



NEWS HIGHLIGHTS

India collected Rs 4,000 crore 'Google Tax' since 2016; Rs 1,100 crore in FY20

Online financial services startup Scripbox makes international foray to target NRI segment

Canara Bank sees sharp increase in digital transactions

This startup will offer loans against cars as collateral

Today's View

Spoofing Biometrics

Biometric authentication is one of the buzz words in the digital ID space. Users demand foolproof security as well as seamless login experiences and biometrics are being incorporated into hardware solutions to meet these features. For instance, **Apple's** latest iPhone offerings employ biometric unlock features, with the iPhone 8 providing fingerprint recognition and the X and 11 models enabling facial-scan analysis.

With ever-increasing potential for using face recognition for user authentication, we'll soon be able to rent a car, sign legal documents and do everything else just by showing our unique facial features. As per **CISSION** report, the global biometric authentication and identification market is expected to witness a significant growth with a CAGR of around 23% during 2018-2023.

As biometric systems are widely used in real-world applications including mobile phone authentication and access control, biometric spoof attacks are becoming a larger threat, where a spoofed biometric sample is presented to the biometric system and attempted to be authenticated. Facial spoof attack is a process in which a fraudulent user can subvert or attack a face recognition system by masquerading as a registered user and thereby gain illegitimate access.

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Credit demand is up, but fintech lenders can't raise low-cost debt

Fintech lenders are struggling to raise low-cost debt, even as demand for credit is gradually reviving.

Source – The Economic Times

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21st July 2020

To subvert such attacks, **ImageWare** Systems has launched an anti-spoofing system for biometric facial recognition to improve the security of business systems without increasing friction for users. It also allows server-based spoof detection to be performed as part of the platform's facial recognition capabilities. The platform does not require special hardware, unnatural user movements or flashing lights, making it a seamless upgrade for both enterprises and end-users, thereby reducing the chances of data breaches or unauthorized user access.

Similarly, **Jumio** has developed a liveness detection functionality which flags suspicious accounts which attempt to spoof the liveness detection process. Behind the scenes, Jumio is leveraging AI to help automate processes that would otherwise depend on slower human efforts, and thus, allow for quicker processing, better fraud detection and higher scalability in services rendered.

On the other hand, **FaceTec** has developed ZoOm 3D Face Authentication which has passed the rigorous Level-2 anti-spoofing certification test by iBeta for compliance with the ISO 30107 biometric standards.

Considering increased demand from diverse businesses, it has become pertinent to strengthen existing biometric authentication systems with anti-spoofing capabilities. With intelligent anti-spoofing, combined with identity proofing and biometric authentication, enterprises can be enabled to ensure true user identity with high standards.

Today's News

India collected Rs 4,000 crore 'Google Tax' since 2016; Rs 1,100 crore in FY20

The government has so far collected around Rs 4,000 crore from Equalisation Levy since its introduction in 2016-17. Collections in 2019-20 were around Rs 1,000-1,100 crore, said two sources close to the tax department.

The Equalisation Levy, a 6% tax on revenue earned by non-residents from online advertising and related services, was first introduced from 1 June 2016. In the 10 months during that financial year, the total collection was around Rs 350 crore.

Source – *Business Today*

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New e-commerce rules to strengthen consumer rights

Shoppers can expect their life to get easier with the new Consumer Protection Rules of 2020 for e-commerce which says platforms can't charge cancellation fees if a consumer chooses to cancel an order after confirming the purchase.

Otherwise, e-tailers should also pay similar charges, if they cancel the purchase order unilaterally for any reason, according to the new guidelines, expected to be notified this week through a gazette notification. According to e-commerce executives, this will give 'better-defined' legal power to consumers to go to court in case of disputes related to e-commerce, including on counterfeit products.

Source – *The Economic Times*

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Canara Bank sees sharp increase in digital transactions

The digital channels of Canara Bank were fully and effectively utilised during the lockdown. "Greater leveraging of digital channels led to a sharp increase in e-transactions by 24 crore," said TN Manoharan, Chairman, Canara Bank.

In a note to shareholders, he said: "The bank also effectively discharged its duties with all branches and ATMs being fully operational during the lockdown to avoid any financial exigency." The bank's Business Correspondents (BC) services were enhanced, thus leading to 1.2 crore BC transactions during the shutdown days.

