



## NEWS HIGHLIGHTS

**Future of Cash: Impact of Covid-19 on Payments**

**Digital Dividend: The New World Order Of Contactless Payments & Cashless Transactions**

**This fintech startup's core lies in bringing 'SimpliCity to payments using tech**

**Tata Capital launches voicebot 'TIA' on Google Assistant**

## Today's View

### Solar Geoengineering

Continuing from our last writeup where we discussed the emerging techniques for reducing the impact of climate change, Solar Radiation Management (SRM) is another approach whereby a small amount of inbound sunlight is reflected back out into space.

Although, SRM would not directly reduce the concentration of greenhouse gases and provide a substitute for mitigation of greenhouse gas emissions, it has the potential to reduce the exposure of numerous climate risks to the earth's environment.

There are multiple approaches for SRM and one of the cheapest and safest of them all is **Albedo Enhancement** which means making surfaces more reflective. More reflective surfaces absorb less solar radiation, which in turn can lower air temperatures and reduce water evaporation. According to **CB Insights**, the commercial adoption of albedo enhancement is gaining traction as well: the global cool roof market, where buildings and houses have their roofs painted or retrofitted to be more reflective, is worth \$5.4B.

Another approach is to spray large quantities of inorganic particles (e.g. sulphur dioxide) into the stratosphere (the upper layer of the atmosphere) that would act as a reflective barrier against incoming sunlight.

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### Fashion & apparel companies still hurting

Hit by the nationwide lockdown, India's fashion and apparel sector has recovered only 35% of sales compared to January levels, according to data shared by Redseer Consulting exclusively with ET.



Source— The Economic Times

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8<sup>th</sup> July 2020

In late 2018, **Harvard** announced a plan to test the injection of calcium carbonate particles into the stratosphere as a means of replicating the cooling effect of volcanic eruptions, which was fairly successful. Because of the unequal global impacts of stratospheric global injection and its potential to be weaponized, SRM carries humongous challenges in its governance.

By far, the most direct approach to reflect sunlight is the use of space reflectors. Space reflectors, a form of solar radiation management [SRM], are sun shields positioned in space in order to reduce the amount of solar energy reaching the earth.

Options include placing mirrors around the earth, placing millions of reflectors between the earth and the sun where the gravitational attraction between the two bodies is equal, launching a “cloud” of trillions of refracting discs, or launching a sunshade of mesh aluminium threads. Although, this would certainly help in managing global warming, building space reflectors would be extremely expensive, with low-end estimates giving it a price tag of at least \$1T.

As promising as some geoengineering approaches are, we still need to tread with caution. Each method under the umbrella of geoengineering carries its own risks, and the field at large also involves predominant hazards.

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## Today's News

### Govt insurance firms, pension funds may power Fund-of-funds

If all goes as planned, state-run insurers and pension funds may get the nod to invest in government-backed startup-focused fund-of-funds. Currently, talks are on between various government agencies, such as the Department for Promotion of Industry and Internal Trade (DPIIT), and industry regulators including the Insurance Regulatory and Development Authority of India (Irdi) and Securities and Exchange Board of India (Sebi) to make this a reality.

The move comes at a time when there is a pressing need to create large pools of domestic capital, given recent changes to India's foreign direct investment norms, which are anticipated to severely restrict Chinese-origin funding into the country's startup ecosystem.

Source – *The Economic Times*

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### Digital Dividend: The New World Order Of Contactless Payments & Cashless Transactions

The disruptive impact of Covid-19 and the subsequent global thrust towards a contactless world order could well emerge as the biggest catalyzing factor in the digitalization of life, commerce - and payments. Even as the pandemic is further accelerating the process, non-cash payments have been growing in India at the fastest pace ever.

A report by Quartz highlighted that last year alone, digital transactions in India shot up by 55%, with the number of locations accepting digital payments growing to 10 million – nearly 7x up from around 1.5 million in 2016.

Source – *Business World*

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### Tata Capital launches voicebot 'TIA' on Google Assistant

Tata Capital has launched its AI-powered voicebot, TIA on Google Assistant, which is a popular voice service by Google. TIA will be available on android, iOS mobile phones and smart home devices.

