



NEWS HIGHLIGHTS

Paytm announces launch of small ticket loan product Postpaid Mini

'Digital payments adoption among merchants, kiranas most effective through 'A-B-C-D' principle'

PayU partners with WooCommerce to accelerate digitalization for SMBs

How FinTechs are leveraging the huge GST data trove?

Today's View

Mobility with BigTechs

With advancements in vehicle connectivity, software is becoming an increasingly important component of the car. Software developed by automakers has historically been clunky and difficult for drivers and passengers to navigate. In response, BigTech companies such as **Facebook, Amazon, Microsoft, Google, and Apple (FAMGA)** are building capacity and scale to extend their mobile eco-system on mobility services, autonomous driving, vehicle connectivity, electric vehicle technology and auto commerce.

Google, arguably the most active BigTech in autonomous mobility sector, has made a name for itself through its self-driving technology development subsidiary **Waymo**. Recently, the company reported its autonomous vehicles had logged 10 million miles on public roads in the US, a landmark achievement for self-driving platforms. Waymo has also partnered with automakers such as **Fiat Chrysler** and **Jaguar Land Rover** to deploy its technology into full vehicles.

Similarly, **Apple** has built a fleet of roughly 70 self-driving test vehicles in California and partnered with **Volkswagen** to turn some VW vans into self-driving shuttles for Apple employees. Apple has also developed in-vehicle integration technology CarPlay, which is similar to Google's Android Auto, enabling drivers and passengers to access messages, maps, and music, in addition to third-party apps such as Spotify.

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PhonePe ties with Flipkart to digitise Cash-on-Delivery payments

PhonePe, digital payments platform today partnered with Flipkart to launch contactless Scan and Pay for Flipkart's pay-on-delivery orders.

PhonePe's dynamic QR code solution will enable customers who earlier opted for cash on delivery to pay digitally through any UPI app at the time of delivery. This will help reduce personal contact while ensuring safety, and drive contactless payments for customers who are traditionally more comfortable with cash on delivery.

Source – *The Economic Times*

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5th July 2021

Amazon is also venturing into this space as self-driving vehicles can reduce the company's long-haul shipping expenses by as much as 50%, according to recent estimates. The company has also partnered with automakers such as **Audi, BMW, Ford,** and **Toyota** to enable Alexa in the vehicle.

Facebook, though relatively inactive in this space has started integrating vehicle sales into Facebook Marketplace. A number of automakers are planning to use Microsoft's VR offering Oculus at the dealership to allow buyers to test and customize different car features at the lot.

On the other hand, **Microsoft** has been capitalizing on the auto industry's lack of expertise in frontier technology such as cloud computing and AR. It has launched its Azure-based Connected Vehicle Platform to enable predictive maintenance, in-car productivity, advanced navigation, customer data collection and driver assistance capabilities.

The era of autonomous logistics has the potential to disrupt major industries: not only auto, but also many other elements of mobility services, transportation, insurance, urban planning, smart cities, etc. With the entry of Bigtechs, the transition has become accelerated. It's time for traditional players to step-up and get Auto-nomous.

Today's News

Virat Kohli-backed Indian fintech startup reaches \$3.5 billion value

Indian fintech startup Digit boosted its valuation to \$3.5 billion in a fresh funding round, gaining capital for its effort to win insurance customers via mobile technology. The company is raising \$200 million from Sequoia Capital India, existing investor Faering Capital Pvt and others, according to a statement on Friday.

It's one of the largest funding rounds in India's fast-expanding insurance market also targeted by rival startups including Amazon.com Inc.-backed Acko. Digit is trying to expand India's base of the insured by making the process of buying cover, submitting claims and receiving payments easier. The company offers smartphone-enabled self-inspection and claim submissions by voice, and processes service requests via messaging.

Source – The Print

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3 Indian FinTech funding rounds that recently transpired

Indian FinTech companies notably saw a good amount of FinTech funding activity. As the country becomes more receiving to financial technology and its advantages the growth trend the FinTech industry has witnessed is expected to continue. The article lists important funding announcements that were made in the last 2 months in India:

KreditBee: Bangalore-based FinTech lending start-up KreditBee raised INR 600 million in equity and debt from India SME Investments, an investment arm of the Small Industries Development Bank of India (SIDBI). The investment follows in the footsteps of a recent round raised by the holding group entity of KreditBee from investors like Premji Invest, TPG-backed NewQuest Capital Partners, Motilal Oswal Private Equity, Mirae Asset Ventures, and Alpine Capital in February 2021.

Source – IBS Intelligence

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Technological hurdles plague digital payment industry: Innoviti

Fintech player Innoviti Payment Solutions aims to use technology to add intelligence to payment transactions, helping merchants, banks and brands utilize the power of digital payments. Innoviti claims that it has processed over \$6.5 billion worth of merchant payments from 1000 cities.

