FINTALK
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Today's View

Eliminating Counterfeits with AI

In previous article (read here), we have seen how technology is being used across organisation to spot counterfeits. Specialised applications of technology like AI is being increasing used to identify counterfeits.

As online retailers and marketplaces aggressively add thousands of merchants on their platforms, unauthorized white labelling, listing fake products, and image theft have become persistent causes for concern. Counterfeit goods are estimated to drain more than $1.6 trillion from the global economy, a figure that is slated to climb $4.2 trillion by 2022, as per the report of **International Chamber of Commerce's Business Action to Stop Counterfeiting and Piracy (BASCAP)**. The market for fakes in India is also growing very rapidly, and is estimated at around Rs 40,000 crore annually as per **Authentication Solutions Providers Association (ASPA).**

In order to mitigate such losses, several companies including bigtechs are developing AI-based products. For example, **IBM** has developed Crypto Anchor Verifier, which is an AI counterfeit detector that uses blockchain and runs on a smartphone. User just needs to take a picture of any product, and the app then runs a comparison of that image against a database in a blockchain ledger to determine authenticity.

Alibaba Group has announced Alibaba Big Data Anti-Counterfeiting Alliance with international brands including **Louis Vuitton, Samsung and Mars** that

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Indian firms in Fintech 100 list: Paytm, OlaMoney make it to top 10

Eight Indian Fintech firms were featured in the KPMG and H2 Ventures' 'Fintech100' list, with Paytm and OlaMoney making it to top 10. "In 2019, we have seen the emergence of India as a Fintech force," the report said.

Source – Business Standard

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will leverage AI and big data in anti-counterfeiting technology to continue the global fight against fakes. The alliance which has about 20 members, will bring together industry and technical know-how as a key strategy for keeping the e-commerce company's platforms free of pirated goods. In last one year, **Alibaba** group had removed more than 380 million product listings and closed down 180,000 third-party seller stores, based on piracy concerns.

Even some government authorities are also leveraging AI in this regard. For example, the **Chinese government** has backed an appraisal centre to address the problem of counterfeit products. One of the Chinese companies have built an app called 'Smart Detective' that uses AI to appraise luxury goods. The app currently focuses on luggage and purses and is working on the ability to appraise jewellery. Similarly, The **Defense Advanced Research Projects Agency (DARPA)** is gathering together the world's experts for a contest to see who can create the most convincing fakes, and also who can create the best AI tool to spot fakes.

While the war over counterfeits is difficult to fight, it's possible for enterprises and brands to gain the upper hand. By democratizing and automating anti-counterfeit systems based on emerging technologies like AI, it is possible to stop fakes at scale.

Today's News

Fintechs, lenders seek granular customer data as online credit purchases rise

Fintech firms and traditional lenders including non-banking financial companies (NBFCs) and banks are seeking greater visibility of customer data as more Indians turn to online means for credit purchases. At Nasscom's ongoing product conclave in Bengaluru, representatives from banks, insurance companies, NBFCs and Fintech firms sought for more granular data on customers, as both online and offline platforms have started partnering with lenders to offer direct credit purchases to customers. While India braces itself through an economic slowdown, both Flipkart and Amazon banked heavily on EMIs and other forms of pre-approved credit purchases for festival sales. In the run-up to Diwali sales, Flipkart said in a statement that it had "massively ramped up distribution" of its online credit offers.

Source – Mint

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New-age fintech lending startups report profits in the FY18

Quite a few new-age Fintech lending start-ups have reported profits or reduced losses in the previous financial year, data filed with the Registrar of Companies accessed via business intelligence platform Tofler showed, as they focused on trimming bad loans through innovative use of technology and diversified portfolios. Lendingkart reported a profit of Rs 34 crore last fiscal year, on revenue of Rs 245 crore, while Aye Finance posted a profit of Rs 25 crore, on revenue of Rs 217 crore, a jump of 82% over the previous year, according to the data.

Source – The Economic Times

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This News Letter has been prepared with the assistance of G Balakrishna and Manish Kulkarni

Yes Bank announces launch of 'YES Fintech Developer'

Private sector bank Yes Bank on Wednesday announced the launch of "YES Fintech Developer", claiming it to be India's largest banking API developer platform. YES Fintech Developer, India's largest API sandbox with 50+ virtual APIs, marks the evolution of the Bank's technologies to Open Banking, Yes Bank said in a release.

