



NEWS HIGHLIGHTS

India's need to regulate digital lending calls for setting up a National Lending Corporation

Super apps, pay later, cyber risks: Five trends in digital payments for 2021 according to VISA India

UK-based banking fintech Tide expands operations to India

Bajaj Finance to enter payments biz

Today's View

Augmented reality (AR) v/s Virtual reality (VR)

Augmented reality (AR) adds digital elements to a live view often by using the camera on a smartphone. In AR, the user is provided with additional system generated information that enhances their perception of reality, whereas **Virtual reality (VR)** replaces reality with a completely new 3D digital environment. For example, in architecture, VR can be used to create a walk-through simulation of the inside of a new building; and AR can be used to show a building's structures and systems super-imposed on a real-life view.

Singapore based **Omniaz** provides an end-to-end AR solution for the retail and FMCG sectors with the ability to converge the online and offline shopping experiences in order to better serve and engage with consumers. The startup transforms spaces and product packaging into engagement channels to digitize brick-and-mortar FMCG stores. OmniaZ enables brands to provide extended product information, recommendations and gamified content. To help consumers make better choices, especially in the beverages industry, it engages customers by educating them about wine selection while simultaneously entertaining them.

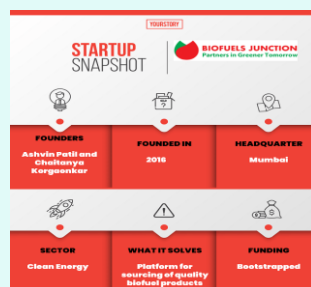
The US-based startup **Receive** provides beauty brands with a co-branded solution to create customized interactive consumer experiences for their products. The solution integrates across all touchpoints on mobile and web-based AR for e-commerce companies.

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Mumbai-based startup ensures corporates get a steady supply of eco-friendly biofuels

Biofuels Junction Pvt Ltd, started by Ashvin Patil and Chaitanya Korgaonkar in 2016, provides corporate entities access to quality biomass briquettes and pellets, along with a supply assurance.



Source— Your Story

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The startup's proprietary AI and AR beauty technology enable real-time personalized engagement with customers. The solution is particularly useful for skincare, health, wellness and color-based cosmetics products. The AR Makeup Advisor and Virtual Try-on allow consumers to virtually try cosmetics before they buy them. Further, **Receive** intends to transform the beauty experience with advanced 3D live-video makeup try-on and personalized recommendations by allowing customers to use an AR mirror or other novel AR-enabled hardware.

Bangladeshi startup **Azmi Studio** specializes in tailor-made mobile or desktop platforms and virtual try-on solutions that help brands engage their customers and boost the retention rate. The startup offers its Virtual Try-On AR Store, enabling brands to integrate AR experiences into social media platforms. The solution also integrates into physical stores, making it easier for companies to create and manage 3D models for their products.

Emerging technologies like Augmented Reality and Virtual Reality are transforming the way people interact, experience and visualize things and businesses. The application of these technologies in various fields like fashion, beauty, architecture, healthcare etc. is changing the way the world looks at the diverse use cases and enormous potential that comes with them. According to a report, the global market for Augmented Reality and Virtual Reality is estimated to reach USD 766 billion by 2025, registering a 73.7% CAGR during the period from 2018 to 2025.

Today's News

India's need to regulate digital lending calls for setting up a National Lending Corporation

RBI recently cautioned users against unauthorised digital lending platforms that promise quick loans. The warning is timely as a few bad outliers can undermine the significance of digital lending. It is estimated that the credit demand from MSMEs and consumers would be more than \$1 trillion by 2023, a third of it is likely to be lent digitally. India now has 2,147 fintech startups and almost 500 of them focussed on digital lending. These platforms play an important role as they lend to the segment which has traditionally been ignored by the banks. They have the ability to facilitate credit in the event that there are idiosyncratic problems in the banking and can also help banks with alternate credit assessment processes which can widen the base for lending.

Easier access to credit can also incentivise formalisation for MSMEs; as much as 40% of credit demand of MSMEs is still met outside of formal channels. But clearly more needs to be done. Exorbitant interest rates, misuse of personal information, collection horror stories are just a few things that have now started coming to the surface. To start with, an umbrella body focussed on lending (like NPCI – National Payments Corporation of India – for digital payments) needs to be formed under the oversight of RBI. The body – National Lending Corporation – should have three broad mandates: Defining guidelines for identification of individuals and businesses who are truly financially underserved; standardising lending and collection processes; and improving financial literacy of borrowers.

Source – *The Times of India*

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Airtel Payments Bank adds third layer authentication for net banking

Airtel Payments Bank on Wednesday said it has added third layer of authentication, Airtel Safe Pay, based on network intelligence to prevent online banking frauds for its customers.

