

NEWS HIGHLIGHTS

Budget 2020: Fintech startups call for tax relief, GST reduction, clarity on 'zero MDR'

Startups that burn investor money, disappear won't get second chance: Ratan Tata

T-Hub picks 45 start-ups for third incubation programme

India's food tech sector to touch \$8 billion by 2022

Today's View

Cinema Tech

The film world is very intriguing. Watching a movie next time might force us to think what kind of modern technology has influenced the story, the cast, the music and the visual effects all the way to production. Modern technology is embedded in most of the aspects of filmmaking and affecting viewers' choices too.

Big players like Netflix and Amazon are using big data and artificial intelligence (AI) to create perfectly tailored entertainment for its subscribers. 20th Century Fox paired up with IBM Watson and used AI to create the movie trailer for sci-fi horror film '**Morgan**'.

Algorithm's might recommend a blockbuster that was written by AI, performed by robots and animated and rendered by a deep learning algorithm. An AI algorithm may have even read the script and suggested the studio to buy the rights.

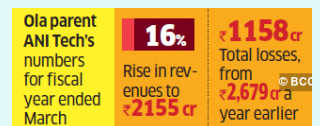
Los Angeles-based startup **Cinelytic** is promising that AI will be a wise producer. It showcases historical data about movie performances over the years, then cross-references it with information about films' themes and key talent using **machine learning** to discover hidden patterns in the data. Its software allows users to gamify process of casting and to swap one actor for another to see how this affects a film's projected box office collections.

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Better incentives spike Ola driver logins by 10%

Drivers on ride-hailing platform Ola have spiked 7-10% in seven metro cities, after the homegrown aggregator rolled out revised standardised commissions to keep drivers active during peak hours, two people directly in the know of the matter told ET.



Source – The Economic Times

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29th January 2020

Belgium start up **ScriptBook**, founded in 2015, claims its algorithms can predict a movie's success just by analysing its script. As an artificial intelligence company, **ScriptBook** assists film studios and financiers with their decisions by providing an algorithmic assessment of a film script's potential prior to financing, producing and releasing a film.

Israeli startup **Vault** promises clients that it can predict which demographics will watch their films by tracking how its trailers are received online. **Vault** Analysis provides forecast for the success of content in various sub-groups and states at which groups the content should be targeted.

Another company called **Pilot** offers similar analysis promising it can forecast box office revenues up to 18 months before a film's launch.

Getting some help from modern technology could help decision makers with hard data before they recommend one film over another. The data-driven approach to the movie eco system is bringing in efficiency and curated content for demanding customers.

Today's News

Budget 2020: Fintech startups call for tax relief, GST reduction, clarity on 'zero MDR'

The run-up to the Union Budget 2020 has been dominated by talk of India's declining GDP growth, now touching a six-year low, and the government's promises of a \$5-trillion economy even as most industrial sectors show signs of a slowdown. Financial experts, fintech founders, and tax analysts YourStory spoke to collectively agree that reviving investments and consumption demand will provide a much-needed boost to the economy. "These would be key to restore the confidence of both the common man and the market entities," the founder of a wealth management startup told us. The industry expects the government to revise tax slabs to ease the financial pressure on middle-income groups, which, in turn, will lead to increased spending. Instant loan and credit providers stand to gain if that happens.

Source – Your Story

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India's food tech sector to touch \$8 billion by 2022

Consumer appetite for food ordering is set to rise with India's online food ordering market expected to grow at a compound annual growth rate of 25-30% to touch \$7.5- \$8 billion by 2022, up from \$4 billion, according to a report by Google and Boston Consulting Group (BCG). Increased reach of internet in India's smallest cities will help consumers discover new platforms, even as online food companies expand their reach to more cities and rope in more restaurants, prompting users of apps to spend more time and money on them. "Overall online spending in India is rising rapidly and expected to grow at 25% over the next five years to reach over \$130 billion," said Rachit Mathur.

Source – Live Mint

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This News Letter has been prepared with the assistance of Prithwjit Ghosh and Preeti Patil

Startups that burn investor money, disappear won't get second chance: Ratan Tata

Industrialist Ratan Tata on Tuesday warned that startups which burn investors' money and disappear will not get a second or a third chance. Tata, who also invests in startups, also said old-age businesses will recede and the young founders of innovative companies are the future leaders of the Indian industry. The comments from Tata come at a time when many startups have been blamed for what is termed as "cash burn", wherein the optimism of making money in the future makes venture funds to invest in such companies, and the companies keep incurring losses. At its peak, e-commerce major Flipkart was reportedly burning USD 150 million a month. "We will have startups which will attract attention, collect money and disappear.

