



### NEWS HIGHLIGHTS

Time for a paradigm shift in execution of financial interventions for MSMEs

NBFCs approach RBI for inclusion as beneficiaries to on-tap TLTRO

November 5 cutoff for banks to credit compound interest collected

Crypto platform makes banking entry in India with co-op credit society tie-up

### Today's View

#### Making farming smarter

Modern agriculture is facing many problems that are not resolved by traditional farming methods. The agriculture industry is being revolutionized by new age technology. Farmers have started adopting automation and robotics to resolve these issues. With the implementation of new technologies in the agricultural industry, it has been possible to make agriculture more efficient, sustainable, productive and profitable.

Soil is the most essential ingredient for farming. There is a worldwide problem with soil health. **Biome Makers** is a global agritech company with the most advanced technology for modelling soil functionality to enhance the productivity of arable soils. Their proprietary technology combines DNA Sequencing, Bioinformatics and intelligent computing to enable functional interpretation of micro biome communities to recover soil health worldwide. They are actively working with public institutions, like USDA and European Union to improve farming worldwide with their technology.

Another start up, **Earth Sense**, is developing agricultural intelligence by creating dramatic new possibilities for crop breeders, crop scientists and field agronomists. **Earth sense** has built a robot, TerraSentia, that is better equipped and suited to measure under canopy data in comparison to aerial data collection. Using machine vision and machine learning based analytics

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#### Jack Ma-led Ant set to raise nearly \$35bn in biggest IPO

Jack Ma's Ant Group is set to raise about \$34.5 billion through initial public offerings (IPOs) in Shanghai and Hong Kong.



Source – Economic Time  
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Date – 27<sup>th</sup> Oct 2020

seamlessly, they convert field data to specific actionable information about plant-traits. TerraSentia uses a combination of sensors—including visual cameras, LIDAR, GPS and other on-board sensors—to autonomously collect data on traits for plant health, physiology and stress response. TerraSentia's unique dataset delivers high-value under-canopy plant traits including stand-count, stem width, plant height, LAI, etc.

Consumers want to know where their food comes from. **Kakaxi**, a solar powered farm monitoring device, is the ultimate tool for farm-to-table transparency. **Kakaxi** uses sensor technology to capture and broadcast accurate, hyper-local weather data. It also creates a time-lapse video of food growth showcasing the story of food. **Kakaxi** uses block chain technology to help brands provide the ultimate surety of what they consume.

Insects and pests damage crops causing immense financial losses. **Trapview** has created an automated pest monitoring system that monitors all kinds of insects, which can be lured into insect traps. It works in any area covered by the GPRS or 3G network. TRAPVIEW system consists of fully integrated, automated and easy to use tools.

Agritech players are heavily invested in new age technology to solve age old farming problems. These solutions are providing a much needed boost to global food security.

## Today's News

### Time for a paradigm shift in execution of financial interventions for MSMEs

MSMEs are and would continue to be the core engines of economic growth and employment in India. There are about 6 crore MSME units. These employ around 11 Crore people which constitutes ~20% of India's workforce. MSMEs have been under significant stress due to the business disruption caused by the Covid-19 pandemic.

A quick dipstick study in conversations with MSME associations and select MSMEs revealed that nearly 80% of MSMEs had stopped operations during the COVID lockdown. Post lifting of lockdown, nearly 90% of MSMEs are now operational. However, most are operating at very low capacity levels driven by low demand pickup, unavailability of employees, and other financial troubles.

Source – Economic times

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### NBFCs approach RBI for inclusion as beneficiaries to on-tap TLTRO

Non-banking financial companies (NBFCs) have written to the Reserve Bank of India (RBI) to include them as beneficiaries for availing funds under on tap targeted long-term repo operations (TLTRO) scheme. To ensure comfortable liquidity conditions in the system, the RBI on October 9 announced to conduct on tap TLTRO worth Rs 1 lakh crore.

