



NEWS HIGHLIGHTS

Paytm partners with Clix Capital to offer digital loans

Microsoft to invest \$1B in OpenAI

Pine Labs opens in store payments platform to developers

PSBLoansin59Minutes to extend in-principle loan approvals up to Rs 5 crore

Today's View

Innovative Travelling

The travel and tourism industry is witnessing immense changes. The journey undertaken by a traveller from booking a ticket to complete the travel has seen innovative start-ups make 'experience-altering' innovations.

Travel and tourism is a cornerstone of global economy, accounting for ~ 10% of global GDP with a contribution of ~ USD 8 Trillion, as per **WTC** report.

Travelling across time zones can be hectic and taxing on the body due to the jet lag. However, **Timeshifter** app promises to cure just that. Created by two Danish entrepreneurs, it is developed especially for frequent travellers. The app advises to take certain easy actions to adjust the body clock across different time zones. It also comes with separate settings for business travellers, athletes and casual vacationers catering to each with customized solutions.

Travellers' first thought upon landing is to look for the duty free shops. Start-up **AirBuy** is streamlining the process. **AirBuy** caters to airlines, online travel agents, and airports, providing a solution that optimizes duty-free purchases and revenues. Using the passenger's data and connecting data between the travel agent, airline, and airport to create a personalized shopping experience based on the traveller's itinerary and profile. Travellers then receive curated product recommendations at home/hotel or in-flight, conveniently pre-order

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Cloudtail, Appario push brands for higher margins

Cloudtail and Appario, the two largest sellers on Amazon.in, are renegotiating deals and asking for higher margins from brands and distributors as they chase profitability post equity dilution by Amazon, people familiar with the matter said.

Margin Battle

Amazon's largest sellers | Cloudtail | Appario

What they want?

18-20% hike of margins on existing base

Amazon was a JV partner in both Cloudtail & Appario

The ecomm co cut stake in both after FDI rule changes in Dec

Source – The Economic Times

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Date – 23rd Jul 19

and pay digitally, and seamlessly collect their products at the airport during pre-departure, connection, or upon arrival.

Qiantech, an emerging travel start-up based in China, specializes in the use of Augmented Reality (AR) for tour navigation services. Partnering with a host of tourist attractions, smart cities and travel firms, it aims to provide interactive and immersive experiences for travellers when they visit a place or a city. One example is the AR calendar created for the **Beijing Palace Museum**. When scanned with a smartphone, it allows users to view and experience the museum's masterpieces at a whole new level.

Just as the world comes to grips with advancements in technology we expect to see increasing application of these technologies in the travel industry. More to follow in our next article.

Today's News

Paytm partners with Clix Capital to offer digital loans

The loans will be extended through Paytm Post-paid as a deferred payment option for consumers and to merchants as credit lines, the company said. Using proprietary machine learning models developed by Paytm and Clix, millions of Paytm customers and merchants will get instant, completely digital loans on the Paytm platform, said the company. "We've seen an overwhelming response to Paytm Post-paid and merchant lending products. With this partnership, we aim to bring our credit-tested algorithmic lending products to a larger customer and merchant base," said Nitin Misra, senior vice president, Paytm.

The Paytm Post-paid loan book was recently under the glare of the Delhi High Court where a public interest litigation was filed against the company for extending loans despite being a payment bank that cannot lend. The Court had shot off letters to the Softbank- and Alibaba-backed company as well as to the Reserve Bank of India seeking their responses on the matter.

Source – *The Economic Times*

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Microsoft to invest \$1B in OpenAI

Microsoft said it was investing \$1 billion in San Francisco-based OpenAI and that the two had formed a multi-year partnership to develop artificial intelligence (AI) supercomputing technologies on Microsoft's Azure cloud computing service. OpenAI was founded in 2015 as a non-profit with \$1 billion in funding from Silicon Valley investors Sam Altman, Peter Thiel and LinkedIn co-founder Reid Hoffman, among others. Earlier this year, the group created a related for-profit entity to take in outside investment.

Since its founding, OpenAI has employed AI researchers to make advances in the field, such as teaching a robotic hand to perform human-like tasks entirely in software, cutting down the cost and time to train robots.

Source – *The Economic Times*

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

Mizuho, Nomura bankroll Agarwal's \$2 billion buyback to treble Oyo stake

Japanese financial groups Mizuho and Nomura Holdings are the principal lenders that have financed Ritesh Agarwal's buyback of shares in Oyo Hotels & Homes, said people aware of the development.

