



NEWS HIGHLIGHTS

Federal Bank ties-up with Fiserv to launch first independent credit card

PhonePe sees 50 per cent growth in new users amid COVID-19

India's Digital Lending Fintech RevFin Partners with EVI Technologies to Offer Financing to E-Rickshaw Users

Today's View

Artificial Travel Intelligence

The tourism and hospitality industry is one of the key drivers of growth among the services sector in India. Those days are gone when travellers used to consult a travel agent, meet them personally and communicate over phone calls to enquire about travel arrangements. Artificial Travel Intelligence has made it simpler by offering various travel services that are customized, automated and insightful.

Mezi, California-based company, is an Artificial intelligence-powered personal travel assistant. This app allows users to find and book flights and hotels and make restaurant reservations wherever they want to travel. It uses deep learning and natural language processing systems where the user can converse by simply indicating about their requirements into a messaging-style interface or chatbot. Mezi then filters out the best options that meet user's needs.

AltexSoft, US-based online travel Agency has developed an AI-powered intelligent price forecasting of flight and hotel tariffs. It has developed a tool for Fareboom which advises price-sensitive customers about the optimal time to get the best flight deals. The algorithm forecasts future price changes based on historical data and machine learning models.

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Covid-19 pandemic may push digital pay up 37% to Rs 4,067 lakh crore by FY 2022

The Covid-19 pandemic is bringing about a transformation in the payment habits of Indian consumers similar to what was seen during the ban on high-value currency notes in 2016, according to a new report by RedSeer Consulting.

5x Growth

By 2025, Tier 2+ cities are going to drive...

- **80%** of the **900 million** internet user-base
- **75%** of the **600 million** active internet user-base
- **65%** of overall **400m** on-line shoppers (approximate nos)

Source: RedSeer Consulting

Source – The Economic Times

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13th August, 2020

On the other hand, **OutsiteVR**, India-based startup has developed the world's first VR experiential learning platform enabling tourists to virtually visit popular heritage sites, historical monuments and tourist destinations using a smartphone, desktop or VR headset with a feeling of being actually present on the site.

Similarly, **Lola.com**, booking site, uses 'Narrow AI' which enables on-demand travel services to provide customised flight and hotel recommendations. It has developed algorithms that instantly connects to the team of travel agents who find and book flights, hotels and cars, etc.

Aeromexico has launched AI-based chatbot "Aerobot" which engages passengers in conversation via Facebook Messenger. This chatbot is able to handle 80 percent of the queries, thereby reducing manual processing and increasing efficiency of responses.

As per **FICCI** Report, the Indian tourism sector is likely to grow at 6.7% per annum to reach INR 35 trillion by 2029. As per the report, tourism in Nature, Heritage & Cultural, Wildlife, Religious, Adventure, Medical & Wellness, meetings, exhibitions, weddings etc. have potential to drive a significant growth in the sector.

Today's News

Federal Bank ties-up with Fiserv to launch first independent credit card

Private lender, Federal Bank has tied-up with Fiserv to enable the digitization of the bank's end-to-end card issuance and processing cycle to support the launch of the Federal Bank credit card. The bank has also decided to outsource associated operational processes to Fiserv.

Federal Bank will utilise First Vision from Fiserve an end-to-end managed services solutions enabling card issuance and processing with global economies of scale. The BPO solution and integrated tech helps the bank reduce cost of ownership.

Source – *The Economic Times*

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India's Digital Lending Fintech RevFin Partners with EVI Technologies to Offer Financing to E-Rickshaw Users

RevFin, a digital lending Fintech startup, has teamed up with EVI Technologies in order to finance E-Rickshaw and E-Two wheelers in India. The funding will also go toward supporting swappable battery solutions offered by EVI Technologies. The initiative will mainly cover Indian states like Delhi-NCR, UP, Chhattisgarh, Haryana, according to an update shared with Crowdfund Insider.

As noted by RevFin: "[We are offering assistance to EVI's] e-rickshaw customers by providing a loan of Rs 2100/- (appr. \$28) at 0% to support them during the global (COVID-19) crisis. ... customers can repay the loan in up to 8 installments. Also, the company will allow EMI repayment moratorium up to 3 months to its customers who have [previously] taken [out] loans for e-rickshaw, amidst the lockdown."

