

Top Story 1

London's Fintech Farm expands to India with a fresh \$32m investment

The company, which offers technology solutions to mid-sized banks in emerging markets, enabling them to develop digital banking tools, secured this capital through a Series B funding round, according to a report from Sifted. The funding was led by Nordstar, a London-based venture firm, followed by an extension from the London Stock Exchange-listed Bank of Georgia. Fintech Farm's primary service involves partnering with banks in emerging markets to build neobank applications. Fintech Farm provides comprehensive operational support through its 'neobank in a box' model, which includes essential digital banking services like debit and credit cards, and investment options. The funds from this latest round will be used to launch and expand the company's fintech products in India. This move aims to enhance consumer access to credit in a market burgeoning with digital payment systems and intense competition.

Top Story 2

Kolkata Metro Embraces UPI for Ticketing System

Kolkata Metro is set to revolutionise its ticketing system by integrating Unified Payments Interface (UPI) technology. This move aims to streamline the ticketing process and enhance commuter convenience. The initiative is a part of the metro's efforts to embrace digitalization and cater to the evolving needs of passengers in the digital age. The UPI-based ticketing system will allow passengers to purchase tickets seamlessly using their smartphones. By leveraging UPI, commuters can make transactions directly from their bank accounts, eliminating the need for physical cash or cards. This not only simplifies the ticketing process but also promotes contactless transactions, which have become increasingly important in the wake of the COVID-19 pandemic. Moreover, the integration of UPI into the ticketing system is expected to reduce queues at ticket counters, thereby minimising waiting times for passengers. This technological advancement aligns with the metro's commitment to providing efficient and convenient services to its passengers.

Finance: -

Indian economy projected to expand at 6.6% in FY25

The Ratings recently projected a 6.6% expansion for the Indian economy in FY25, attributing it to robust economic growth. This positive outlook isn't just good news for India; it's also set to boost the profitability of the Non-Banking Financial Company (NBFC) sector. The agency underlined that strong credit demand, fueled by the country's economic vigor, will be a key driver in this regard. With the economy poised for growth, NBFCs are expected to experience increased demand for credit, translating into improved profitability. This uptick in credit demand reflects confidence in economic prospects, fostering a conducive environment for financial institutions to thrive. Moreover, as NBFCs play a vital role in extending credit to sectors that traditional banks might not reach, their performance is crucial for broad-based economic growth. Moody's assessment underscores the resilience and potential of NBFCs in contributing to India's economic expansion. Overall, Moody's positive outlook signals a promising trajectory for both the Indian economy and the NBFC sector, painting a picture of growth and prosperity ahead.

https://economictimes.indiatimes.com/news/economy/indicators/moodys-pegs-indias-fy25-gdp-growth-at-6-6-pc/articleshow/110123662.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Banking: -

PSBs' profit surges 35% in FY24

Public-sector banks' cumulative profit crossed Rs1.4 lakh crore in the financial year ended March 2024, recording a growth of 35 per cent over the previous year on a high base of Rs1 lakh crore. The 12 Public-Sector Banks (PSBs) together had earned a net profit of Rs1,04,649 crore in 2022-23. Out of the total profit of Rs141,203 crore earned during the FY24, market leader State Bank of India (SBI) alone contributed over 40 per cent of the total earnings, as per the published numbers on exchanges. SBI earned a profit of Rs61,077 crore 22 per cent higher than the previous financial year (Rs 50,232 crore). In percentage terms Delhi-based India's Public sector bank had the highest net profit growth with 228 per cent to Rs8,245 crore, followed by Union Bank of India (UBI) with a 62 per cent rise to Rs13,649 crore and Central Bank of India with a 61 per cent increase to Rs2,549 crore.

<https://www.bizzbuzz.news/industry/banks/psbs-profit-surges-35-in-fy24-1314468>

Market: -

Russia & India Settle \$4 Billion Trade in Rupee, Ditch US Dollar

In a multipolar world where US dollar dominance continues to be challenged, the rise of local currency narratives is gaining steady momentum. These currencies are sharp, robust, and equally capable of driving the USD off the rails, threatening its global reputation. Per recent reports, an array of Russian companies have purchased robust arms and defense equipment worth \$4 billion from India. The deal struck between India and Russia was later settled in Indian rupees rather than using the traditional US dollar. The purchase was made over six to eight months via a concept called Rupee Vostro accounts. A Vostro account simply refers to an account that a domestic bank holds for foreign banks to trade in the former's domestic currency. The concept has entailed Russia exploring Indian defense equipment by carrying out the payment settlement in rupees. Per local reports, the Russian Vostro account held nearly \$8 billion in funds, half of which have been spent on the arms purchase carried out recently.

Investment: -

Taiwan Sees India as a Prime Investment Opportunity

India's attractiveness as an investment destination is catching the eye of Taiwan. In recent years, the economic partnership between the two countries has been growing significantly. Taiwan views India as a critical partner under its 'New Southbound Policy', reflecting a strategic shift towards deeper collaboration. Notably, both nations have signed a migration agreement allowing Indian workers to be employed in Taiwanese industries, indicating a commitment to strengthening ties. A recent interactive meeting organized by MVIRDC World Trade Center Mumbai and All India Association of Industries (AIAI) with a High-Level Business Delegation from Taiwan highlighted the emerging opportunities for bilateral economic cooperation. Led by Peter Huang, Specialist of South Asia section, Market Development Department, Taiwan External Trade Development Council, the delegation expressed Taiwan's keen interest in deepening trade and investment relations with India.

| Currency | Rate (Rs) | Change | Index | Change | |
|----------|-----------|--------|------------|-----------|-------|
| USDINR | 83.47 | -0.029 | NIFTY 50 | 22,259.35 | 41.50 |
| EURINR | 90.378 | 0.042 | BSE Sensex | 73,200.00 | 95.39 |
| GBPINR | 105.157 | 0.031 | | | |
| JPYINR | 53.37 | 0.0031 | | | |