Source – *The Hindu Business Line*

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The rise of incubation advisories and their impact on the early-stage startup ecosystem

Until a few years ago, unless you were a part of the startup ecosystem, chances are you didn't know what an incubator was. Then came the extremely popular HBO dramedy *Silicon Valley*. As Erlich Bachman incubated Richard Hendricks' Pied Piper to a multi-million dollar valuation, startup incubation became a globally recognised phenomenon.

Today, incubators are a crucial piece in the startup growth puzzle. The number of incubators is considered as a good indicator of how mature a startup ecosystem is.

Source – *The Economic Times*

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Happay launches a zero-fluff corporate rewards programme for startups

In April this year, the all-in-one expense management solutions company Happay launched EPIC - a one-of-its kind premium corporate card designed specifically to suit the needs of startups. With EPIC, startups were able to get dedicated physical and unlimited virtual cards to streamline AWS payments, digital ad spends, and make one-time or recurring SaaS software payments. Moreover, with pre-spend control, analytics and integrations, it gave organisations a spending round-up on their fingertips.

“The launch got an overwhelming response from startups and our inbound queries multiplied. CFOs and Finance teams are loving it and they are referring EPIC to people in their circles,” shares Varun Rathi, COO & Co-Founder of Happay. One such customer is Smallcase — an investment tech startup, which onboarded EPIC soon after the launch. “We were getting collateral-free credit with higher limits, zero forex markup, and fast onboarding in contrast to bank corporate cards. The other advantages were interesting and relevant as well. There was no reason to re-think,” shares Pratik Lohiya, Senior Finance Manager at the startup.

Source – Your Story

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This startup will offer loans against cars as collateral

Cars24 will now offer consumers loans against their cars, the company said on July 21, a move aimed at helping owners looking to sell their vehicles to tide over a cash crunch. The company wanted to provide people with a loan and help them retain the asset at the same time through this new product, the Gurugram-based used cars startup said.

“We have witnessed a lot of cases where people have shown interest in selling their cars to fulfil their financial needs. Knowing that owning a car is becoming a necessity these days, we came up with an initiative so that our customers can secure funds and retain their assets at the same time,” Cars24 vice president Vandita Kaul said. This offering will be part of the lending arm of the startup that recently received Rs 10 crore in debt funding from Vivriti Capital. Earlier, the company offered loans to only its customers and business loans to its Cars24 dealers. This is the first time it has extended the facility to those who have not bought cars from it.

Source – Money Control

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T-Hub turns digital with Lab32, announces fourth batch of startup applicants

T-Hub has announced the launch of its revamped program Lab32. The program will be executed in a hybrid mode to cater to the startups and their extended teams in view of the uncertainty as COVID situation unfolds. The agenda behind redesigning Lab32 to a hybrid program is to focus on specific needs of the startups amid the pandemic. Earlier, the Lab32 program had a requirement that the founder of the shortlisted startup must relocate to Hyderabad.

However, this year, the program delivery will enable more entrepreneurs across India to reap the benefits of the program without the need for physical presence in Hyderabad. The startups will receive consultation from experts across the globe on product development and market expansion. Lab32’s modules will focus on helping the startups build better versions of products or discover and tap market opportunities.

Source – The Economic Times

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Online financial services startup Scripbox makes international foray to target NRI segment

Scripbox, the Bengaluru-headquartered online investment services startup with a focus on mutual funds, has forayed into the international market to target non-resident Indians (NRIs), especially those living in the UAE and Singapore.

Scripbox, which currently has assets under management (AUM) of Rs 1,500 crore, will offer curated products for the NRI segment. For example, the Wealth Edge plan that will be available for non-US based NRIs provides them with an opportunity to invest in US equities.

Source – Your Story

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Virus-hit digital lending startups and NBFCs seek buyers

Digital lending startups may undergo a wave of consolidation with smaller digital lenders and non-banking financial companies (NBFCs) scouting for buyers as the virus crisis and the ongoing moratorium on payments severely dents business.

While larger startups may see this as a value opportunity, smaller ones have been finding it tough to procure capital from their partner NBFCs, as uncertainty on the extension of the moratorium grows.

Source – Live Mint

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