Source – *Crowd Fund Insider*

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PhonePe sees 50 per cent growth in new users amid COVID-19

The rapid adoption of digital payment platforms especially for utilities, peer-to-peer transactions as well as e-commerce has led to a massive spike in digital payments. Walmart - owned fintech company PhonePe has seen its new user acquisitions swell by 50 per cent during the Covid-19 pandemic with a record 550 million transactions in June alone.

This figure is equivalent to the pre-lockdown levels in February, Karthik Raghupathy, VP Strategy & Business Development, PhonePe told *The New Indian Express* in an interaction. Transactions for July, he added, is estimated to be even higher than the pre-lockdown levels

Source – *The New Indian Express*

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Visa Selects Fintech Firm Payswiff as Winner of Visa Everywhere Initiative 2020 in India

Visa, the global leader in payments technology, today announced Payswiff as the grand winner of the first Visa Everywhere Initiative (VEI) challenge in India.

With participation from more than 260 fintechs and 400+ applications, a record number for any VEI program outside the US, the Initiative had challenges focused on digital issuance for driving access to payments and credit, increasing small merchants' acceptance and digitally transforming B2B payments.

Source – *Indian Web 2*

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The future of digital lending

Over the last decade, technology has revolutionised industries across the world including financial services. In India, in the last seven years, there has been a paradigm shift in customer behaviour from offline to online financial transactions along with the rise of fintech companies which have enabled this change.

Broadly speaking, lending can be broken up into five parts - customer onboarding, underwriting, disbursement, repayment and collection. The digitisation of the process has had mixed results globally, and what we have seen evolve today is a hybrid model, where a combination of technology and feet-on-street offers the most viable and scalable proposition.

Source – Live Mint

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Fintech startup Eduvanz raises \$5M in Series A led by Sequoia India

Eduvanz, a new-age digital finance NBFC that claims to provide affordable and convenient education loans, has raised \$5 million in Series A funding, led by Sequoia India. Existing investors Unitus have also participated in this round. The funds will be utilised by the Mumbai-based lender towards creating a seamless borrower experience with secure, scalable, innovative, and agile technologies to support the lending cycle. This includes new credit products, AI-based risk management, and easier collections to support borrowers through their lending journey.

The funds will also be used to expand to Tier-II and III cities in India with a larger team. "We are solving problems directly linked to nation-building as well as growth of the Indian industry. Over the next decade, our country will need skilled workforces trained in new technologies and new skills. By 2022, we need 700 million skilled workers. However, only 10 percent of the total workforce receives any formal skill training. By combining innovative student-centric loan solutions, robust risk-assessment with cutting edge digital lending technology, Eduvanz is enabling higher enrollment for learners across colleges, universities, certification partners, institutes, and schools," said Varun Chopra, CEO, Eduvanz.

Source – Your Story

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Paytm Money plans to start retail stock broking in 6-8 weeks: CEO Varun Sridhar

Paytm Money is planning a full-scale launch of its retail stock broking service in six to eight weeks, newly appointed CEO Varun Sridhar told ET in an interview, marking the transition of the company into a retail broking platform. The wealth management subsidiary of Noida-based One97 Communications Ltd is currently operating in an "early-access" beta mode, with the full set of features available only to about 80,000 Android-based existing users on its platform.

Paytm Money, which till now only allowed users to invest in Mutual Funds, is targeting 250,000 new active users over the next year hoping to hit daily volumes of about 600,000 trades a day, said Sridhar. "We are planning to democratise the money management space for 300 million Indians," said Sridhar, who recently replaced Pravin Jadhav who resigned as CEO earlier this year.

Source – The Economic Times

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Why embedded finance is the next evolution in fintech

Apple card. Shopify merchant accounts. Amazon loans. Increasingly, non-banking players are branching out into banking services to improve user experiences and tap into new revenue lines. Such native integrations of financial services into non-banking verticals, e.g. accounting SaaS or marketplaces, are called embedded banking.

We expect the embedded banking trend is here to stay: New technologies, distribution and business models as well as evolving customer expectations have created the foundation for a fundamental rethinking of how and where the key functions of finance are delivered.

Source – Fin Extra

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PM Modi launches 'Transparent Taxation' portal, a new faceless tax system

Prime Minister Narendra Modi launched faceless assessment, faceless appeal and taxpayers' charter, as key features of Transparent Taxation on Thursday, as the government took to honouring honest taxpayers of the country.

Faceless assessment and taxpayers' charter will begin from August 13, while faceless appeal will begin from September 25 for all Indian citizens.

Source – The Economic Times

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