

Third, Aadhaar can be financial address, though at the moment, it is riding on top of a bank account. The first Aadhaar based advice note in the country was signed by me four years ago, as IT Secretary, Maha-

JAM Trinity

20.8 Crore Jan Dhan Accounts opened

79.78% Mobile Teledensity

75.8% Population coverage through Aadhaar

Economic Survey 2015–16

not be restricted to mobile banking, but should stand for use of mobiles in various eco-systems.

Mobile wallets (Paytm leading the pack), mobile banking apps, SMS-based money transfers, *99# based services available on feature phones in multiple languages etc. are gaining traction, but we all hope that the new payment banks and FinTech players will overturn many traditional concepts. Let us see how it evolves over next few quarters.

WhatsApp, Facebook, and eCommerce have taught our citizens the value of mobile based transactions. They now demand government services to be available in the same convenient, faceless fashion.

rashtra. We worked with Bank of India and UIDAI, and gave an advice note of 50 BoI customers of Padga village in Thane district to the bank, with three columns – customer name, Aadhaar number instead of bank account number, and the amount (of 100 rupees each). The bank server resolved the Aadhaar number to the account number, pushed the money, and then gave the successful scroll to us. Next step was to make it work across banks. So we brought NPCI in, mixed customers of four banks, and gave this mixed list (with Aadhaar numbers instead of bank account numbers) to our bank. Our bank passed this list to NPCI, which resolved it between four banks, and so on. Now, we see more than 10 million Aadhaar-based financial transactions every month through NPCI!

Bank of India also experimented with embossing Aadhaar number on the front face of the debit card, and also embedding it in the magnetic strip. This had the added advantage that customer did not have to type in 12 digits into the POS/microATM. I hope that all banks will introduce this feature into credit/debit cards as well as mobile wallets, and also modify the software of ATM, microATM and POS machines to enable this.

Now, let us talk about "M" in JAM, which stands for Mobiles.

Almost every family in the country now has a bank account, aadhaar and mobile. The "M" in JAM should

> **WhatsApp, Facebook, and eCommerce have taught our citizens the value of mobile based transactions**

After eCommerce, now health and education are the sectors witnessing disruption.

With 2G/3G/4G expansion, and with prices of Smartphones coming down (some say that ₹4000 is the tipping point, which already has been achieved – forget about ₹251 Ponzi!), we will see explosion of internet connected smartphones, and private sector as well as government organisations offering lot of stuff on mobiles! Interesting days are in sight! Let us JAM! ∎

▼ ABOUT THE AUTHOR

Rajesh Aggarwal, a B.Tech in Computer Science from IIT-Delhi (1983-87), joined IAS (Indian Administrative Service) in 1989. He has served in various positions in Maharashtra and Delhi. He has written a number of papers on eGovernance and handled large number of eGovernance projects. Read more at www.eGovernance.guru

e-KYC Transforming
EMERGING MARKETS

e-KYC presents a transformative blueprint for the emerging markets, writes Associate Director, Microsave, **Puneet Chopra**, for Banking & Finance Post

A student newly admitted at Kenyatta University, Nairobi, wants a new mobile SIM, so she can talk to her parents back home in Eldoret. Her national identity card is used to establish her identity. A 32 year widow of a landless labourer in Bihar walks up to a Bank Mitr agent to open an account to receive government widow pension. She is asked to bring documents establishing her proof of identity (POI) and proof of address (POA) in the village, before anything further can be done. A migrant vegetable hawker living in one of the night shelters in Delhi folds his daily savings into a small plastic container to keep it safe. He cannot deposit his surplus cash with banks or any reliable financial institution, as he has no regular address or document to establish his identity.

These personas represent billions of people around the world required to meet know your customer (KYC) norms to avail of services considerably important to their lives. Yet, widely prevalent archaic methods for KYC come in their way. e-KYC— a fully digital solution, leveraging resident Indians' centrally stored demography details and biometrics (fingerprints and/or iris recognition) is changing how KYC has been done for ages. This note examines how e-KYC is an established and proven solution and (together with the India Stack) presents a compelling and transformative blueprint for a majority of the emerging markets to consider.

