



NEWS HIGHLIGHTS

Fintechs in India cater mostly to the affluent, huge potential in lower middle class: J P Morgan

IFFCO launches e-commerce platform for farmers; eyes \$5 billion sales in 2 years

AI Startups Gaining Momentum in India

Why Internet of Things can become the game changer that India needs

Today's View

Rise in Cryptocurrency thefts

All the Ocean's trilogy fans out there, here's another theme that would make for a great sequel – the cryptocurrency heist! Bank robberies and diamond heists are becoming things of the past and are steadily being replaced by finger-tapping internet fraudsters and cryptocurrency exchange thefts. You might be surprised to know that cryptocurrency theft is one of the fastest-growing crimes of 2018.

Earlier this year, hackers made off with \$530 million worth of NEM coins at Japanese cryptocurrency exchange Coincheck. A security company in Tokyo showed that most of the NEM stolen in the hack were quickly laundered into other coins that were nearly impossible to trace using current methods.

Last month cybersecurity company, **Carbon Black** published a report "Cryptocurrency Gold Rush on the Dark Web" according to which, the available dark web marketplaces represent a \$6.7 million illicit economy built from cryptocurrency-related malware development and sales. There are currently an estimated 12,000 dark web marketplaces selling approximately 34,000 offerings related to crypto theft.

Of the attacks they identified, cryptocurrency exchanges are the most vulnerable target for cybercriminals, with 27% of attacks targeting exchanges directly. Nearly 21% of cryptocurrency attacks target businesses, 14% target users directly and 7% target governments. Indian Cryptocurrency exchanges

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BHIM needs Mbappé speed to improve track record

While usage of the Unified Payments Interface (UPI) as a digital payment mode is rising, the government-owned UPI app BHIM, or Bharat Interface for Money, is not keeping pace, ceding ground to non-state players.

Month	Volume (Million)	Value (€ Cr)
APR	12.6	4,972.69
MAY	14.16	5,748.47
JUN	16.34	6,261.25

Source: NPCI

BHIM'S JOURNEY

- Launched in Dec 2016
- Apr 26, 2018: Govt of India announced cashback scheme for BHIM users to be continued till Mar 31, 2019
- Jul 3, 2018: MeITY revises directive, stating

Merchant Incentives discontinued from July 1
Cashback scheme only for new BHIM app users
Scheme withdrawn for all other banked UPI apps

Source – The Economic Times

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Date – 16th July 18

have not been spared either. In April this year, early 438 bitcoins worth over Rs 20 crore were stolen from **Coinsecure** in India in what is being billed as the biggest cryptocurrency theft in the country so far. The most recent hacks in June were in South Korea where cryptocurrency exchange **Coinrail** reported theft of over \$40 million worth of altcoins and assorted tokens. This was followed by reports of \$32 million of crypto disappearing from Bithumb, South Korea's largest cryptocurrency exchange.

According to a recently published report on Crypto Theft and money laundering by **CipherTrace** says that 3X more cryptocurrency was stolen from exchanges in the first half of 2018 than in all of 2017. It further revealed that a staggering \$761 million was stolen from cryptocurrency exchanges in just the first six months of this year. This amount is a far cry compared to the total amount stolen last year at \$266 million worth of crypto coins.

While the blockchains supporting cryptocurrencies are decentralized, most of the exchanges that host crypto trading are not — that is, they store information in one place. This makes them a prime target for hackers. And while the hacks are potentially devastating for investors, it should motivate the Governments to regulate the market. A set of global regulations is the need of the hour.

Today's News

Fintechs in India cater mostly to the affluent, huge potential in lower middle class: J P Morgan

Fintech companies have succeeded catering to only 23% of the elite and affluent section of the Indian economy while a huge section still remain untapped. A lot of potential in the lower and middle income segment comprising 47% of the population remain a potential market, according to a study supported by JP Morgan.

Source – *The Economic Times*

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IFFCO launches e-commerce platform for farmers; eyes \$5 billion sales in 2 years

Fertiliser major IFFCO has partnered with Singapore-based technology firm iMandi to start an e-commerce platform for farmers with an investment of about Rs 80 crore. An e-commerce app, 'IFFCO iMandi', has been launched that would cater to 5.5 crore farmers already associated with the cooperative. A web portal has also been developed.