It said the sandbox builds on the Banks strategy of using API banking as an enabler to customize digital solutions for its clients. This will not only help corporates, MSMEs and startups to identify 'best-fit' APIs based on their sectors, but also allow them to test the APIs with their app in a secure environment.

Source – Business Standard

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As UPI Hits 1.15 billion Mark, Card Payments Suffer

As unified payments Interface (UPI) crossed the one billion transactions mark in October establishing itself as one of the world's most significant digital payments platform, most UPI-enabled platforms might have rejoiced. But the bigger question now is whether UPI payments has become the de facto mode of online payments in a country, which has not yet cut its reliance on cash and has very low prevalence of credit cards. According to Razorpay cofounder Harshil Mathur, UPI payments made up for 50% of the total transaction in the month of October. UPI payments have surpassed all other digital modes of payment by 15%, he added.

Source – Inc42

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Google Pay grows 3x in India in 12 months

Google Pay has grown 3x in India in the last 12 months, Sajith Sivanandan, MD and business head of Google Pay and Next Billion Users, said on Tuesday. He is optimistic about growth to continue in the country. India's payment landscape is becoming interesting with more players entering the segment, he maintained.

Google Pay now has 67 million active users who use it at least once a month. The value of transactions has gone up to $110 billion on an annualised basis. "This is not just a metro phenomenon. The most gratifying part is that two-third of the transactions are happening outside the top seven metros," Sivanandan said.

Source – Financial Express

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NPCI grants approvals to payment services, says RBI

The Reserve Bank of India (RBI) is likely to inform the Supreme Court before the end of this month that it is the National Payments Corporation of India (NPCI) that grants approvals to payment services such as WhatsApp Pay, a person familiar with the development said. It is also likely to reiterate to the top court that all payment companies operating in India should locate user data within the country.

In August, the apex court had directed the banking regulator to submit a compliance report on the data localisation efforts undertaken by the Facebook-owned instant messaging platform. The deadline to submit its response is November 29, the person, who did not want to be named, said. "The RBI has been asked to submit a report, and even though RBI is not a regulator for Unified Payments Interface (UPI) payment services, it will give a reply well within the deadline," the source said.

Source – The Economic Times

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Delhivery shopping for B2B operations, in talks with Blue Dart, Gati

Logistics start-up Delhivery Pvt. Ltd has held early-stage talks with Blue Dart Express Ltd and Gati Ltd to acquire their B2B operations, said two people aware of the matter. Gurugram-based Delhivery is one of India's newest unicorns, valued at $1.5 billion in March when it raised $413 million in a Series-F round led by SoftBank Vision Fund, along with existing investors Carlyle Group and Fosun International. In September, the Canada Pension Plan Investment Board bought an 8% stake in Delhivery for $115 million from an existing investor.

"Delhivery's focus is mostly on the e-commerce segment, and has shown healthy growth... It's not an unusual idea to look out for M&As. And since Blue Dart has a pretty strong franchise business in India, it is attractive to Delhivery from a B2B business perspective," said one of the people cited above.

Source – Mint

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Unacademy spent Rs 112 Cr to earn about Rs 12 Cr

After BYJU's and Toppr, Unacademy has turned out to be the most exciting education tech startup along with new entrants Doubtnut, Classplus and Gradeup. The past 12 months have been momentous for the four-year-old firm in several ways. Unacademy raised $55 million Series D round with a valuation crossing $200 million. It also announced the acquisition of WiFi Study and brought Flipkart Group's CEO, Kalyan Krishnamurthy, as an investor. Meanwhile, the company has grown its revenue and spent more in FY19. According to the annual financial report filed by the company with MCA, Unacademy earned Rs 11.66 crore in revenue from operations during FY19.

Source – Entrackr

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Manthan Software to acquire US-based RichRelevance

Manthan Software plans to acquire RichRelevance, a personalization software provider for the retail sector, for an undisclosed amount. The Bengaluru headquartered company which specializes in software applications for the retail industry and counts United Supermarkets, Pizza Hut, Helzberg Diamonds, Love's, Alshaya, and Future Group as its clients.

RichRelevance, the San Francisco-based retail focused technology firm, raised $150 million so far and Manthan is offering a premium on the firm's current valuation, sources said.

Source – The Economic Times

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