



#### OTHER INTERESTING NEWS

**Amazon to double investment on seller infra in India**

**Start-up CreditVidya looking to grow at over 200% in FY18**

**ShopX to raise \$20 m from PE funds**

**Exfinity invests 8 crore in AI start-up Absentia**

**Italian products to adopt barcodes for the Chinese e-commerce market**

### Today's View

#### New to Credit

As a first time borrower, it is challenging to find a lender ready to lend due to lack of credit history. Fintechs are tackling this problem innovatively and they are making the lives of this new to credit (NTC) segment much easier.

Although banks still predominantly rely on traditional data to assess loan applications, with the growth in machine learning and predictive intelligence, Fintechs are employing unconventional data sources to arrive at an alternate credit scoring model for lending. They have expanded the band of possible parameters that can be measured to decide the credit-worthiness of a potential borrower with a more inclusive approach.

With the exponential growth in internet and smartphone penetration, there is a significant rise in availability of consumer data across the internet and mobile platforms. The digital footprint of a customer is being taken into account to determine their creditworthiness. The analysis of an individual's social media activity gives a view of their lifestyle, as well as their spending patterns. The LinkedIn data gives a measure of their professional stability along with an income estimate. The location information from mobile phone gives a clue of residence and office addresses. The advanced statistical tools like "k-nearest neighbour" are used for classification. They help establish look alike populations through which the credit-worthiness of the first time borrowers can be ascertained.

As a large chunk of Indians in need of money do not get access to funding because they don't have a borrowing history, this use of unconventional data and alternate credit scoring models will be a blessing. We feel that the winner in this case will also be banks and other financial institutions looking to expand their reach amongst the new to credit segment.

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**Amazon to double investment on seller infra in India**

Amazon may double its investments on seller infrastructure this year in India.



Warehouses, fulfilment services, service provider network, in-person support, and other services like seller cafes and instant registration to its marketplace would likely attract the potential investments.

Source-The Economic Times

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Date- 18<sup>th</sup> April 17

## In the absence of RBI guidelines, a code of conduct for digital lending start-ups

The Digital Lenders Association of India, an industry body of about 20 start-ups in the digital lending space, has laid down a general code of conduct for its members which is likely to ensure more transparency in this nascent sector yet to be governed by specific guidelines by the Reserve Bank of India.

Some of the best practices formulated by the association include the suggestion that players should disclose facts they verify about borrowers, though not confidential information.

Source-The Economic Times

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## Online retail giants recognize business prospects in e-commerce logistics

The global e-commerce logistics market is an emergent industry with high stakes involved in it. Several industry giants in the logistics market have forayed into the provision of transportation and warehouse solutions for various online selling platforms.

The global e-commerce logistics market is touted to earn close to \$535,895 million by the year 2022. This would be feasible with a projected CAGR of 21.2 percent during the period of 2016 to 2022.

Source-Logistics Insights

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## Rajasthan's cashless village: Women peep out of veils to scan codes for payment

The village, 290 km from Bikaner, in Rawatsar block of Hanumangarh district has gone cashless with all 28 shops accepting digital payments.

The Rajasthan government's department of information and technology (DoIT) adopted the village in January to train people in digital technology. People were trained for using BHIM and Paytm apps, and the \*99# facility for those who don't have smartphones.

Source-Hindustan Times

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## 3.54 Crore SC & OBC Students Covered Under Digital Payment of 14 Scholarship Schemes

14 scholarship schemes for Scheduled Castes (SCs), Other Backward Classes (OBCs), Denotified, Nomadic and Semi-nomadic Tribes (DNTs) students covering 3.54 crore students are under digital payment. The full Scholarship amount gets released to students' bank account.

Source-Business Standard

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This News Letter has been prepared with the assistance of Pankaj Tadas and Aparna Anand

## Start-up CreditVidya looking to grow at over 200% in FY18

CreditVidya, which calls itself "a data and analytics company offering alternate credit-scoring" services to lending institutions, is targeting a growth of 200% in FY18.

Co-founder and director Rajiv Raj said that the start-up would like to have on board the top 10 to 15 lenders in the country by the end of the year.

Source-The Financial Express

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## Nandan Nilekani-backed ShopX to raise \$20 m from PE funds

Assisted e-commerce platform for small shopkeepers ShopX plans to raise \$20 million from PE funds to upgrade technology and enter new markets in North and East India with a target to reach 10 lakh retailers in the next three years.

With a single strategic investor, Nandan Nilekani, who has already made a seed round funding of \$10 million, the Bengaluru-based start-up expects to offload at least 20 per cent stake to PE funds.

Source-Business Line

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## Good news for start-ups, faster insolvency resolution on anvil

The Insolvency and Bankruptcy Board of India (IBBI) is considering a proposal to expedite the resolution of smaller and less complicated cases, and those involving start-ups within 90 days.

The Insolvency and Bankruptcy Code provides for wrapping up the insolvency resolution process in 180 days from the date of the admission of an application for initiating the resolution process by the adjudicating authority.

Source-The Financial Express

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## Meet Tata's BRABO, First Made-In-India Industrial Robot

TAL Manufacturing Solutions, a wholly owned subsidiary of Tata Motors has launched India's first industrial-articulated robot and it goes by the name "BRABO". The robot is indigenously developed for micro, small and medium enterprises in India.

BRABO is meant to complement the human workforce and perform repetitive, high volume, dangerous and time-consuming tasks from raw material handling to packaging of finished products.

Source-The Quint

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## CRISIL SME Tracker: There is more to credit-worthiness than size of an MSE

A CRISIL study of 3,570 MSEs indicates that credit-worthiness is not a function of absolutes, but of relative size and performance. Nearly one in four of the top rated MSEs in the sample studied had a small scale of operations, with annual revenue below Rs 5 crore in FY16.

What set them apart was superior financial and operating performance — with revenue growth and operating margins over 500 basis points higher than lower-rated peers.

Source-Business Standard

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## MapmyIndia to build 'Digital Map Twin of the Real World'

Digital maps and location technologies provider MapmyIndia on Monday announced that its Real View platform is now capable of building the 'Digital Map Twin of the Real World'.

The digital map will capture, recognise and publish real-as-life 3D map of both outdoors and indoors through GPS, laser and panoramic camera sensors embedded on top of ground-based vehicles, back-packs, trains, flying drones and trolleys.

Source-Business Line

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## Venture-capital firm Exfinity invests 8 crore in AI start-up Absentia

Venture-capital firm Exfinity Venture Partners has invested around 8 crore in Artificial Intelligence start-up Absentia VR.

Absentia is a Bengaluru-based AI + Virtual Reality start-up that is building Norah AI, an AI engine that aims to create the world's first 'AAA' (video) games with minimal human intervention.

Source-Business Line

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## Italian products to adopt barcodes for the Chinese e-commerce market

Italian companies who want to sell on China's Alibaba digital platform decided to adopt the barcode system, an essential step in ensuring that products can be reliably identified when they are shipped from the manufacturers to the distributors, and finally to the Chinese consumers.

More than 1,000 Italian brands are currently present on Alibaba's e-commerce platforms, and 150 Italian businesses have a store on Tmall or Tmall Global.

Source-Italy Europe 24

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