IFFCO's subsidiary IFFCO eBazar Ltd has taken 26 per cent stake in iMandi Pte Ltd. The remaining 74 per cent is with I-tech Holdings and some other investors

Source – *Money Control*

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This News Letter has been prepared with the assistance of G Balakrishna and Aparna Anand

Virtual Reality startup SmartVizX raises Rs 100 mn pre-series-A funding

SmartVizX, an Indian Virtual Reality (VR) startup, has secured Rs 100 million in pre-series-A funding from Indian Angel Network's IAN Fund and YourNest for its next phase of global expansion. SmartVizX also announced the launch of Trezi, India's first VR-based platform for architecture and interior design collaboration. Trezi is set to bring about a big disruption in the building industry.

Source – *Business Standard*

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Kobster raises undisclosed amount in Pre-series A round

Kobster, a tech-enabled sourcing platform facilitating businesses to buy goods online, has raised an undisclosed amount in a Pre-series A round led by Incubate Fund. Others participating are Chandigarh Angel Network, Angel Network Middle East and investors on LetsVenture.

Source – *The Economic Times*

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Vayana says it has crossed \$1-billion loan disbursements

Business-to-business supply chain financing startup Vayana Network claims to have emerged as the first fintech startup in the trade financing business to have crossed a \$1 billion of loan disbursements on its platform catering to more than 250 corporate supply chains in the country.

Source – *The Economic Times*

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AI Startups Gaining Momentum in India

Nasscom, the National Association of Software and Services Companies, says AI funding in India has gone up from \$44 million to \$73 million in a year. Investors are now keen to back “mature” ventures.

Nasscom wants to nurture innovation in emerging technologies in India. In a bid to foster development in the sector, the industry body has, in partnership with the government of Karnataka, launched the Center of Excellence for Data Science in Bengaluru. The CoE will develop skill and talent, build tech capability and ecosystem, and grow new opportunities for business, PTI reported.

Source – Financial Tribune

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Why Internet of Things can become the game changer that India needs

The National Institution for Transforming India issued a dire warning. Better known as NITI Aayog, the government think tank indicated that India is facing its “worst” water crisis in history even as it forecast that demand for potable water will outstrip supply by 2030 if adequate steps are not taken.

Along with other policy steps, technology may just about lend its bit to ease the water crisis. Consider smart meters that are capable of reading individual water consumption in real time and preventing wastage by detecting leaks and shutting off the water supply remotely. Using the IoT concept, which allows remote monitoring over the internet, smart meters can be used to analyse a water treatment system and control it from anywhere, anytime, water crops remotely, monitor the quality of tap water, detect the amount of leakage or waste thrown into the river and even monitor water level variations in reservoirs.

Source – Mint

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Core industries need to do a digital rethink

The rise of tech start-ups designing new services and digital consumers demanding hyper-personalized, better experiences have driven the infusion of advanced digital technologies in consumer-facing industries. In some instances, consumer demand has been supported further by regulatory changes, leading to technology-led business model innovation.

The growth of digital banking is a case in point. Traditional, asset-heavy industries that form the core of the economy, on the other hand, are yet to witness similar transformative changes.

Source – Mint

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Microsoft snatches Ola from Amazon Web Services, plans cloud biz expansion

Ola and US technology giant Microsoft are understood to be taking their partnership to the next level with the Indian company migrating its entire technology stack from Amazon Web Services (AWS) to Microsoft’s Azure cloud platform.

Source – Business Standard

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Genext Students raises funds worth \$ 250,000

Genext Students, India’s first AI-powered O2O education solutions platform, has raised \$ 250,000 (Rs. 1.71 crore) in a bridge round from undisclosed investors. After having established an education ecosystem that brings quality home tutors and proprietary content (online and offline) to the doorstep of parents and students, Genext Students is eyeing its next level of growth post this round of capital infusion.

Source – BusinessLine

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Soon, Google AI tools to help customise learning for the students

Bengaluru-based education technology startup Cuemath is months away from implementing Artificial Intelligence (AI) and Machine Learning (ML) tools to help it customise its curriculum for every single student on its platform based on their strengths and weaknesses.

Source – Business Standard

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