



## NEWS HIGHLIGHTS

After RBI, SEBI & IRDAI launch initiatives to boost start-ups

Debit card PoS swipes rise 27% as per RBI data

Amazon rolls out domestic flight services in India

UPI may win the race against card payments, net banking

## Today's View

### Mining, with AI

India has abundant reserves of iron, manganese, bauxite, chromite, coal and other minerals. According to census statistics, mining industry contributes around 10 to 11 percent of the industrial sector's GDP, which is close to \$106 billion. While the mining industry is hugely profitable, it also faces issues around power, infrastructure, health, safety, approach and allotment of capital, commodity prices, and environmental consequences, among others.

A single drill hole can create 200 megabytes of data, which means an exploration project can produce terabytes of data. All of these data points are extremely important but to sort through them is too much for even an entire team of capable geologists. Using Machine Learning (ML), it is possible to spot the areas showing similar patterns to past discoveries.

**RockMass Technologies**, for example, has deployed the latest generation of sensors to capture real time data to identify potential failure planes on rock surfaces, using handheld hardware to analyse rock surfaces and providing the data to the user within minutes. This is done with software that analyses data 18 times faster than current manual methods, the result is a consistent and radically efficient method for making accurate and quick assessment of potential risks

**Goldspot Discoveries**, a Canada-based company has successfully applied Artificial Intelligence (AI) in mineral exploration. They were able to anticipate

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### BharatPe lines up loans for merchants

Digital payments startup BharatPe has started extending small value, short duration loans to merchants by partnering with a few NBFCs. It is also planning to apply for its own lending license to lend to merchants who are accepting payments through BharatPe QR codes, showing consistent transactions on the platform for the last three months.



**On Offer**  
BharatPe offers loans in the range of ₹10,000 to ₹1 lakh  
Firm charges a rate of 1.67% per month | Startup has partnered with Apollo Finvest

Source – The Economic Times

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Date – 21<sup>st</sup> May 19

86 percent of current gold deposits in the Canadian Abitibi gold belt by using only 4 percent of the geological, mineral and topological data of the surface area.

While **Motion Metrics** is using fragmentation analysis, an AI-based prototype for accurate measuring of rock fragmentation within the shovel bucket. In this process, data which is collected can give valuable feedback to blasting engineers and increase productivity through payload monitoring and optimizing teeth change outs by checking teeth wear.

Similarly, **TOMRA**, a Norwegian multinational corporation has developed mineral and ore sorting equipment which uses sensors to separate important mineral ores from waste rock. This helps to make operations more energy and cost-effective.

On the other hand, a data science company called **PETRA** developed an AI algorithm which automatically fragments the assigned ore within a minute, which takes more than an hour when done manually.

It is clear that automation and use of AI and ML can significantly help save costs, increase efficiency and have tons of other benefits for companies. What's holding us back is large amount of quality data. However, with multitude of companies working on scaling the use of AI in mining, it is a matter of time we can start seeing more and better usage of AI in the mining industry.

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## Today's News

### After RBI, SEBI & IRDAI launch initiatives to boost start-ups

Financial sector regulators are all taking initiatives to encourage start-ups in their segments by making data and systems available to them. The RBI had last month announced a regulatory sandbox where start-ups could test out new financial products in real time with limited regulations. On Monday, insurance regulator IRDAI and markets regulator SEBI also announced similar initiatives. IRDAI said that with the regulatory sandbox approach, Fintechs "will have a safe and conducive space to experiment and where the consequences of failure can be contained."

Source – *The Economic Times*

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### From testing to deploying: Financial firms are relying on AI

The financial services sector is investing huge sums into artificial intelligence, with banks expected to spend \$5.6 billion on AI in 2019 – second only to the retail sector. Until now, the vast majority of AI projects have remained experiments only, and in many cases, those projects led to tech deployments without clear business use. Today, most AI projects are aimed at enhancing customer service efficiency and security by introducing Chabot technology, or by deploying machine-based learning to uncover trends across business lines in customer behaviour and what they need.

Source – *The Economic times*

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This News Letter has been prepared with the assistance of G Balakrishna and Manish Kulkarni

### Debit card PoS swipes rise 27% as per RBI data

Indians are increasingly using their debit cards to pay merchants directly. As per data from the Reserve Bank of India, debit card swipes on Point of Sales (PoS) terminals jumped more than 27% in March 2019 compared to corresponding period last year. In contrast, ATM withdrawals grew at a slower pace of 15%.

