

NEWS HIGHLIGHTS

India sees 60pc rise in fintech deals amidst COVID-19; surpasses China, says report

Fintech forecast: The inflection point for a digital-first approach in the payments industry

Fintechs turn attention to India to drive growth

Paytm Money introduces Future and Options trading

Today's View

E-Jewellery Shopping

Jewellery adds beauty to everyone, whosoever wears it. In most cultures jewellery, is a status symbol, for its material properties, its pattern or for meaningful symbols. The art of making jewellery has undergone tremendous change as we can witness from the beautifully crafted piece of jewellery that is available in the market today.

Coimbatore-based **Emerald Jewellery** collaborated with **IBM** to unveil Tej – an AI enabled mobile app to support the B2B market for emerald jewellers. Through this app, more than 200 dealers can get connected to Emerald Jewellery, allowing them to view a rich catalogue of over 500,000 designs and simplify the ordering process. IBM has also developed vision APIs to help dealers look for design elements with ease.

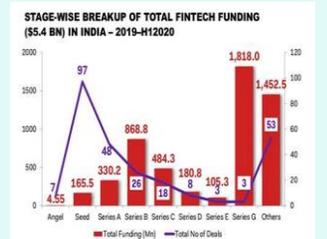
Similarly, **Microsoft** dabbled with AI to minimise the time involved in designing stone jewellery and ML for space optimisation. The company's AI systems have aided jewellery designers in Jaipur to produce trendy jewellery pieces. They also developed a model called Pruning, which discards designs with low visual appeal, and powered by a dataset of 1200 AI-generated designs.

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Beginning Of A Phenomenal Growth In FinTech Market

Amid COVID-19, India has seen a 60 per cent increase in FinTech investments to \$1467 mn in H12020 compared to the \$919 nm for the same period last year. India has emerged as Asia's biggest destination for FinTech deals, leaving behind China.



Source – Outlook India

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18<sup>th</sup> February 2021

Most customers are keen to try on high-value goods such as gold and diamond jewellery before buying them. However, brands usually don't have all their designs on display across stores. In stores, they won't lose out on sales due to lack of inventory, as customers can select items from the catalogue and try them on virtually. The Delhi-based startup's latest offering – mirrAR – lets people virtually try on things via augmented reality (AR) on digital platforms of client brands. Users can see themselves in different jewellery products on a larger screen and can take pictures and share on social media too.

Jaipur-based **KuberBox** has no inventory; it takes seven days to manufacture after getting the order. First they give a 3D printed model and get the customer's approval. When the mould is ready, they cast the design using gold.

As per IIBF, the gems and jewellery sector plays a significant role in the Indian economy, contributing around 7% to country's GDP and 15% to India's total merchandise export. With technological advances backing the sector, startups are working towards increasing the usage of apps to allow for better customer engagement and loyalty.

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## Today's News

### India sees 60pc rise in fintech deals amidst COVID-19; surpasses China, says report

India has emerged as Asia's biggest destination for financial technology (fintech) deals, leaving behind China in the quarter ended June 2020, a research report said. With around 33 deals valued at \$647.5 million, India has the highest investment in the fintech segment compared to China's \$284.9 million during the quarter ended June 30, 2020, a report released by RBSA Advisors said.

Total investments in India's fintech sector crossed the \$10 billion mark over the last four and half years (the calendar year 2016 to H1 of 2020). "Amid COVID-19, India has seen a 60 percent increase in fintech investments to \$1,467 million in H12020 compared to the \$919 million for the same period last year," the leading valuation, investment banking, and transaction advisory firm said in a statement.

Source – Your Story

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### Fintechs turn attention to India to drive growth

India is emerging as a major global driver of post-pandemic growth with one of the fastest growing fintech markets in the world, driven by rapid changes in access to digital banking services among the population. Overall transaction values through fintech platforms are expected to nearly triple in the next three years to \$102 billion as several factors accelerate market development.

According to UK-India investment platform JPIN Venture Catalysts, the country has the second largest unbanked population in the world, a very low penetration of insurance, a huge millennial base, and a major focus on financial inclusion, where digitalisation provides the most cost-effective method of driving change.

Source – Asset Finance International

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## Budget 2021-22: How favourable was it for digital lenders?

While presenting this year's Budget, the Finance Minister had an onerous responsibility. In the span of a pandemic hit year, India experienced its largest-ever GDP contraction and is also reeling from a severe crisis: both humanitarian and economic.

