

NEWS HIGHLIGHTS

**UIDAI to look seriously into data localisation compliance**

**PhonePe crosses 2 billion transactions on the app**

**BookMyShow invests in payments technology company AtomX**

**Blockchain helps governing officials to transform service delivery**

**Today's View**

**The O2O Commerce**

The Online to Offline or O2O commerce is defined as a business model where online customers are brought to brick-and-mortar locations with creation of seamless digital experience before, during, and after the purchase.

According to data compiled by **Statista** and **eMarketer**, though a lot of product research are happening online, around 80% of all retail sales will still happen inside physical stores as late as 2021. E-commerce provides advantages such as tracking of consumer behaviour, payment information, and easy targeting over traditional commerce and it makes complete sense to formulate a strategy to bridge the gap between e-commerce and traditional commerce and O2O is the link between the two.

Businesses have started treating online and offline channels as complementary rather than competitive, allowing strategies like in-store pickup for online purchase, online purchase of products while at a brick-and-mortar store or return of online products in physical stores, a possibility.

Almost all the top e-commerce players have forayed into this space. **Amazon** is starting to roll out its **AmazonGo** cashier-free stores across the U.S. now and getting rave reviews for the new convenient shopping.

In China, **Alibaba's Hema stores** have aisles that are interactive, digital screens reflecting product information. Pricing can be changed automatically

**Akhil Handa**  
+91 22 6759 2873

**Aparna Anand**  
+91 22 6759 2873  
aparna.anand@bankofbaroda.com

**E-tailers, startups plan to go big on hiring delivery staff**

E-commerce companies as well as start-ups are set to ramp up delivery fleets, the most crucial last-mile link in the supply chain, amid intensifying competition to grab a larger share of the customer wallet. Swiggy, Grofers, MilkBasket and Shadowfax are doubling delivery teams this financial year, and biggies such as Amazon and BigBasket have equally aggressive plans.

Delivery Time		
<b>Grofers</b> expects to double its 3,000-strong delivery team this year.	<b>Swiggy</b> is looking to double no of delivery partners from 1.25 lakh currently.	<b>Shadowfax</b> has 12,000 delivery personnel. It intends to scale it up to 25,000.
<b>BigBasket</b> is set to hire 4,000-5,000 delivery personnel.	<b>Zomato</b> has ramped up hiring to 1.8 lakh delivery partners across 213 cities.	<b>MilkBasket</b> plans to close 2019 with close to 3,000 delivery team members, from 1,500 currently.

Source – The Economic Times

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Date – 16<sup>th</sup> Apr 19

via Wifi-connected, e-ink price tags. Self-check-out kiosks with cameras use facial recognition to pull up a payment app leveraging Alipay technology.

In India, this segment has been heating up with **Reliance** planning to enter into e-commerce backed by its 7500+ offline stores and **Paytm** scaling down its **Paytm Mall** to focus on the O2O space, led by its acquisition of **NearBuy**.

Recently, **Samsung** has opened its largest mobile experience store in Bengaluru that will showcase its entire range of electronic products. It has also partnered with Paytm Mall wherein customers can visit select Samsung outlets, scan the Paytm Mall QR code of the product they want to buy at the store to check online offers along with product details and then purchase the smartphone using Paytm as a payment mode.

Almost all major e-commerce players in different segments in India such as **Myntra** in fashion, **Urbanladder** and **Pepperfry** in furniture, **Lenskart** in optical, all have physical stores now.

We believe that the O2O commerce model is here to stay with small shops and sellers having unprecedented opportunity to expand online with this business strategy.

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## Today's News

### UIDAI to look seriously into data localization compliance

At a time when the Reserve Bank of India is bearing down hard on banks and Fintech players on data localisation, UIDAI is facing an uphill task on the same. The recent case in Hyderabad related to IT Grids India showed that not only did the latter possess Aadhaar data of over 7.8 crore residents in Telangana and Andhra Pradesh, but it also stored the data overseas. UIDAI officials are now looking to tighten scrutiny and ensure all firms are in compliance.

In an official note, UIDAI said, "We have gathered evidence that the accused (IT Grids India) hosted the Aadhaar database in Amazon Web Services, the USA, in contravention of Section 44 of Aadhaar Act 2016. Further, it is suspected that the accused illegally stored Aadhaar data of not just Telangana and Andhra Pradesh but possibly a few other states.

Source – The Economic Times

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### Blockchain helps governing officials to transform service delivery

Blockchain has often been hailed as the next big technology revolution after the internet- just like the internet revolutionised information availability and dissemination, blockchain is expected to revolutionise transactions on asset. While the initial taker for this technology was Financial Services, other sectors are fast adopting Blockchain. This is mainly on account of the promise it provides in terms of improving trust and reducing time on transactions. Also the potential that Blockchain provides for disintermediation remains a huge attraction.