Customers will be able to choose from an array of services by simply downloading the Google Assistant App and following a one-time authentication process, along with this, the queries related to product features will be answered instantly or customers could ask for their loan statements, welcome letters, amortization schedules or final IT certifications and instantly the requested documents will be emailed to the concerned customers.

Source – *The Economic Times*

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### Uber Launches Grocery Delivery, Starting in Canada, Latin America

Uber unveiled plans Tuesday to launch grocery delivery through its recently acquired subsidiary Cornershop. The new service will roll out in cities in Canada and Latin America this week, and in the United States later this month.

The move highlights efforts by Uber to diversify further from its core ride-hailing operations which have been hit hard by the global pandemic. Uber said users in "select Latin American and Canadian cities" can order groceries through the Uber and Uber Eats apps.

Source – *NDTV*

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## This fintech startup's core lies in bringing 'Simpl'icity to payments using tech

In 2014, when Chaitra Chidanand returned to India from the US, she was dismayed to learn that she wasn't eligible for a credit card as she had never paid taxes in the country, and didn't have a permanent address either. To make matters worse, it took her eight weeks just to obtain a bank account and a debit card. On the other hand, her husband's friend Nityananda Sharma, who ran an advisory firm, also returned to Mumbai from New York at around the same time, and found that even his hedge fund experience couldn't help him tackle the Indian banking system.

It took him many application forms, a new fixed deposit, and multiple visits to the bank to get a platinum card. Realising how complicated financial systems and products are in India, the duo launched Simpl in 2016. An online payment instrument, Bengaluru-based Simpl works as an additional credit wallet that allows a consumer to buy now and pay at a convenient time later.

Source – Your Story

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## Future of Cash: Impact of Covid-19 on Payments

The intersection of global emergency and revolutionary changes in the ways of international payments and transactions has demanded a new path to maintain financial liquidity in the markets. Since the inception of the pandemic in December, businesses across the country have been facing volatile financial markets and growing concerns on the uncertainty of future cash flows and revenues. The entire world of small and middle-sized companies is on a constant struggle for survival due to the frozen demands and the contingent government declared lockdowns.

COVID -19 has resulted in a reduction of cash being used as a medium of exchange. The reason attributed is the inability to have a physical reach to execute such payments during the lockdown. The potential threat of money bills being a carrier of the virus made it further a discouraging choice. These have forced the individuals to switch to digital payments as urgency to acquire the essential goods. The cash processing agencies, such as banks, are operating in reduced hours or for important transactions only. Cashless payments could become a permanent fixture in the economic exchange ecosystem hereafter.

Source – Entrepreneur

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## Amazon India's unit gets \$308 mln in fresh funds from parent

Amazon.com Inc has invested 23.10 billion rupees (\$308.02 million) in Amazon Seller Services, an Indian unit, strengthening the business at a time when more people shop online in a bid to avoid crowded public places. Amazon Singapore made a significant portion of financing, data from business intelligence firm Tofler showed. The company's Indian arm in May said it would hire 50,000 temporary workers to meet a surge in online shopping in the country.

The company, which competes with Walmart Inc's Flipkart in India, has also been expanding its seller network in the country. Indian laws allow foreign e-commerce companies to operate as "market places," connecting buyers with sellers online. As India went into lockdown, Amazon encouraged small shops to join as sellers on its platform in a bid to boost local businesses and expand its reach.

Source – The Economic Times

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## Zoom clarifies on China links, plans more investment in India

Video conferencing app Zoom has denied its links to China, in a likely attempt to escape any potential ban in one of its largest markets.

"There has been some confusion about the facts as it relates to Zoom. Zoom has been clear about its identity: Zoom is a U.S. company, publicly traded on the NASDAQ, founded and headquartered in San Jose, California," Velchamy Sankarlingam, president of engineering and product at Zoom, wrote in a blog post. "Like many global technology companies, Zoom has offices in China operated by subsidiaries of the U.S. parent company."

Source – The Economic Times

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## Chai Waale secures Rs 1.75 crore as funding

Beverage brand Chai Waale has acquired Rs 1.75 crores as funding and said this funding would help with their goal of having around 45 fully operational outlets by March 2022.

The Chennai-based company founded in 2018 by Vidur Maheswari is looking to tap the unexplored organised tea market. With 14 outlets and 5 more on the way, the company is looking to create a stir in the Quick Service Restaurant (QSR) segment.

Source – The Economic Times

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