

## NEWS HIGHLIGHTS

How Fintech players are changing the way credit is perceived in India

Digital transactions total Rs 131 lakh crore in Q1: Worldline India

Fintech startup Niyu buys Bengaluru-based personal finance startup Index

FREO – India's first credit-led neobank is here

## Today's View

### Intelligent Virtual Assistant (IVA)

An intelligent virtual assistant (IVA) or intelligent personal assistant (IPA) is a software agent that can perform tasks or services for an individual based on commands or questions.

The term "chatbot" is sometimes used to refer a virtual assistant that is generally or specifically accessed by online chat. In some cases, online chat programs are exclusively for entertainment purposes.

Some virtual assistants are able to interpret human speech and respond via synthesized voices. Users can ask their assistants questions, control home automation devices and media playback via voice, and manage other basic tasks such as email, to-do lists, and calendars with verbal commands.

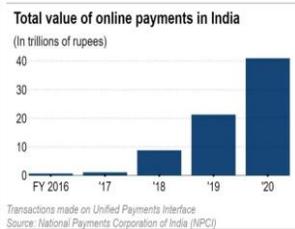
**Conversica**, US-based cloud software technology company, offers a suite of Intelligent Virtual Assistants for business, with a focus on Customer Experience business functions (Marketing, Sales, Customer Success, Account Management and Payments). Powered by Artificial Intelligence, the Intelligent Virtual Assistants (IVA) interact with leads and customers in a human-like approach, like an entry level employee. The IVA software interacts over multiple channels, including email and SMS text messages, and in multiple languages. Conversica is a pioneer in providing AI-driven lead engagement software for marketing and sales organizations.

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### India's fintech unicorns eye Southeast Asia expansion

India's most valuable financial technology startups are entering Southeast Asia, bringing a fresh wave of competition for a slice of the region's young shoppers. Pine Labs, a provider of point-of-sale terminals to retailers, said it was valued at \$3 billion in a funding round last month.



Source – Nikkei

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10<sup>th</sup> June 2021

**Amazon Echo**, often shortened to Echo, is an American brand of smart speakers developed by Amazon. Echo devices connect to the voice-controlled intelligent personal assistant service Alexa, which will respond when a user says "Alexa". Users may change this wake word to "Amazon", "Echo" or "Computer". The features of the device include voice interaction, music playback, making to-do lists, setting alarms, streaming podcasts, and playing audiobooks, in addition to providing weather, traffic and other real-time information. It can also control several smart devices, acting as a home automation hub. The smart speaker needs to use Wi-Fi to connect to the Internet as there is no Ethernet port.

**Google Assistant** is an artificial intelligence-powered virtual assistant developed by Google that is primarily available on mobile and smart home devices. Users primarily interact with the Google Assistant through voice, though keyboard input is also supported. In the same nature and manner as Google Now, the Assistant is able to search the Internet, schedule events and alarms, adjust hardware settings on the user's device, and show information from the user's Google account. Google has also announced that the Assistant will be able to identify objects and gather visual information through the device's camera, and support purchasing products and remitting money.

Virtual assistants excel because of deep neural networks, machine learning, and other advancements in AI technologies. As per **MarketsandMarkets**, the global intelligent virtual assistants (IVA) market is expected to grow from USD 2.48 billion in 2017 to USD 17.72 billion by 2023 at a CAGR of 38.82% between 2017 and 2023.

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## Today's News

### Digital transactions total Rs 131 lakh crore in Q1: Worldline India

Digital transactions in the country during January to March stood at 93.7 crore in volume terms and Rs 131 lakh crore in value terms, Worldline India said on Thursday. The total number of debit cards at the end of Q1 CY21 totalled 89.8 crore while credit cards numbered 6.2 crore. The point-of-sale terminals were 47.2 lakh. The volume of debit card transactions was 110 crores while the value stood at Rs 1.91 lakh crore. On the other hand, the volume of credit card transactions stood at 52.4 crore and their value stood at Rs 1.97 lakh crore.

Mobile based payments volume totalled 832 crores with value of Rs 31.9 lakh crore. Of these, transactions of mobile wallets totalled 113 crores with value of Rs 41,175 crore. Unified Payments Interface (UPI) witnessed over 273 crore transactions in March and breached Rs 5 lakh crore in terms of value. The Reserve Bank of India (RBI) in its annual report 2020-21 said digital payment systems recorded a robust growth of 26.2 per cent in terms of volume on top of the expansion of 44.2 per cent in the previous year. "This clearly indicates the growing confidence among consumers towards digital payments not only in tier one and two cities but also in tier three and beyond," said Deepak Chandnani, Managing Director of Worldline South Asia and Middle East.

Source – The Print

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### Pvt cos may issue e-invoice: Fintech see scope in data, access to biz users

Allowing private fintech firms to issue GST e-invoices—a proposal under consideration—may bring forward innovative solutions that will ultimately yield higher adoption, said chief executives of some key fintechs.