The two are part of a three member Japanese consortium that is funding Oyo founder Ritesh Agarwal to buy back his company's shares worth \$1.5 billion from early investors such as Sequoia Capital and Lightspeed Venture Partners – the biggest buyback undertaken by an Indian founder till date and also invest another \$500 million into the company.

Source – *The Economic Times*

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Pine Labs opens in store payments platform to developers

Digital retail payments firm Pine Labs has announced the opening of an application program interface (API) of its android based in-store payment platform to developers who can now use it to build value added solutions and applications for merchants.

The APIs will be housed on the Pine Labs developer portal. There will be a dedicated application store to house developers' apps. Pine Labs will support the distribution of the apps to the merchant community.

Source – *Money Control*

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PSB Loans in 59 Minutes to extend in-principle loan approvals up to Rs 5 crore

The government promoted online lending portal to disburse credit to small and medium enterprises digitally has extended in-principle loan approvals to Rs 5 crore, from Rs 1 crore currently. Five public sector banks State Bank of India, Union Bank of India, Oriental Bank of Commerce, Corporation Bank and Andhra Bank have joined hands for this initiative. The other banks are still in the process of expanding their credit limits.

In a note shared with the press, the portal which is run by SIDBI (Small Industrial and Development Bank of India) said that the platform analyses multiple data points from several sources like Income Tax returns, GST data, bank statements and others to decide on the eligibility of the business. The borrower visits a bank branch to finish the next set of formalities and get the loan sanctioned by the bank.

Source – *The Economic Times*

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Vernacular drives growth for online firms, finds wide adoption

Online firms are relying on regional languages to drive adoption as they battle to capture the next 100 million internet users from the country's heartland. Digital payment companies, banks and consumer internet start-ups are all starting to offer regional languages to connect better with consumers. Hindi, Bengali, Tamil and Telugu are being widely adopted, companies say. They are offering products in these languages to enter tier II locations and beyond.

"We are present in 12 languages, with Hindi and Tamil being the most popular ones; we feel it has helped consumers connect with the app better and adopt it faster," said Praveena Rai, chief operating officer, NPCI, which manages the BHIM app. The country's largest payments application, Paytm, is also available in 10 languages and the company claims regional language adoption has jumped four times over the last two years ever since it introduced non-English languages as part of the app.

Source – *The Economic Times*

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NBFC firm Five Star Business Finance raises \$50 million

Non-banking finance company (NBFC) Five Star Business Finance has raised \$50 million in a new funding round led by private equity major TPG Capital, valuing the Chennai-based lender at \$950 million. The company, which was founded way back in 1984, has been on a strong growth trajectory since 2014, creating a book size of Rs 2,500 crore this year and aims to take it up to Rs 4,000 crore by March 2020.

Five Star Business Finance is backed by Matrix Partners, which first invested \$3 million in 2014. After that, the company raised equity rounds from multiple prominent investors such as Morgan Stanley, Sequoia Capital, Norwest Venture Partners and others. Investors hold a 70% stake, while promoter D Lakshmi pathy has a 21% shareholding, with the rest being distributed among the management and other individual investors.

Source – *The Economic Times*

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Haptik expands US presence

Conversational AI platform Haptik, which recently received a \$100 million investment by Reliance Jio, is expanding its presence in the US. Aakrit Vaish, CEO, Haptik, said that the team of Converge, another conversational AI platform would now be a part of Haptik.

"North America is a key market and we expect it to contribute to half our revenues in two years, and up to 70% in four years. We've set up a local team and are now looking at scaling the business," said Vaish. It has hired industry veteran Timothy Carey as General Manager for its US business.

Source – *The Economic Times*

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New WhatsApp Global head to meet RBI, NPCI officials

Will Cathcart, WhatsApp's new global head, is visiting India this week to appraise officials of the RBI and the NPCI on steps taken by the company to meet data localization norms for its planned payment service, people familiar with developments said. Cathcart will also meet Niti Aayog chief executive Amitabh Kant on Thursday at an event organized by WhatsApp on the need for digital inclusion and its business application.

"Cathcart is travelling to India his new role at Facebook as global head of WhatsApp. The WhatsApp team remains deeply committed to serving the people of India with private messaging that helps connect loved ones and helps businesses grow," the spokesperson said.

Source – *The Economic Times*

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