

## Impact of Budget on Fintech Ecosystem: The Digital Fifth View

Bharat Fintech Ecosystem, driven by the power of Inclusion, Innovation and Collaboration, has received further support from the Budget 2023:

- 1) National Financial Information Registry will be set up to serve as the central repository of financial and ancillary information. This would help in derisking the banking environment and smoothen the flow of credit to everyone.
- 2) Missing piece of digitization in the country, an Entity DigiLocker, will now be set up for use by MSMEs, and businesses for storing their documents. These documents would be shared with a secure consent layer with financial institutions. Fintechs and banks would be able to use DigiLocker for customer onboarding, underwriting and servicing.
- 3) Businesses would be able to use PAN as a unique identifier for seeking different clearances and approvals of the central and state departments, which will open up utilization of this data by Fintechs and Banks.
- 4) For Retail Customers, the scope of DigiLocker would be expanded. Updation of identity and address has been a nightmare for financial services. This would be simplified as it would be offered as a service through DigiLocker with Aadhaar framework.
- 5) The KYC process will be simplified by adopting a 'risk-based' approach and potentially reduce the load on the banking infrastructure.
- 6) There are initiatives to reduce the cost of compliance, which will be executed by regulators over a period of time.
- 7) Digital Public Infrastructure for Agriculture will be built as an open source, open standard and interoperable public good. This will open-up Rural Value Chains for digitization and accelerate the Agritech industry. Agriculture accelerator fund will further fuel agritech startups. Fintechs and Banks would be able to tap into these value chains and Agritechs for accessing validated data for offering credit and insurance at lower costs and risks.
- 8) Creation of the Ministry of Cooperation and Computerization of Primary Agricultural Credit Societies (PACS) will help in digitization of payments and credit.
- 9) Outlay and focus on Zero Carbon Emission by 2070 will trigger the building of Green Fintechs.

## MARKET NEWS

### CBDCs will bring a lot of opportunities for fintech community: RBI official

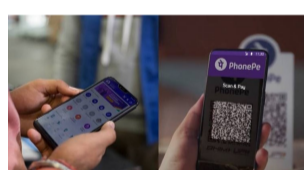


The Central Bank Digital Currency (CBDC) will provide numerous opportunities for India's fintech community to help the government and the Reserve Bank of India (RBI) in addressing technology challenges such as enabling CBDC transactions offline, preventing duplication of digital currencies, and preventing double payments, a senior RBI official said. This comes just a week after the Economic Survey 2023 emphasised the benefits of CBDC in expanding digital financial services. RBI will also organise sandboxes and hackathons to let fintech innovators present their solutions.

Speaking at the Bharat Fintech Summit 2023, Anuj Ranjan, General Manager, fintech department, RBI said, "There is a lot of opportunity for the fintechs here. Presently, wallets are being given by the banks, it is synced with the digital currency to make payments. Going forward, we expect fintechs can do a lot to take care of the people in Bharat. There is no internet connectivity or even power to charge mobile phones." "The fintech community needs to come out with something through which offline transactions can be done. It can be a service provided to the bank to ensure that people who are not connected to the internet can transact in digital currency," he added.

Source: Moneycontrol

### PhonePe becomes first Indian fintech to allow UPI payments abroad

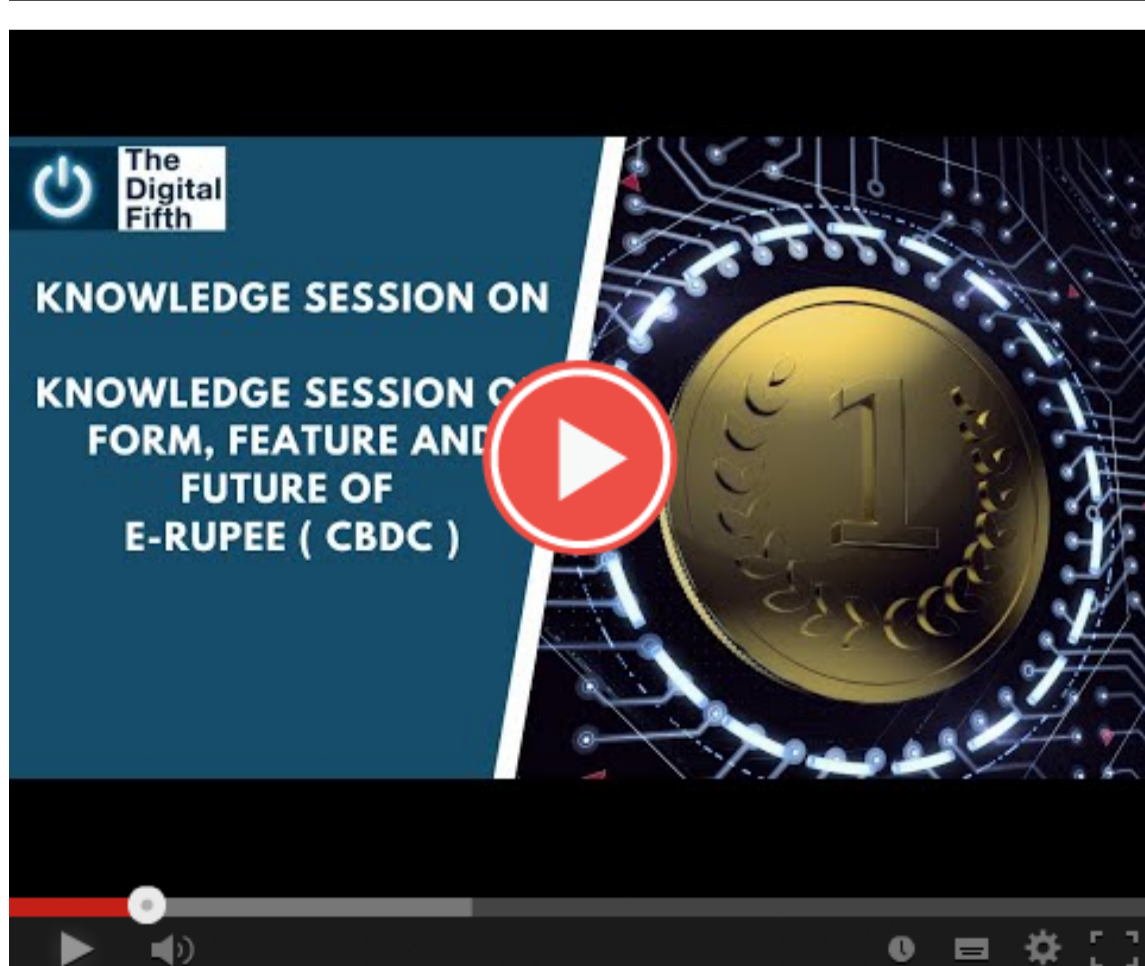


PhonePe, which has the most market share by the number of UPI transactions, now supports international payments through which Indians travelling abroad can pay foreign merchants using UPI. This makes it the first fintech platform in the country to have such a facility.

The transactions would work just as they would with an international debit card, and the foreign currency will be deducted from the user's bank account. According to the company, international merchant outlets in the UAE, Singapore, Nepal, and Bhutan that have a local QR code are supported.

Source: Moneycontrol

## KNOWLEDGE SESSION



## FOUNDERS SPEAK

All strategies get executed only through hard work.

There is no strategy for building and scaling business which requires easy life

Sameer Singh Jaini

Founder & CEO

The Digital Fifth



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