Know Your Customer (KYC) is the first step that most financial and several non-financial institutions worldwide take to commence relationship with new customers. The common underlying objective is to unequivocally establish the identity of all customers of a service provider. Additional objectives, often prescribed for financial institutions, are to prevent identity theft, financial fraud, money laundering and terrorist financing. Reliance on paper-based documents as evidence to establish KYC has been most ubiquitous. This is not only hugely expensive and time consuming; it is also one of the most significant barriers to effective financial inclusion in the developing world.

A recent study on KYC benchmarking and harmonisation conducted by MicroSave, highlighted that Aadhaar-enabled e-KYC could result in an estimated direct saving of over $ 1.5 billion within the next five years. Apart from substantial cost savings for banks and financial institutions, Aadhaar-enabled e-KYC is significantly more efficient compared to current paper-based KYC. Traditional customer enrolment processes followed by banks can take from two to four weeks before an account is activated, and all KYC details have been verified and stored for future retrieval. On the other hand, Aadhaar e-KYC enabled bank accounts can be activated and readied for transactions within a minute.

The existing practices prevailing in Indian banks are majorly paper-based, manual KYC processes. There is also a widespread tendency in banks towards over-compliance for static KYC, compared to dynamic risk profiling of customers, based on transaction data and analysis. This results in unnecessary costs for banks, and poor customer experience through delays and inconvenience.

In order to avoid repeated KYC verification for customers availing multiple services, there is a need and an opportunity for greater harmonisation of KYC processes across diverse financial institutions and indeed with players in the telecom sector. This will speed up the process and result in massive savings in time, effort and money.

The passage of the Aadhaar Bill in the Lok Sabha provides much needed legitimacy to the existence and the usage of Aadhaar. With Aadhaar enrolment covering nearly 97 per cent of adults in the country, e-KYC could provide a number of benefits to service providers. Given that e-KYC provides digital information and near instant verification of applicants' identity and addresses, substantial cost reduction and efficiencies can be achieved through elimination of paper based verification, movement, storage, archival and retrieval. Several regulators have already approved the acceptance of Aadhaar e-KYC. These include RBI, IRDA, Department of Revenue, SEBI and PFRDA. Many more now accept Aadhaar letters. ■

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SMART CITIES IN THE ERA OF DIGITAL INDIA
CONFERENCE | AWARDS | EXPO

Smart Cities in the era of Digital India

Laxmikant Y Parsekar
Chief Minister,
Goa

Francis D'Souza
Deputy Chief Minister,
Goa

After organising Knowledge Exchange conferences across India, Elets is again back to the land of seas and beaches. Set in the picturesque settings of Goa, Elets announces 'Knowledge Exchange – Smart Cities' in Goa on June 2016. The theme of this conference is ' Smart Cities in the era of Digital India.' The two days conference will see vibrant sessions on Smart Cities, Digital India, Make in India, Swachh Bharat, AMRUT, Securing Cities in the era of Smart Cities, etc.

The two-day event will be a highly interactive conference and expo that will showcase cutting-edge technologies and proven strategies government leaders need to build more livable, workable, sustainable cities. The stakeholders will have an opportunity to see, hear and experience the next wave of innovative, integrated technologies that are already helping cities around the world become more compassionate, connected and sustainable.

Key Themes:

>> Smart Cities in the era of Digital India
>> Convergence of Smart Cities, AMRUT & Swachh Bharat
>> Best & Next Practices of building Smart Cities
>> International Smart City Experience
>> Ensuring Safe Cities
>> Financing Smart Cities

>> PSUs for Make in India
>> Smart Healthcare in Smart Cities
>> Innovations in Education
>> Digital India for a Better India
>> Best & Next Practices of eGovernance from Across India
>> Aadhaar for Government Service Delivery