At present, banking companies use double factor authentication, which includes online banking password and a one-time password that is sent through SMS on registered mobile number. "As digital payments become the norm, especially in the post-pandemic world, we also have to solve for the challenge of frauds that are growing rapidly.

Source – *The Economic Times*

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Super apps, pay later, cyber risks: Five trends in digital payments for 2021 according to VISA India

Digital payment adoption has grown significantly in the last year, reflecting a secular trend among Indian consumers and businesses, TR Ramachandran VISA Inc's group country manager for India and South Asia said at during his address at the Digital Lenders Association of India's 2021 Conclave on Wednesday.

While fintech payment companies have gained ground in terms of new users and merchants coming on-board to use their platforms and a large number of customers have demonstrated shifting expenditure partners.

Source – *MediaNama*

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UK-based banking fintech Tide expands operations to India

UK-based banking fintech Tide has launched operations in India, its first international foray. The company already runs a global technology development centre in Hyderabad with over 100 engineers. Founded in 2015 and launched in 2017, London-based Tide has also appointed Gurjodhpal Singh, a former PayU executive, to lead its India operations.

“India, with 63 million SMEs is home to one-tenth of all SMEs globally and the second largest start-up ecosystem worldwide with an entrepreneurial culture, it is also one of the hottest fintech hubs globally. The considerable commercial opportunities, and the fact that Tide’s management team has had extensive experience in the market, led us to choose India as the first port of call in our global expansion journey,” said Oliver Prill, CEO of Tide.

Source – *The Economic Times*

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ICICI Bank launches ‘InstaFX’ mobile app

ICICI Bank today announced the launch of a new mobile application for authorised money changers to help customers of any bank get ‘ICICI Bank Forex Prepaid Card’ swiftly. The ‘InstaFX’ app enables the authorised money changers, who are partners of the Bank, to complete the KYC verification and validation of customers digitally and on a real-time basis. This facility significantly improves customer convenience as the ‘ICICI Bank Forex Prepaid Card’ gets activated swiftly within a few hours, as against the industry practice of upto two-days.

Mr. Sudipta Roy, Head- Unsecured Assets, ICICI Bank said, “This new app, ‘InstaFX’ app enhances convenience of customers, even if they are not customers of our bank, as it facilitates swift activation of the ‘ICICI Bank Forex Prepaid Card’. For example, if customers apply for it through this process while leaving a domestic airport, the ‘ICICI Bank Forex Prepaid Card’ will be ready to use even before they reach their international destination.”

Source – *The Economic Times*

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Bajaj Finance to enter payments biz

Bajaj Finance, the market leader in consumer loans, has said that it will be entering the payments space. The company disclosed this to investors following its third-quarter results on Wednesday. The NBFC plans to launch Bajaj Pay, a platform that will include a digital wallet, an EMI card and UPI options. The new service is likely to be launched in the current quarter. It will also launch Bajaj Pay for merchants, targeting the 1-lakh-plus outlets that it has a relationship with, enabling it to grow its business fast.

In 2017, Bajaj Finserv (Bajaj Finance’s parent) had made a Rs 225-crore investment into MobiKwik for an 11% stake. The company subsequently tied up with the e-wallet provider to use its tech platform to deliver credit to the e-wallet customers. The Bajaj Finserv–MobiKwik active e-wallet users (who have linked EMI cards to e-wallets) stood at 1.8 crore as on December 31, 2020. Bajaj Finserv also has a partnership with RBL Bank for a co-branded credit card, which has nearly two crore customers. The company is now looking to extend its partnership to other banks.

Source – *The Economic Times*

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Building and managing remote teams in early-stage startups

With changing times, the way businesses work is evolving as well, especially when it is about how and where employees work. Remote working style is the new norm and is being adopted by a lot of companies these days. Its popularity is higher among early-stage startups, where every penny counts.

On the impact of remote working on different departments of a company, the pros and cons are not identical. For more individual centric departments like sales, it does not have a major impact.

Source – *Your Story*

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MobiKwik’s revenues up 134% in FY20 on the back of consumer payments and fintech lending

MobiKwik’s net revenues grew by 134% to ₹379 crore at the end of FY20 from ₹162 crore on the back of higher revenue from consumer payments. The mobile payments app has a user-base of 120 million and has been expanding its product offerings with lending and investment options over the past year, it said in a blogpost.

The payments company founded in 2009 by Bipin Preet Singh and Upasana Taku has raised a total of \$100 million in funding from Sequoia Capital, Bajaj Finance, and American Express among other investors.

Source – *MediaNama*

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