



## NEWS HIGHLIGHTS

**Aadhaar data is fully safe: UIDAI**

**Zoomcar in talks to raise \$50 million to fund expansion**

**Rs. 100-cr T-Fund ready for start-up investments**

**Epiq Capital to focus on secondary investments in startups**

**Unicorn India Ventures launches Rs600 crore debt fund**

## Today's View

### WrrrruuUPI

Continuing from our view on UPI in yesterday's FinTalk (access [here](#)), the payments technology is steadily gaining traction as the method of choice. With a 100% growth in UPI users in the month of October, adoptability among Indian customers has increased sharply.

The current UPI supports instant money transfer facilitated via any mobile device on a 24x7 basis. It allows the creation of unique virtual addresses (such as Ram@BOB) that eliminates the need to provide one's Bank account number, card number or IFSC code for initiating or requesting fund transfer.

However this is just the tip of the iceberg. The recently announced set of features in the pipeline will be a turning point in payments. One exciting feature is the **e-mandate** feature. It would let customers issue a revocable mandate (like a standing instruction to the Bank) which can be added, edited or deleted anytime as one wishes. Currently, when we use Ola or Uber to hail a cab, we generally link one our e-wallets that directly deducts the ride fare from the wallet total. The e-mandate would let consumers give a mandate with a prescribed limit to the cab-aggregator which automatically deducts the ride fare from the bank account every time the previously set mandate limit is exhausted! These pre-authorized payments would be simpler to initiate on the back of elimination of the top up step. This could easily deem e-wallets redundant to a great extent. The e-mandate feature could also serve to be boon to Fintechs in the digital lending space through fast-tracking their collection process; served today by NACH or ECS mandates.

## INTERESTING NEWS

**Infibeam seen in talks to sell minority stake to Fairfax Financial Holdings**

Infibeam is in talks with Fairfax to sell a minority stake.



The company is also considering strategic investment in and buyouts of retail chains that are using its platform to sell online. While strengthening its B2B2C platform by providing its logistics framework to other brands, the company is keen to have full control of logistics.

Source – *The Economic Times*

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Date – 21<sup>th</sup> Nov 17

Beside the **velocity check** that is used for fraud prevention, **error resolution** and the option to **schedule your payments** will also be made available as part of UPI 2.0. Another feature included in the UPI basket is the **biometric authentication** with the objective to make payments faster and simpler. With biometric identification already performed previously 99% eligible Indian citizens by UIDAI, it is expected to aid authentication of payments via smartphones' fingerprint scanner. These **Aadhaar based payments** would also be facilitated through UPI.

Another innovation in UPI is facilitation of **QR code payments**. Optimistically, Bharat QR and UPI QR would also be made interoperable to simplify and facilitate payments regardless of the app being used on the frontend.

We believe these functional developments in the world of UPI would redefine simplicity of payments and amplify the quantum of points of acceptance for millions of new customers embracing digital payments.

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## Today's News

### Aadhaar data is fully safe: UIDAI

The UIDAI said that Aadhaar data is completely safe and secure. Aadhaar number, it said, is not a secret number and it is to be shared with authorized agencies if one wishes to avail a certain service or benefit of government welfare schemes or other services.

"Aadhaar data is fully safe and secure and there has been no data leak or breach at UIDAI," the authority said in response to a report based on RTI that 210 government website made Aadhaar information public. "There was no breach or leakage of Aadhaar data from UIDAI database or server" it said.

Source – *The Economic Times*

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### Zoomcar in talks to raise \$50 million to fund expansion

Zoomcar is in talks to raise \$50 million from new and existing investors as it looks to expand to newer cities, two people close to the development said. The funding talks have progressed furthest with Mahindra and Mahindra Ltd.

"They are in advanced talks with Mahindra and Mahindra, while there is interest from two other new investors, too," the first person said. Zoomcar also has a partnership with Mahindra and is looking to launch electric cabs in Agra, Dehradun and Chandigarh. The company is currently running a pilot in Mysore.

