

## NEWS HIGHLIGHTS

Goldman Sachs exploring bitcoin trading operation

Cyber security, artificial intelligence top CIOs' minds

Data of over 6,000 Indian organisations up for sale on Darknet, says Quick Heal

MobiKwik, IRCTC Rail connect partner for ticket bookings

SoftBank to fund Ola with e-car rider

## Today's View

### Google's Search for 'Tez' Fintechs

The potential of Fintech, a boon for financial and technology firms alike, has been witnessed time and again. Hence, it is a no brainer that one of the most innovative firms of all time, **Google**, upped its ante on Fintechs through **Google Ventures**, one of the 10 most actively investing VC firms in Fintech. Google Ventures (GV), which invests roughly \$500 million in high-growth tech companies globally, has made more than 25 bets on Fintech companies since 2010.

GV has added an interesting range of FinTech startups to its portfolio - focusing on authentication, security, banking APIs, cryptocurrency, lending, payments and more. In 2016 itself, GV invested in 3 new Fintech startups, including **Pindrop Security** and **LendUp**. LendUp, a U.S. based Fintech, provides loans and credit cards, as well as financial education, access to credit reporting and gamification for responsible lending behavior.

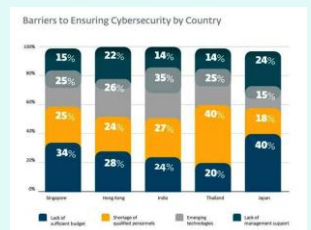
Recognizing the potential of the remittance market, GV has invested \$25 million in **Currencycloud**, a London-based cross-border payments provider. The company has over 200 customers in 35 countries including **Standard Bank of South Africa**, that pay **Currencycloud** a portion of all the payments processed through their APIs. Moreover, acknowledging the value of alternate financing options like P2P lending, Google joined hands with **Intel** to invest in **Puddle**, Fintech firm which provides peer-to-peer lending, inspired by **Rotating Savings and Credit Association (ROSCAs)**, on the premise that as users build trust with their networks, they will borrow more.

Beside lending and payments, Google is also investing in cyber-security firms like **ThreatStream** which is engaged in developing a threat intelligence platform that uses data science to help organizations defend against cyberattacks. Similarly, HR analytics firm **BackOps**, which provides automated accounting, HR services, and other back office operations for small businesses, has been funded by Google Ventures.

## INTERESTING NEWS

### Here's why India's small businesses are sitting ducks for cyber criminals

India was the third worst-hit country by WannaCry, according to a Kaspersky Labs report. The number of users attacked by ransomware in India has nearly doubled from 2015-16 to 2016-17.



Small and medium enterprises (SMEs) are sitting ducks because most of them are not prepared at all. They have no processes or systems in place nor do they hire dedicated cyber professionals.

Source- The Economic Times

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Date- 04<sup>th</sup> Oct 17

Convinced that the demographic advantage of emerging economies like India cannot be ignored, Google is rolling out its enterprise cloud solutions, leveraging technologies like artificial intelligence and machine learning. Not to forget, Google recently forayed into UPI based payments in India through its mobile app, aptly named 'Tez'. Leveraging its brand value and innovative features like audio quick response code (QR), Tez had garnered over 5,00,000 users with a Gross Merchandise Volume (GMV) of over Rs 2 crores within 24 hours of launch.

With Google's entry, much like a ripple effect, the Fintech space is set to become more agile and disruptive. However, it remains to be seen, who carves their niche or territory amongst the plethora of apps and services. In any event, it's a win for customers.

Cheers to 'Tez' times!

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## Today's News

### Goldman Sachs exploring bitcoin trading operation

Goldman Sachs is considering the launch of a new trading operation focused on bitcoin and other digital currencies, a company official said.

The investment bank's exploration of a digital currency trading business is still in early stages and may not amount to anything substantial. A Goldman spokeswoman said in a statement that in response to client interest in digital currencies, we are exploring how best to serve them in this space.

Source- CNBC

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### India's e-commerce market may be struggling now, but it is still a hot investment opportunity

Amidst devaluations and a funding crunch, Indian e-commerce companies have been battling a brutal year, but experts say explosive growth lies ahead.

Online retail in India is estimated to grow over 1,200% to \$200 billion (Rs 13,30,550 crore) by 2026, up from \$15 billion in 2016, according to a recent report by financial services firm Morgan Stanley. By then, online retail will account for 12% of India's overall retail market, from just 2% last year.