Source – Deccan Herald

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T-Hub picks 45 start-ups for third incubation programme

T-Hub, a start-up incubator, has selected 45 start-ups for its third edition of the incubation programme Lab32. The programme targets early-stage tech product start-ups. The start-ups broadly cover verticals such health-tech, fintech, cyber security, consumer-tech, real estate and construction. Start-ups from Delhi, Mumbai, Bengaluru, Hyderabad and Thiruvananthapuram have been selected for the programme. They would join the programme virtually.

Source – The Hindu Business Line

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Zetwerk raises Rs 16 crore from InnoVen Capital

Zetwerk, a platform for customised products for industrial use, has raised Rs. 16 crore from InnoVen Capital, months after Lightspeed Venture Partners and Greenoaks Capital led a Rs. 225 crore investment round in the firm. Zetwerk, founded in 2018, is an on-demand manufacturing platform for original equipment manufacturers (OEMs) and engineering procurement construction (EPC) companies. Zetwerk works with mid-to-large OEMs from India and Southeast Asia, which require procurement of custom products and machine parts. "We are focused on deepening our capabilities and widening our supplier base, as we build a world class platform for manufacturing services," said Amrit Acharya, co-founder and CEO, Zetwerk. On the supply side, it works with the likes of Bharat Wires, RN Fabricators and GM Engineers, across multiple categories. The company currently has 1,500 SMEs and 100 enterprises across the platform. "This is a large addressable market, with tremendous potential to organize the space and provide more efficient solutions to OEMs & EPCs for custom engineering jobs," said Ashish Sharma, CEO of InnoVen Capital India.

Source – *The Economic Times*

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Cracking the whip: E-comm policy to deal with online counterfeits

The upcoming e-commerce policy will make it tougher for sellers to peddle fakes online. The policy, likely to be out in March, will detail a plan of action for consumers and companies to deal with counterfeit products sold online. The Department for Promotion of Industry and Internal Trade (DPIIT) is looking at various ways through which fakes sold on e-marketplaces can be curbed. Officials said the department will study the recent steps proposed by the US to curb counterfeit imports through third-party sales on online retailers. "The e-commerce policy will certainly deal with counterfeits," said an official in the know of the details. The official added that the department would examine the American policy which proposes higher oversight of US warehouses and ramped up fines and penalties for violations. The new US strategy is to shift the liability for counterfeit goods from third parties to e-commerce platforms.

Source – *The Economic Times*

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Bahrain Fintech Bay announces new CEO

Bahrain Fintech Bay (BFB) on Tuesday announced changes to its leadership team, with Khalid Dannish being promoted to the role of CEO, effective from February 1. The appointment follows the departure of founding CEO Khalid Saad who will be leaving to pursue his own Fintech ventures that aim to further support the ecosystem, a statement said. Since its launch in February 2018, Bahrain Fintech Bay has brought together over 100 partners and is home to 42 Fintech residents and established a national Fintech talent program, as well as its first acceleration program. Dannish said: "I have had the privilege to be a part of Bahrain Fintech Bay from our launch, and I am delighted to be given the opportunity to lead the next phase of growth and strengthen our value proposition to our partners, fintechs and the region."

Source – *Arabian Business*

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Digital lenders seek measures to ease the liquidity situation in the budget

Fintech companies operating in the digital lending space are expecting measures in the Budget that they say will improve cash flow for small and medium enterprises (SMEs). Steps to improve the liquidity position of digital lenders, which have seen a rise in cost of capital in the past year, will also activate the credit demand in the digital lending space, industry officials said. "Facilitating debt flow to SMEs via digital lending non-banking financial companies (NBFCs) will help unlock capital for borrowers at the grassroots level," said Gaurav Hinduja, co-founder and managing director (MD) at Capital Float.

Source – *Business Standard*

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ZestMoney CEO shares tips to beat fintech blues: Practise regulation, use capital judiciously

From digital payments at the local kirana stores to instant credit loans, the fintech industry has come a long way in the past decade. But with that immense growth comes unique challenges like data protection, customer verification (especially in Tier 2, Tier 3), ongoing regulation etc. During a fintech panel at TiEcon today, ZestMoney CEO Lizzie Chapman outlined three levers that could either harm or supercharge the Indian consumer finance ecosystem, if approached wisely. "What can be a lever can (also) be a threat. An obvious one that dominated a lot of conversation recently is regulation," said Chapman.

Source – *The Hindu Business Line*

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