## Investors now can't seem to get enough of fresh food startups

There's been a spike in sales and investor interest for businesses in the fresh food space such as FreshToHome, Country Delight, Gourmet Garden, and Licious, which focus on superior quality produce at source and customise their supply chain operations.

What's luring investors is the intellectual property these companies have created in their sourcing and production methods, supply prediction algorithms and high repeats of the top 1% customers, leading to both social impact and better business economics.

Source – Economic Times

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### Paytm Money launches ETFs, starting ₹16 in equity, ₹44 in gold

Paytm Money, the wholly owned subsidiary of India's largest digital financial services platform Paytm has launched Exchange-Traded Funds (ETFs) on its platform, post-approval from the Securities and Exchange Board of India (SEBI).

"With this inclusion, the company becomes a comprehensive platform wherein investors from across all financial and knowledge backgrounds can conveniently access ETFs and start investment journey to accumulate wealth for their various financial goals," says Paytm

Source – Live Mint

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The central bank had said the liquidity availed by banks under the scheme has to be deployed in corporate bonds, commercial papers and non-convertible debentures issued by the entities in specific sectors. Banks can also use the funds to extend credit to these specific sectors.

Source – *Economic Time*

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## November 5 cutoff for banks to credit compound interest collected

The Centre on Monday informed the Supreme Court that by November 5 lending institutions must credit into the accounts of borrowers who had availed loans up to Rs 2 crore the compound interest collected during the six-month loan repayment moratorium period and then claim reimbursement from the Union government.

“The central government has directed that all lending institutions shall give effect to the scheme and credit the (compound interest) amount calculated as per the scheme in the respective accounts of borrowers by November 5,” the finance ministry said in an affidavit.

Source – *The Economic times*

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## RuPay card users can avail up to 65 per cent discount on various purchases : NPCI

The National Payments Corporation of India (NPCI) on Monday unveiled discounts up to 65 per cent on purchase of various branded items using RuPay card. The 'RuPay Festive Carnival' will provide compelling benefits and attractive discounts to RuPay users, aimed at encouraging safe, contactless and cashless payments, NPCI said in a release.

RuPay cardholders can revel in celebrations by availing attractive offers from not only categories such as health, fitness, education, e-commerce - which are most relevant and significant amid current scenarios - but also from dining and food delivery, shopping, entertainment, wellness, pharmacy and others.

Source – *The Economic times*

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## Banks need to manage reputational & loan risk to survive 2021

The COVID-19 pandemic and the economic impact has unveiled the deficiencies of many banks and the fallout is likely to continue into 2021.

A recent report by Forrester predicts that bank executives will have to spend the next 18 months 'racing to shore up their digital and analytical capabilities and getting to know their much-changed customers again, while trying to identify and act on new opportunities and innovation efforts'.

Source – *The Economic Times*

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## Crypto platform makes banking entry in India with co-op credit society tie-up

Cashaa, a London-based online crypto currency platform, has tied up with the United Multistate Credit Cooperative Society to provide savings accounts and loans to its customers and crypto investors in India. The society has 56,000 customers and branches in Rajasthan, Delhi and Gujarat.

The joint venture called Unicas will offer interest on crypto deposits and the society will also give out loans against cryptocurrency.

Cashaa provides clearing services and offshore bank accounts to cryptocurrency exchanges in India. "For rupee loans against crypto, since the cryptocurrency has to be deposited in our wallet as collateral, the approval is instantaneous. The deposit acts as lien in case of default.

Source – *Live Mint*

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## Premji, Mirae eye Chinese firms' stake in fintech lender Finnov

The e-lender owns platforms like KrazyBee and KreditBee.

The deal includes the firms infusing \$30-40 million at a valuation of close to \$200 million, said two sources briefed on the development.

Source – *The Economic Times*

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This News Letter has been prepared with the assistance of Prithwijit Ghosh

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