Source- Scroll.in

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### Cyber security, artificial intelligence top CIOs' minds: Survey

For the majority of CIOs, cyber security and artificial intelligence (AI) will significantly change how they do their jobs in the near future, a new survey said on Tuesday.

Cyber security continues to threaten the global landscape in 2018 and 95 per cent of CIOs surveyed said they expect cyber threats to increase and impact their organisations, said the survey, presented during Gartner Symposium/ITxpo in Ontario.

Source- The Economic Times

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This News Letter has been prepared with the assistance of Pankaj Tadas and Manish Kulkarni

### Amazon Pay to get fresh fund infusion from Amazon India

Amazon India is preparing to make a big push into digital payments and compete aggressively with the likes of Paytm, Freecharge and e-commerce arch-rival Flipkart's payment business PhonePe.

According to filings with the ministry of corporate affairs, Amazon India is preparing to increase its investment in its own payments arm by at least five times. Amazon has increased its authorized capital for Amazon Pay India Pvt. Ltd to Rs 2,000 crore (roughly \$305 million) from Rs 400 crore, according to the regulatory filings.

Source- Mint

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### Japan's SBI to Launch Digital Currency for Instant Payments

A Japanese financial services group is drawing plans to issue its own tradeable digital currency to be used for payments and instant P2P transfers.

Japan's SBI Holdings, a major financial services group already invested in digital currencies and blockchain technology (via Ripple), is set to issue its own digital currency for payments. According to the prominent regional publication Nikkei, the financial group's digital token will also be tradeable for Japanese yen and will be based on blockchain technology.

Source- Cryptocoins News

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## Data of over 6,000 Indian organisations up for sale on Darknet, says Quick Heal

Quick Heal Technologies' enterprise security solutions unit has disclosed that it has discovered an advertisement on Darknet announcing secret access to the servers and database dump of over 6,000 Indian businesses — including ISPs, government and private organisations.

The hacker has priced the information at 15 Bitcoins and is offering network takedown of affected organisations for an unspecified amount.

Source- *Business Line*

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## MobiKwik, IRCTC Rail connect partner for ticket bookings

Digital payments firm MobiKwik announced its partnership with IRCTC Rail connect app, which will allow customers book railway tickets using the former's payment gateway.

Mobikwik's Payment Gateway currently powers payments for more than 3,000 ecommerce websites and apps. The tie-up is aimed at simplifying payment systems by introducing MobiKwik's easy-to-use interface for all, which supports payment solution through channels like debit card, credit card, net Banking, ATM Cards and Wallets.

Source- *Business Line*

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## SoftBank to fund Ola with e-car rider

Ola, the country's largest taxi hailing company, has been mandated to step up its play in the electric mobility segment as part of its latest funding round that would see it raise \$2 billion from investors including SoftBank and Tencent.

Ola would soon begin replicating its experiment with electric mobility in Nagpur to other cities, with a focus on smaller towns where it can quickly set up charging infrastructure.

Source- *Business Standard*

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## Flipkart stole the show although Amazon ran twice as many ads

Amazon India ran two times more television advertising than rival Flipkart during the festive season, according to latest data from television audience measurement firm BARC India, even though research reports suggest that Flipkart generated more than double the business of the Seattle-based behemoth.

Flipkart's marketing chief Shoumyan Biswas said the marketplace wants to write a new playbook for marketing.

Source- *The Economic Times*

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## Worldline SA to pay \$105 million for Chennai-based MRL Posnet

Worldline SA, the \$5.10 billion payments arm of French IT services giant Atos, said it had entered into an agreement to acquire Chennai-based point-of-sale (PoS) technology solutions provider MRL Posnet, in an all-cash transaction estimated at about ₹89 million (\$105 million).

The deal, which is expected to close before the end of the current month, has been made with an eye to World line deepening its footprints and acquiring a strong customer base of banking institutions, particularly in the southern part of India.

Source- *The Economic Times*

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## Fintech Startup HomeCapital Raises Funding from Venture Catalysts

Fintech startup HomeCapital has raised an undisclosed amount in the latest round of funding from Venture Catalysts.

Founded by IIM Calcutta alumnus, Lalit Menghani, HomeCapital has defined a completely new and strategic market segment for first time home buyers. It currently has a huge market opportunity, catering to 75% of the supply in residential real estate across Delhi-NCR, MMR, Bangalore, Pune, and Chennai.

Source- *Techstory*

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