

NEWS HIGHLIGHTS

Bus aggregator redBus forays into intra-city transportation with carpooling service

Uber begins talks with Govt to push for flying taxis

Zomato successfully tests its first drone food delivery

AI startup Yellow Messenger raises \$4M from Lightspeed Venture Partners, angels

Today's View

Fintech's helping hand in Trade Finance

Trade is the lifeline of the modern economy. However, Banks often face multiple hurdles to trade finance funding in the form of liquidity, compliance, regulatory restrictions, capital requirements, risk aversion to name a few. This leads to inadequate funding to eligible firms, both big and small. **Asian Development Bank** estimates a USD 1.5 trillion funding gap in the sector hurting global economy, competitiveness and other macro-economic factors.

Fintechs are addressing some of these problems by lending a helping hand to firms. London based **Levantor** provides simple and flexible financing for sellers and buyers worldwide. Levantor helps ease credit terms between the seller and the buyer, by providing extended payment terms.

Trade finance is document-heavy domain and checking compliant documents consumes considerable amount of time. **Traydstream** claims to cut document checking time to 45 seconds with its advanced algorithm. They have utilized advanced Optical Character Recognition and Machine Learning to bring efficiency and cost effectiveness.

ING Bank has partnered with Dutch fintech firm **Conpend** to develop a tool called **Trafinas** using progressive machine learning to automate manual checking of trade finance documents.

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POs players raise their game as biggies enter cards space

The entry of Reliance Jio, Paytm and other new-age digital payment companies into the traditional card payments business has set alarm bells ringing in the sector, and incumbents are building moats to protect their turf from disruption.

Tough Swipe

- ₹10,000-20,000 Cost of Smart POS devices
- ₹70,000 Cost of traditional terminals
- Retail business can't be easily brought within the ambit of digital payments
- Industry executives feel a diverse market like India will need multiple players, even as they accept that the threat from disruptions is real
- Players like Ezeap and Mowipe know it best since they have been targeting smaller merchants, kirana stores, roadside stores and others with their mobile POS terminals for years

Source – The Economic Times

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Date – 13th Jun 19

Similarly, **Tradeteq** partners with banks to provide them with a platform to connect, interact and transact with Non-Bank Financial Institutions. **Tradeteq** transforms trade finance into an investable asset for traditional credit investors such as pension funds and insurance companies. This creates greater capacity within banks, subsequently generating more financing for SMEs.

Global trade is an engine of economic growth alleviating people out of poverty and enhancing comparative advantages. Trade contributes some 3% of global GDP, and the trade financing gap is being removed by the introduction of new innovative technologies enabling better risk based decision making, reducing redundancies and increasing cost effectiveness through timely delivery of services.

Today's News

Bus aggregator redBus forays into intra-city transportation with carpooling service

MakeMyTrip-owned bus aggregator redBus has marked its entry into the intra-city transportation segment with 'rPool' a carpooling service for working professionals. The services will be piloted in Bengaluru, Hyderabad and Pune over the next 3-6 months before being launched in other Indian cities.

rPool will verify users through their corporate email ids and will allow drivers to offer just two rides a day. redBus said that the service is aimed at enabling pooling among professionals, and not making it an avenue for drivers to earn income by acting as a taxi service provider. "Seeing the traction for the service, we will decide on how to take it forward in other cities and also decide on the commission that redBus will charge," said Prakash Sangam, CEO of RedBus.

Source – *The Economic Times*

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Zomato successfully tests its first drone food delivery

Gurugram-based food delivery and restaurant discovery platform Zomato has successfully tested its first attempt at food delivery using a drone. The test was conducted using a hybrid drone which had a fusion of rotary wing and fixed wings on a single drone. The test drone, Zomato claims, was successfully and seamlessly able to cover a distance of 5 kms in about 10 minutes, with a peak speed of 80 kmph, carrying a payload of 5 kgs.

Deepinder Goyal, founder and CEO, Zomato, said, "The only possible way to reduce the average 30.5 minutes to 15 minutes is to take the aerial route – roads are not efficient for very fast delivery. We have been working towards building sustainable and safe delivery technology and with our first successful test, food delivery by drones is no longer just a pipe dream. While regulatory hurdles are not trivial, and the government's concerns need to be looked at from various (valid) points of view, the tech is ready to fly and I am confident that drone delivery will be commonplace sooner rather than later."