The company is backed by marquee investors such as Catamaran Venture, Bessemer Venture Partners and FMO (Netherlands). In an interaction with ET Online, Rajeev Agarwal, the company's CEO & Founder, talked about the firm's key differentiators and its plans ahead.

Source – The Economic Times

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How FinTechs are leveraging the huge GST data trove?

FinTech firms, which have helped usher in a digital revolution in banking in India, are set to benefit from the increased spread of the goods and services tax (GST).

The GST system generates huge amounts of data as records have to be maintained and submitted at every stage digitally. While it is arduous for businesses, all sales have to be filed online for taxation, which means businesses have to use digital tools to complete their submission.

Source – The Economic Times

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Paytm announces launch of small ticket loan product Postpaid Mini

Digital payments and financial services platform Paytm on Monday announced the launch of Postpaid Mini, small ticket loans that will give users flexibility to access loans ranging from Rs 250 - Rs 1,000, in partnership with Aditya Birla Finance Ltd. The product is an extension of its Buy Now, Pay Later service, driving affordability amongst those new to credit. These small ticket instant loans will give flexibility to users and also help manage their household expenses to maintain liquidity during the ongoing Coronavirus (Covid-19) pandemic.

With this service, Paytm Postpaid is offering a period of up to 30 days for repayment of loans at 0 per cent interest. There are no annual fees or activation charges, only a minimal convenience fee. Bhavesh Gupta, CEO - Paytm Lending said, "We want to help new-to-credit citizens start their credit journey and develop a financial discipline. Through Postpaid we are also making sincere attempts to help drive consumption in the economy. Our new Postpaid Mini service helps users manage their liquidity by clearing their bills or payments on time."

Source – Business Standard

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'Digital payments adoption among merchants, kiranas most effective through 'A-B-C-D' principle'

As 80 per cent of consumers in India switch preferences in favour of digital payments, merchants from kirana shops to street vendors must be enabled to accept them. The Reserve Bank of India (RBI) powered Payments Infrastructure Development Fund (PIDF), operationalized earlier this year, has kickstarted the focused effort to scale payments acceptance architecture for small-scale merchants in tier 3 to 6 centers and North Eastern states. The objective behind the PIDF is to achieve "pan-India terminalization", or to provide all Indian merchants with a digital payment acceptance touchpoint.

Understanding the needs and experiences of local merchants will be instrumental to achieving nationwide terminalization. In our experience, digital payments adoption is most effective and enduring when it follows what we call the 'A-B-C-D' principle. This is to say, payments acceptance instruments must be 'Accessible' and 'Affordable', demonstrate the 'Benefit' they bring, 'Convenient' to adopt, and 'Dependable'.

Source – Financial Express

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PayU partners with WooCommerce to accelerate digitalization for SMBs

PayU, India's leading online payment solutions provider, has partnered with WooCommerce, an open-source, customizable e-commerce platform, to enable WooCommerce merchants with digital payments infrastructure, and end-to-end digitalization of business processes. The partnership will offer merchants exclusive pricing on transactions, no hidden charges, and contactless payment solutions to scale growth and profitability.

A recent survey has shown 82 percent of small businesses have experienced a negative impact due to the pandemic and adoption of technology can aid in the revival of up to 35 percent SMBs, post-pandemic. PayU accelerates SMB digitalization by providing 100 percent online and hassle-free onboarding, zero set up charge, smooth check-in & checkout, 100+ local payments options, real-time tracking and business monitoring on the go.

Source – The Print

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Airtel Payments Bank hopeful of break-even in FY22; logs surge in biz volumes amid pandemic

Airtel Payments Bank has seen a surge in business volumes in FY21 as lockdown curbs and migrants heading back to villages spurred new accounts as well as transactions, and the company is eyeing a break-even this fiscal, a top official said. Factors like growth in revenues, expanded scale of operations, and higher realisation per user from cross selling of products are expected to drive break-even in the current financial year.

The pandemic and subsequent lockdown curbs fuelled uptake as customers, both in rural interiors and urban cities, sought banking solutions closer home, opting for convenient and secure digital payment options.

Source – The Economic Times

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Digit Insurance valued at \$3.5 billion, raises \$200 million

Canadian billionaire Prem Watsa-backed Digit Insurance has achieved a valuation of \$3.5 billion with its latest fundraising round of \$200 million from existing investor Faering Capital and some new ones like Sequoia Capital India and IIFL Alternate Asset Managers. The investment is subject to regulatory approvals.

With this round of funding, the total capital infusion into Digit has crossed Rs 3,000 crore — the highest for any non-life company in India.

Source – The Economic Times

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