



## NEWS HIGHLIGHTS

**E-tailer Infibeam buys UAE-based digital payments firm**

**Banks' use of AI, blockchain, cloud is systemic risk, warns industry**

**P2P lending platform Faircent becomes the first to receive NBFC-P2P certification from RBI**

**Airtel, Vodafone and Jio bet on blockchain to cut costs, push revenue**

## Today's View

### Ad Fraud

Ad Fraud, although considered a minor issue, is constraining innovation and economic growth in the digital marketing industry. Ad fraud is a type of scam in which the perpetrator fools advertisers into paying for something that is worthless. It is in various forms like fake traffic, fake lead or misrepresented and ineffective ad placement. Recently, the issue urged Google to refund its fees to advertisers whose ads had reached bots instead of humans.

According to the ad verification company, Adloox, ad frauds are estimated to cost advertisers \$12.5 billion in 2016. A more recent report by **Jupiter Research** states that advertisers lose \$51 million a day on ad fraud, which adds up to over \$19 billion as wasted ad expenditure by the end of 2018.

With time, fraudsters are becoming more sophisticated with these frauds. Ad fraud has already impacted major advertising brands like **Unilever, Proctor & Gamble**. Proctor and Gamble, reportedly slashed their advertising budget by \$750 million last year and have stopped working with half of its agencies due to ad fraud.

The current prediction is that the biggest target of ad fraud this year will be video ads for over-the-top streaming media services. Currently, a large portion of ad fraud occurs at programmatic marketplaces, especially in display advertising. But ad fraud exists on all platforms in some form or the other.

**Akhil Handa**  
+91 22 6759 2873  
akhilhanda@bankofbaroda.com

**Aparna Anand**  
+91 22 6759 2873  
Aparna.anand@bankofbaroda.com

### Fintech startup EarlySalary buys CashCare to grow

EarlySalary has acquired CashCare for an undisclosed amount. As a part of the deal, the CashCare founder will be joining the EarlySalary team.

**Pay it Forward**

25,000 loans processed by EarlySalary per month

₹600cr EarlySalary's annual disbursement run rate	₹100cr Funding raised by EarlySalary in January
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EarlySalary gives short-term loans to young people

Source – The Economic Times

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Date – 22<sup>nd</sup> May 18

Fraudsters are increasingly turning towards mobile phones as app-install revenues and mobile marketing continue to grow. According to a new report from mobile measurement company Adjust, Mobile ad fraud rates may nearly double in 2018 compared to a year earlier. As per Adjust, SDK spoofing accounts for 37 percent of the fraud. 27 percent are due to click injection, 20 percent are fake installs and 16 percent are click spams.

In response to the current level of danger, **Adjust** has developed its Fraud Prevention Suite, which combats five major sources of mobile ad fraud. The tools have so far rejected 400,000 installs besides 200,000 SDK signatures, thereby saving users nearly \$2m per day.

**PubNative** is a mobile monetization platform that has collaborated with **Fraudlogix** to fight invalid traffic on their platform by blocking bids that are coming from known sources of fraud, including bots, malware, data centers and compromised devices.

To curb this fraud, the Blockchain Technology could prove to be a viable solution in the near future. By using a trustworthy ledger, advertisers may be able to audit the performance of their ads and bring transparency to the convoluted process.

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## Today's News

### E-tailer Infibeam buys UAE-based digital payments firm

Infibeam Incorporation Ltd, the parent of the country's only listed e-commerce company, has acquired 100% stake in Vavian International, a digital payments processing company which has operations in the Middle East. The deal was valued at around AED 4.32 million (Rs 8 crore or \$1.17 million). Ahmedabad-based Infibeam said in a statement that the acquisition will be completed in the next two to four weeks.

Source – VCCircle

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### Electric scooter-maker Ather Energy sets up charging points in Bengaluru; open to all EVs

Ather Energy announced the launch of AtherGrid, the company's charging infrastructure for all electric vehicles (EVs), and Ather Space, a 2,400 sq ft experience centre in Bengaluru.