Source – *The Economic Times*

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This News Letter has been prepared with the assistance of G Balakrishna and Prithwiji Ghosh

Uber begins talks with Govt to push for flying taxis

Ride-hailing firm Uber has begun talks with the government to usher in a regulatory framework for flying taxis in the country, a top company executive said. Over the last one year, the San Francisco-based company has held conversations with regulators in India and met with PM Narendra Modi, said Nikhil Goel, head of product, and aviation at Uber.

Uber Elevate is an umbrella term for the company's initiatives to launch Uber Air, which include its aerial electric ride-hailing service and other ancillary air transport, for instance, food delivery. Goel said Uber had also held discussions with former aviation minister Jayant Sinha to build aerial mobility infrastructure and framework, which have been positively received.

Source – *The Economic Times*

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Messaging service Telegram stabilizes after cyber-attack

Messaging service provider Telegram said, it has stabilized its systems after a "powerful" distributed denial-of-service (DDoS) attack. Telegram, which has more than 200 million users, had said earlier users in the US and other countries may experience connection issues.

"For the moment, things seem to have stabilized", the company said in another tweet nearly an hour after it acknowledged the attack. Outage tracking website Downdetector.com showed that users in the US and Brazil were the most affected.

Source – *BusinessLine*

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AI startup Yellow Messenger raises \$4M from Lightspeed Venture Partners, angels

Artificial intelligence (AI) start-up Yellow Messenger has raised Series-A funding of \$4 million (Rs 27 crores) from Lightspeed Venture Partners and other prominent angel investors, including Phanindra Sama (Founder of Redbus), and Kunal Bahl and Rohit Bansal (co-founders of Snapdeal). The Bengaluru-based start-up plans to use the funds to deepen its tech capabilities, expand its teams and presence in markets across Asia, the Middle East and other emerging markets.

“We are excited about partnering with Lightspeed and our eminent angel investors to invest deeply in R&D and expand our global presence to build the most impactful enterprise technology company for the AI era. We’re excited about how enterprises are boosting efficiencies by a significant order of magnitude using our cognitive automation platform,” said Raghu Ravinutala, CEO of Yellow Messenger.

Source – *The Economic Times*

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Edureka, NIT Rourkela partner to build future workforce in big data

Edureka, an E-Learning platform, announced a partnership with NIT Rourkela, an Institute of National Importance, to bridge the divide between Big Data roles and industry talent. Stemming from the growing need of the IT industry for qualified engineers who can harness the potential of Big Data, Edureka and NIT Rourkela have introduced a Post Graduate Program in Big Data Engineering.

The comprehensive curriculum will nurture learners into Big Data Engineering experts through rigorous training, exposure to practical projects, placement assistance, and an opportunity to network with industry veterans. The interest to build a career in Big Data cuts across IT professionals from metros as well as tier 2 Indian cities, non-resident Indians and foreign nationals. Therefore, the program has been uniquely designed to cater to learners from both Indian and global markets.

Source – *The Economic Times*

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Online wholesale marketplace Jumbotail raises Rs 90 crore in new funding

Jumbotail, an online wholesale marketplace for food and grocery products, has raised Rs 90 crore in a series B funding round led by Heron Rock to fuel its expansion plans. The funding saw participation from Capria Fund, BNK Ventures, William Jarvis and existing investors Nexus Venture Partners and Kalaari Capital. Bengaluru-based Jumbotail offers services including mobile-based ordering application for kirana stores, an integrated supply chain network, and last-mile storefront delivery service. The start-up also offers integration with point of sales (PoS) terminals, helping retailers in the unorganised sector to run their business through technology.

Source – *The Economic Times*

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Rapido Bikes in final stages of closing \$50M round led by WestBridge Capital

Rapido Bikes is in the final stages of closing a \$50 million funding round, led by private equity firm WestBridge Capital, showcasing the growing investor interest in the Indian tech-focused mobility sector. WestBridge Capital, which manages \$2 billion in assets, is likely to invest \$30 million in the Bengaluru-based bike taxi services provider, with its existing cohort investors also participating.

The three-year-old company counts the likes of early-stage, mobility-focused investment firm AdvantEdge, Astarc Ventures, Hong Kong-based Integrated Capital and global investment manager Skywatcher Fund, among its list of institutional backers, along with a clutch of well-known angel investors.

Source – *The Economic Times*

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CPPIB set to invest \$150 million in Delhivery

Canada Pension Plan Investment Board (CPPIB) is in the process of making a \$150-million secondary market investment in new-age logistics company Delhivery, underscoring the rising interest of investors in a clutch of growth-stage tech firms.

CPPIB, one of the world’s largest retirement funds, is buying the shares from homegrown private equity firm Multiples Alternate Asset Management, said two people familiar with the deal’s details.

Source – *The Economic Times*

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