

Cricket legend Sachin Tendulkar with DBS Group CEO and director Piyush Gupta during the launch of Digibank by DBS in Mumbai on Tuesday. — PTI

Singapore firm rolls out 1st mobile-only bank in India

New Delhi, April 26: DBS Group Holdings, Singapore's biggest lender, is targeting a hundred-fold boost to its Indian customer base within five years after announcing on Tuesday that it is adding a mobile-only banking model in Asia's third-largest economy.

The bank's chief executive, Piyush Gupta, said it is aiming for 50 lakh savings accounts in India in the next four to five years through its new Digibank model, which allows customers to open accounts and access services from smartphones and tablets without having to visit a branch.

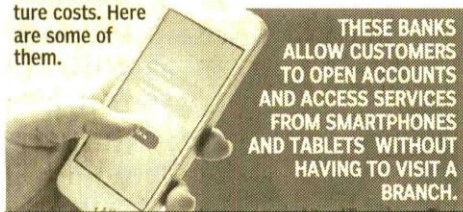
DBS, part-owned by Singapore state investor Temasek, is working to take Digibank to China and Indonesia in the next 12-18 months, Mr Gupta said, adding that the model would help to improve the bank's cost-to-income ratio as it spends less on manpower and physical infrastructure.

Digibank will offer only savings deposits initially,

Banks across world are setting up mobile-only banking arms to tap young customers and cut down expenses as it involves lower manpower and infrastructure costs. Here are some of them.

NEW TREND, GLOBALLY

- Fidor Bank, Germany
- Number26, Germany
- BankMobile, US
- Hello bank!, France
- Simple, Spain
- Soon Banque, France
- GoBank, US
- Moven, US
- Atom Bank, UK
- Osper, UK



but will expand to include investments and lending in the coming months, Mr Gupta said.

DBS, which has applied to the Indian banking regulator to start subsidiary operations in the country, also aims to expand its Indian branch network in tandem with the Digibank initiative.

The company aims to increase the number of Indian branches to 75

from 12 in five years, Gupta said.

The group will spend about 800 million Singapore dollars (\$592 million) this year to beef up its technology, the bank CEO said, adding that it is not looking at any acquisition opportunities but that any potential purchases would be smaller, bolt-on deals in areas such as wealth management. — Reuters