In absolute terms, debit card swipes for March stood at 407 million almost half of ATM withdrawals at 891 million. At a lower base, debit card payments for merchant transactions have gone up more than 250% between March 2019 and 2016.

Source – *The Economic Times*

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### Amazon rolls out domestic flight services in India

Amazon will allow users to book domestic flights through its app and the website, the e-commerce giant announced on Saturday. No additional charges will be levied in case customers cancel the ticket. They would only have to pay the airline cancellation penalty.

To make this possible, Amazon partnered with Cleartrip. "We are excited to partner with Cleartrip and share their passion of creating best in class travel experiences," Shariq Plasticwala, Director, Amazon Pay, said. "We're delighted to add domestic flight bookings enabling customers to do more with their Amazon app and for prime members to get more value from their membership," he added.

Source – *The Economic Times*

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## Slow but steady, UPI may win the race against card payments, net banking

The value of transactions on the Unified Payments Interface (UPI) platform recorded this January — Rs 1.09 lakh crore — overtook those made by debit and credit cards at Rs 1.05 lakh crore. But ticket sizes of UPI-based payments, especially person-to-merchant (P2M) transactions, remain relatively small. Spends on cards or even net banking transfers are usually twice as large as those on UPI.

An analysis by Razorpay of all kinds of transactions on its gateway shows consumers tend to opt for Net Banking over UPI and wallets for larger payments. Razorpay CEO and co-founder Harshil Mathur wrote in a recent blog post that UPI and wallets take a back seat as consumers use these methods mainly to transact smaller amounts of money of Rs 500 to 1,000. While UPI transactions are on the rise, consumers are increasingly using net banking to make transactions of a larger value, and therefore, the average transaction value (ATV) for UPI transfers was small.

Source – Financial Express

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## IKEA's largest franchise partner, Ingka Group, invests in Livspace

IKEA's largest franchise partner, Ingka Group, has made a minority investment in home design and renovation start-up, Livspace, marking this the Swedish home furnishing company's first financial investment in India. The \$10-15 million investment comes after IKEA opened its first Indian store in Hyderabad last year. It gives Livspace an opportunity to expand its product offerings to address a larger set of customers in India and Southeast Asia.

In September 2018, Livspace had raised \$70 million led by TPG Growth and Goldman Sachs. Bengaluru-based Livspace will deploy this cash in developing new home interior solutions and products, market expansion as well as growing its offline footprint.

Source – The Economic Times

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## Vishal Sikka's Vian Systems raises \$50 million in funding

Artificial intelligence start-up Vian Systems, set up by former Infosys CEO Vishal Sikka after his acrimonious exit from Infosys, has raised \$50 million in funding, documents filed with the US Securities and Exchange Commission show. Sikka was working on an AI start-up after he left the Bengaluru-headquartered company in 2017, following a battle over corporate governance with founder NR Narayana Murthy.

Vian Systems was incorporated earlier this year and Vishal Sikka was listed as an executive officer and director in the filing the company made with the SEC in March. According to the filing, the company offered \$50 million in equity for sale and the sale has been completed. This “includes contribution of certain intellectual property assets,” the company said in a clarification to the equity offering quantum. Two investors have already invested in the offering, the filing said.

Source – The Economic Times

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## Tiger Global in talks to back Kunal Shah's Cred

New York-based Tiger Global Management is in advanced discussions to back Cred, a Fintech company started by serial entrepreneur Kunal Shah, which is raising up to \$100 million at a \$400 million valuation, said three sources familiar with the matter.

The deal will be one of the rare consumer-facing bets by Tiger Global, which has been actively scouting for deals in business to business (B2B) startups and software companies. The firm, which was an early backer of Flipkart and Ola, is likely to invest \$15-20 million in the round but the amount is not yet finalized.

Source – The Economic Times

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## Booking.com leverages AI, ML to personalize, build connected tours

Amsterdam-based Booking.com is betting big on digital technologies such as artificial intelligence (AI), machine learning (ML) and natural language processing (NLP) to make travel more exciting and personalized for its customers.

A digital travel platform, Booking.com connects travelers with places to stay. Users can book on the website or mobile app that has more than 28 million total listings and covers more than 1, 47,000 destinations in 228 countries. More than 1.5 million rooms are reserved on the platform every day.

Source – Mint

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