The whole financial system came to a grinding halt and there were many who were hoping to hear some good news in the Budget. Fortunately, the reality lived up to the expectations and the Finance Minister was lauded for her bold and growth-oriented Budget.

Source – The Hindu Business Line

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## Paytm Money introduces Future and Options trading

Stock and mutual fund investment app Paytm Money has rolled out Futures and Options trading. The feature, which is available via the app and its website, has received over 1 lakh requests for its early access program, according to Paytm Money's chief executive officer Varun Sridhar.

For the uninitiated, Futures and Options trading are bought by retail investors at a predetermined price at a later date. While Sridhar claimed that over 50% of the requests are coming from tier-II and III cities, a very small amount of retail investors bet on Futures and Options trading.

Source – Entrackr

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## Fintech forecast: The inflection point for a digital-first approach in the payments industry

In a world where physical and digital lines are rapidly blurring, we are on the brink of the digital payment revolution. FinTech players are incorporating new technologies to keep pace with rapid consumer demand. Technology is dramatically transforming the way payment products and services are being developed, employed, and used. The key factors driving this include sociocultural change, cloud uptake, and an increased appetite for innovation.

Although we are not out of the woods yet, the alternative payment industry has already started to revisit its short and long-term strategies to fit the post-pandemic landscape-altering the role the traditional payments industry plays in the transaction process altogether. As part of this revolution, a variety of trends have emerged that are transforming the payments industry. Four stand out from the rest: Next-Gen automation will move deeper into B2B payments to ease friction - Payment providers will focus on making the B2B commerce process seamless and distinguishing as B2C.

Source – *The Economic Times*

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## Spice Money Achieves 100% Productivity in their Contact Center Agents' performance with only 75% Remote Workforce using Ameyo's Mobile Call Center Solution

Spice Money, India's leading rural fintech with over half a million Adhikaris, enabled its workforce to go remote during the pandemic and reduced their Average Handle Time (AHT) by 50% within just 10 days of implementation! New Delhi- Ameyo, a leading provider of omnichannel contact center technology, announced that its Mobile Call Center Solution has enabled Spice Money to shift their Contact Centre operations to a complete remote environment.

Amidst the COVID-19 pandemic and the ensuing nationwide lockdown, Spice Money faced challenges on its customer experience front. While they shifted most of their customer queries to Email and WhatsApp, the majority of their entrepreneurial network of Adhikaris based in semi-urban and rural areas preferred voice calls as a mode of communication. Like many other businesses, Spice Money saw a surge in call queries leading to a higher response time during this period.

Source – *Outlook India*

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## Funding and MSMEs: Can banks & fintech together address the credit gap for small businesses?

MSMEs are key contributors to the country's economic activity as an important source of employment, growth, and innovation. Despite their essential role, MSMEs receive a disproportionately small share of credit from the financial system, a trend that persists across developed and developing countries.

The International Finance Corporation (IFC) estimates that 65 million firms, or 40% of formal micro, small and medium enterprises (MSMEs) in developing countries, have an unmet financing need of USD 5,200 billion every year, which is equivalent to 1.4 times the current level of the global MSME lending. In India, a greater number of MSMEs tend to be informal in nature, have limited publicly available information, and are relatively less aware of the bank requirements, all of which result in higher information asymmetries impeding bank lending to the sector.

Source – *The Economic Times*

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## This stock market veteran may start investing in startups soon

Startups take note, there may soon be a new investor on the scene, writing you cheques. None other than Motilal Oswal Financial Services Co-founder and Chairman, Raamdeo Agrawal, a stock market veteran of 35 years. The 64-year-old, who doesn't invest in startups yet, says it is his retirement plan to start investing in startups.

"In retirement I want to do that only (invest in startups)... that in the morning come and meet 10 guys and give (money) to at least two guys [sic]. So that's what my retirement plan is,"

Source – *Your Story*

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## Why startups must invest heavily in culture-building

The difference between a company and a company with a strong workplace culture is that one hires employees and the other has loyalists. While the success of an organisation depends on several factors, I feel that culture is of primary importance. It is the very DNA of the company.

Culture can be seen in the way team members interact with each other, how we celebrate each others' successes, how we hold each other's hand when life gets tough, how we reward performance, and how we deal with the lack of it when markets or circumstances turn against us.

Source – *Your Story*

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