Such firms that may be eligible to apply said the interest is based on access to data and the opportunity to sell value-added products to businesses on top of e-invoice facilities. As part of the Goods and Services Tax, the government in October 2020 launched 'e-invoice', with the idea that all local business trades get recorded in the GST database.

Source – Business Standard

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### Building a Global Payment Solution

India's diverse market with varied demography poses a challenge and an opportunity for a payment product. Bridging user segments, within five years of launch, UPI has clocked 2.7 billion transactions valued at Rs 5 trillion per month and acquired a significant user base.

NPCI-PRICE research 2020 shows that a third of households use digital payments. This journey of exponential growth would not have been possible without the collaborative support of 220 participatory banks, Fin-tech apps, progressive regulations and a steadfast policy framework.

Source – Business Today

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## BharatPe: The shopkeeper's best friend

Shopkeepers in India are a harried lot. Events like the Covid-19 pandemic usually hit mom-and-pop or kirana stores the hardest; margins are shrinking every other day. And despite offering credit to their customers, when it's time for them to invest in their business, the friendly neighbourhood merchant has little to no options in the formal sector.

"Small shops in India solve hundreds of problems. But the shopkeeper has to borrow from friends or loan sharks for capital as banks won't give him a loan as he has no papers," says Ashneer Grover, 39, co-founder and CEO of BharatPe, a New Delhi-based fintech startup. And it wasn't just limited to loans. Or the pandemic. Since India's digital renaissance in 2016, fintech companies like Paytm and PhonePe have focussed on payments, but zeroed in on the customer by spending boatloads on incentives such as cashbacks to sign them up.

Source – Fortune India

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## How Fintech players are changing the way credit is perceived in India

When asked if they use credit cards, many people in India – especially those who are 40-year-old or older – would say, "We don't survive on borrowings." However, the same persons would pay their newspaper delivery men, maid servants, milkmen etc at the end of every month, oblivious of the fact that they read the newspaper and avail the services of the maid servants, drink milk etc on credit every month. Similarly, a credit card allows a user to buy goods and services on credit, payment for which is made at a later date – usually a fixed date every month following the end of every credit cycle – called the due date.

If the entire credit card bill is paid within the due date, the users don't have to pay any interest on the amount spent through credit cards. So, the users need to be careful that the amount they spend on credit cards or through other credit instruments, should not exceed their paying capacity. The perception towards credit, however, is changing fast with hosts of innovative Fintech companies offering attractive products that, if used judiciously, would make one's life easier.

Source – Financial Express

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## Fintech startup Niyo buys Bengaluru-based personal finance startup Index

Digital banking fintech startup Niyo on Thursday said it has acquired Bengaluru-based personal finance startup Index for an undisclosed sum. The Index team including founders Anand Krishna and Kumar Siddhartha will join Niyo. Niyo said it plans to integrate Index's personal finance tracking features into its products especially NiyoX, that will give users access to 360-degree view of their earnings, savings, investments, insurances in a single view. Customers will also get the nudges to plan their expenses, pay bills and save.

"The aggregation and analytical capabilities of Index will help expand NiyoX's functionality to equip users with the valuable insights they need to meet their financial goals," said Vinay Bagri, Co-Founder and CEO of Niyo. This is Niyo's second acquisition after acquiring Goalwise around mid-2020. Niyo recently launched its 2-in-1 savings and wealth account NiyoX in partnership with Equitas Small Finance Bank. NiyoX is a zero-balance account and is specially designed for millennials, with an industry-best interest rate of 7 per cent, 0 per cent commission on mutual funds, and a full wealth management suite built right into the app, the company said.

Source – Business Insider

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## FREO – India's first credit-led neobank is here

FREO is a first-of-its-kind, credit-led neobank in India that is designed to serve the banking needs of millennials in India and Southeast Asia. For many of its offerings, the company has partnered with banks to bring new solutions to its customers.

FREO's vision is to bring consumers freedom from non-digital financial services and provide simple, intuitive, and smart ways to access credit and manage money with ease on their phones. Through this credit-led Neobank, consumers will have access to financial products such as a credit line, credit cards, EMI cards, deposits & savings, buy-now-pay-later, and other financial utilities, in order to help build their credit profiles, borrow flexibly, save easily, and spend smartly.

Source – Live Mint

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## BharatPe acquires PAYBACK India

BharatPe, announced the acquisition of PAYBACK India from American Express and ICICI Investments Strategic Fund, for an undisclosed amount. The acquisition of PAYBACK India is in line with BharatPe's strategy to build a robust and engaged network of over 20 million small merchants by 2023.

With PAYBACK India, BharatPe will be able to enhance its value proposition for the merchant partners.

Source – The Economic Times

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