Source – The Economic Times

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This News Letter has been prepared with the assistance of G Balakrishna and Aparna Anand

### PhonePe crosses 2 billion transactions on the app

Digital payments major PhonePe said that they have crossed 2 billion digital transactions on the mobile application, doubling from the 1 million mark in five months. For offline payments, PhonePe is accepted across 3 million merchant outlets spread across 130 locations in the country.

"Our online and offline merchant transactions have grown 5x in the last 6 months. The payment process using PhonePe is convenient, fast and seamless, and our merchant partners are seeing tremendous value in that. We are confident of growing at a similar pace over the next few years," said Karthik Raghupathy, vice president, strategy and business development, PhonePe.

Source – The Economic Times

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### Edtech firms see money in live streaming classes

Live streaming of classes online is fast emerging as a potential monetization tool for education technology companies including Unacademy, Vedantu, and Byju's, aided in large measure by falling costs of mobile data.

Unacademy, backed by venture capital funds Sequoia Capital and SAIF Partners, has launched live video subscription on its platform, a move aimed at monetizing its captive student base and growing revenues for top teachers. Vedantu, Toppr and Byju's are also adopting live video learning, even as their revenue models and target audiences differ.

Source – The Economic Times

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## BookMyShow invests in payments technology company AtomX

Pune-based payments technology company AtomX has raised an undisclosed amount of capital from BookMyShow. The investment will help BookMyShow to provide customers an enhanced cashless experience for its on-ground events. The investment will see BookMyShow's Anil Makhija join AtomX's Board of Directors. At the firm, Makhija leads the operations and service delivery verticals, while also overseeing deployment of new on-ground technologies at the firm.

The investment will allow BookMyShow to enable cashless payments platform and solutions on Near Field Communication (NFC) cards, wristbands, key chains which consumers can use for digital payments at various events. The solution enables users to store cash in the form of digital money in their NFC chip and simply tap and pay and buy. It can be used by vendors and consumers alike, allowing data to be stored on the card itself.

Source – *The Economic Times*

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## Crypto trading platform Unocoin lays off majority staff amid regulatory uncertainty

Bengaluru-based Unocoin, a crypto-currency trading platform, has given pink slips to half of its remaining employees, in a bid to conserve cash after talks to raise another round of funding failed to take off and as it fights for survival in an uncertain regulatory environment. The startup, founded in 2013 by Sathvik Viswanath, Harish B V, Abhinand Kaseti and Sunny Ray, scaled down its team to just 14 employees last week from a peak of a little more than 100 people in February last year.

The development comes at a time when several other crypto-currency exchanges have moved out of the country or wound up operations, after the Reserve Bank of India prohibited Indian banks from crypto-related trading last year. The case is pending in the Supreme Court, and is set for hearing in July.

Source – *The Economic Times*

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## TCS works with Israel govt to build tech for small banks

Tata Consultancy Services (TCS), India's largest information technology firm, is working with Israel's finance ministry to build platforms that will make technology affordable for small banks in the country, a top company executive said. With the Indian IT industry undergoing a transformation, TCS has invested in developing platforms in the banking, insurance, capital markets and retail segments. "In India, we created a core banking platform and have taken it to other markets. Having developed the first one, the Ministry of Finance wanted us to set up a complete banking service bureau in Israel," said N. Ganapathy Subramaniam, Chief Operating Officer at TCS. Bank Yahav, its customer, went live in 2017 with TCS' BaNCS Universal Banking platform, following which the software company established an IT infrastructure and banking application landscape to match the standards of the bank and regulators in Israel.

Source – *The Economic Times*

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## Asia's tech champions zero in on main street banking

Asia's internet firms are challenging the region's traditional banks for consumer finances, tapping their massive user networks for business and following a trail blazed in China by tech giants Alibaba and Tencent. The push into banking by companies better known for their messaging apps, cute emojis and online holiday bookings comes as regulators across Asia open up their banking sectors to a new breed of digital players. The shift is in its infancy but contrasts sharply with the banking markets of Europe and North America, where change is slower and such startups tend to be backed by venture capital funds and financial sector incumbents, not tech firms.

Source – *The Economic Times*

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## Toyota sells electric vehicle technology to Chinese startup Singulato

Toyota has agreed to sell electric car technology to Singulato, its first deal with a Chinese electric vehicle startup, allowing the fledgling firm to speed up development of a planned mini EV. In return, Toyota will have preferential rights to purchase green-car credits that Singulato will generate under China's new quota system for all-electric and plug-in hybrid vehicles. It will also gain a bird's-eye view into how Chinese EV startups operate and the strategies they pursue in a fast-changing marketplace, said Singulato Chief Executive Shen Haiyin and two sources at the Japanese automaker.

Source – *The Economic Times*

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