Source – *Livemint*

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This News Letter has been prepared with the assistance of **Sadhika Agarwal** and **Aparna Anand**

### Uber to buy 24,000 specially-adapted Volvos in bid to develop fleet of driverless cars

Volvo has moved up a gear in the race to perfect driverless cars. Last year the companies jointly agreed to invest \$300m to develop "base vehicles" capable of being fitted with self-driving systems to be made by Volvo and bought by Uber.

Uber has now said that it will make huge orders for the new vehicles.

Source – *The Telegraph*

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### Volkswagen earmarks \$40 bn for self-driving tech in e-vehicle push

Volkswagen will spend over \$40 billion in the next 5 years to develop automotive tech for electric robo-taxis.

Volkswagen is now accelerating its push into the segment to defend its status against competitors such as Tesla and Uber.

Source – *Business Standard*

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### Alibaba to pay \$2.9 billion in joint pact for Sun Art stake

Alibaba agreed to acquire a 36% stake in Sun Art for about \$2.9 billion, forming an alliance as the Internet giant makes its latest bet on the evolution of brick-and-mortar retail.

Source – *Livemint*

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## Rs. 100-cr T-Fund ready for start-up investments

The Telangana government is setting up T-Fund, an exclusive investment arm to invest in start-ups. The investment activity will kick-off with an initial corpus of Rs. 100 crore. The State government has been working on an investment firm ever since it set up the tech start-up incubator T-Hub.

“We are going to announce the establishment of the fund and information on modalities of investments and stakeholders...,” Jayesh Ranjan, Principal Secretary of Govt of Telangana said. The State had announced a plan to come out with a Rs. 600-crore fund with a seed fund from it and contributions from private investors.

Source – BusinessLine

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## Epiq Capital to focus on secondary investments in startups

Epiq Capital is set to make a first close on its maiden fund targeting \$200-250 million which will focus on investments in tech and tech-enabled companies. The fund is making a first close of up to \$100 million, raising capital from offshore investors.

The firm is looking to make investments of \$10-20 million, participating at growth and late stage rounds where companies have already matured into a business.

Source – The Economic Times

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## Unicorn India Ventures launches Rs600 crore debt fund

Unicorn India Ventures has launched its maiden debt fund with a corpus of Rs600 crore (\$93 million). The fund will look to invest in about 10 companies a year, with an average ticket size of Rs20 crore.

The fund will have an investment horizon of 7-8 years, said Unicorn India Ventures chairman M. Damodaran. Unicorn India is also in the midst of achieving the final close of its first equity fund of Rs100 crore this year.

Source – Livemint

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## Koovs, Amazon, Paytm leave Flipkart behind in customer experience: Survey

Koovs.com has beaten industry giants Amazon, Flipkart and Paytm to emerge as the platform offering the best customer experience, according to a survey by Forrester. Flipkart was left lagging at seventh position behind own sites Myntra and Jabong and even Snapdeal.

The company surveyed over 9000 online consumers from metro cities in India. Flipkart, however, has refuted the survey findings, calling it 'misleading.' “The survey does not reflect ground realities as it is based on a narrow sample size from metropolitan cities only,” the company said.

Source – The Economic Times

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## Digital ad spend may touch Rs 13k cr by Dec 18: Survey

Digital ad spend in India is likely to grow to Rs 13,000 crore by December 2018, at a rate of 35%, fuelled by growing demand for smartphones and falling data tariffs.

An increase in usage of 3G-4G services and surge in Internet penetration will be major factors. Around 50% of the ad spend was on digital followed by e-comm, telecom, and tech.

Source – The Economic Times

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## Amazon India bets on editorial content to draw buyers

From articles on lifestyle, fashion, fitness and gadget reviews to product videos, Amazon India is investing on content to draw buyers.

The company believes editorial content would help increase time customers spend on its site and gain new users.

Source – Business Standard

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## SoftBank set to take driver's seat in Ola

SoftBank is close to acquiring an additional 10-12% stake in Ola to increase its holding in Ola to around 50% ahead of its planned investment in global rival Uber.

SoftBank will pay \$400-500 million to Tiger Global to give partial exit.

Source – Business Standard

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