The company, which is yet to start shipping its intelligent electric scooter S340, has begun installation of connected charging stations across the city with 19 live charging points in 17 locations including malls, cafes, restaurants, tech parks, multiplexes and gyms. They cater to both two-and four-wheelers.

Source – Business Line

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This News Letter has been prepared with the assistance of Vikas Madaan and Aparna Anand

### BoB launches MSME factory in Gurgaon to promote funding to small biz

State-owned Bank of Baroda (BoB) today launched its first integrated SME Loan Factory in Gurgaon to cater the needs of MSME segment in the NCR.

This integrated SME Loan Factory will function as a One Stop Shop' for MSME customers with competent staff and simplified processes, BoB said in a statement.

Source – Business Standard

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### Grocery and milk delivery startup MilkBasket gets \$7 million in Series A

Grocery and milk delivery startup MilkBasket has raised \$7 million in a Series A round of funding led by Kalaari Capital, along with BeeNext and existing investors Unilever Ventures and Blume Ventures.

Source – The Economic Times

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### Mastercard Launches Accelerate To Help FinTechs Scale

Mastercard said the initiative is aimed at supporting innovation in the FinTech industry via tailored support arrangements that include access to Mastercard insight, tools, technology and investments. The payment company confirmed its ongoing commitment to the FinTech sector.

Source – Pymnts.com

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## Microsoft acquires developer to make spoken AI more human-like

While Google has been working on life-like version of its spoken Artificial Intelligence (AI) technology, Microsoft has jumped on the bandwagon by acquiring US-based AI developer "Semantic Machines" to develop the technology closer to how humans speak.

"With this acquisition, Microsoft plans to establish a conversational AI centre of excellence in Berkeley, California, to experiment and integrate 'natural language processing (NLP) technology' in its products like Cortana," David Ku, Vice President and Chief Technology Officer of AI and Research at Microsoft, wrote in a blog post.

Source – Business Standard

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## Banks' use of AI, blockchain, cloud is systemic risk, warns industry

Banks' rising use of AI, cloud technologies, and blockchain challenge traditional notions of risk and risk management, according to a new research paper from industry lobby group UK Finance and financial services strategy company, Parker Fitzgerald.

The paper warns that financial regulators already force banks to hold more capital if they are exposed to greater risk. The increased use of cloud-based data storage, and experimental applications of AI and blockchain, could constitute higher risk, it says.

Regulators are unsure how these disruptive technologies may impact risk assessment and management within the industry, and this may oblige banks to hold more capital.

Source – Internet of Business

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## Airtel, Vodafone and Jio bet on blockchain to cut costs, push revenue

Top telcos Bharti Airtel, Vodafone India and Reliance Jio Infocomm are evaluating the deployment of blockchain technology-based platforms as they look to create new revenue streams and lower operational costs amid pressure on revenue and margins.

Vodafone India is already at the proof of concept (PoC) stage with blockchain technology, working with IBM, while Sunil Mittal-led Airtel is currently involved in initial trials, people familiar with the matter said. Mukesh Ambani-led Jio has set up an engineering team to work on blockchain technology with the goal of developing new use-cases and applications.

Source – The Economic Times

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## Retail tech solutions provider Mobisy raises \$3.5 million for R&D and expansion

Bengaluru-based Mobisy, a retail technology solutions provider for consumer companies, has raised a second round of venture capital funding of \$3.5 million (Rs24 crore) led by SIDBI Venture Capital Ltd (SVCL).

Source – Business Line

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## P2P lending platform Faircent becomes the first to receive NBFC-P2P certification from RBI

Faircent.com has received its NBFC-P2P certification from RBI. The accreditation makes Faircent.com the first P2P lending platform in the country to receive the certificate of registration as an NBFC-P2P by the national regulator.

Source – The Economic Times

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## Banks Adopt Military-Style Tactics to Fight Cybercrime

Cybercrime is one of the world's fastest-growing industries. At least \$445 billion was lost last year, up around 30 percent from just three years earlier, a global economic study found, and the Treasury Department recently designated cyber-attacks as one of the greatest risks to the financial sector. For banks and payment companies, the fight feels like a war and they're responding with an increasingly militarized approach.

Source – The New York Times

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