

M-wallet transactions set to soar as more people move to cashless mode: Study

To touch 26,000 cr in 2022, up from 50 crore at present

OUR BUREAU

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Demonetisation of ₹500 and ₹1,000 notes has pushed people to look at cashless options for payments. The industry expects the share of mobile wallets in the total mobile payment volume of transactions to go up to 57 per cent by 2020, from 20 per cent this year.

M-wallet transactions are likely to grow at a compounded annual growth rate (CAGR) of over 160 per cent from just over 50 crore in FY16 to 26,000 crore by 2022, driven by growing usage of smartphones, mobile Internet penetration and growth

of e-commerce sector. It is expected that the market value of m-wallet transactions in the country will grow at a CAGR of over 200 per cent to ₹275 lakh crore by 2022 from ₹20,600 crore this financial year, according to a study jointly conducted by Assocham and RNCOS Business Consultancy Services.

"m-wallet transactions have grown about 20 times to reach ₹20,600 crore in 2016

from ₹1,000 crore in 2013," it pointed out.

"The government has hinted of not remonetising all of the scrapped currency and aims to fill the gap by promoting the digital or cashless payment mode. This is bound to further boost prospects of the m-wallet sector in India," DS Rawat, Secretary-General of Assocham, has said.

Releasing the report here, Rawat said the average wallet spend in the retail sector had gone up after

demonetisation. The study acknowledges that the non-cash payment transaction system is still at a nascent stage in the country.

"Majority of the retailers do not have PoS (point-of-sale) devices to offer card-based payments. They are reluctant about non-cash payments," the study said.

The study, however, said that there was a need to put in place a strong authentication mechanism to bind the identity of the user to the authorisation of the transaction.

"As the mobile payment space evolves, the stakeholders must create secure transactions that foster consumer trust. Besides, m-wallet companies must provide a much more secure payment authentication process out to the masses," the study said.



M-wallet Mkt Value Likely to Touch ₹275 L cr by 2022: Study

Our Bureau

Mumbai: Transactions through mobile wallets are expected to form the bulk of payments in the next 10 years with their market value set to grow 21% annually between 2016 and 2022, a joint study by industry lobby Assocham and market research firm RNCOS has revealed.

Reduced prices of Internet due to intense competition, cheaper smartphones, advancement of new technologies such as 4G and the demonetisation of old 500 and 1,000 notes will result in the market value of m-wallets reaching ₹275 lakh crore by 2022, it found.

According to the study, the average wallet spend for retail, which was ₹500-700 prior to the government's demonetisation announcement, is expected to increase to ₹2,000-10,000. The share of m-wallet in the total mobile payments volume is expected to rise to 57% by 2022 from 20% in 2016.

Need Plan to Curb Cyberattacks: Assocham-PwC

Our Bureau

Mumbai: India needs a collaborative monitoring framework and a crisis management plan to counter cyberattacks, cyberterrorism and cyberespionage, a study conducted jointly by industry lobby Assocham and professional services firm PwC said.

"It is imperative for law enforcement agencies to have a system which will have a collaborative framework for receiving video feeds on a need basis from closed-circuit television surveillance systems and subsystems," said the study titled 'Safe cities: Collaborative monitoring - For the community, by the community'.