



NEWS HIGHLIGHTS

Real-time dispute resolution system for UPI in the works

Startup funding, jobs to touch pre-Covid level by Dec: Study

Persistent to acquire US-based Capiot Software for \$6.34 million

Today's View

Digital ecosystem

A digital ecosystem is a group of interconnected information technology resources that can function as a unit. Digital ecosystems are made up of suppliers, customers, trading partners, applications, third-party data service providers and respective technologies.

Digital ecosystems aren't just one of the biggest innovation trends to emerge in recent years. They are quickly gaining economic might. In fact, they could generate an estimated 30% of global corporate revenue by 2025, according to McKinsey.

Digital ecosystems bring companies together across industries and technology areas by offering access to a common set of content, applications, analytics, datasets and other tools. The footprint is also a potential gold mine for artificial intelligence (AI) applications and advanced analytics tools, which can work their magic only when they are fed huge quantities of high-quality data.

As technologies like IoT, machine learning and AI continue to proliferate in the coming years, companies must be prepared to explore new paths of innovation—not just their “digital transformation” to solve real business challenges,

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Etailers could rake \$6.5 billion in sales this festive season

In the next four weeks online retailers in India could notch up cumulative sales of around \$6.5 billion, said analysts as e-shopping emerges as the preferred panacea for pandemic ills.



Source— The Economic Times

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16th October 2020

According to **Acumen Research and Consulting**, the global SAP digital services ecosystem market size is expected to reach around US\$ 90 billion by 2026 with a CAGR of 7.5 %

Major factor driving the global SAP digital service ecosystem market are advantages offered by SAP digital services, an increased use of ERP solutions amongst small and medium-sized enterprises (SMEs) and an increase in SAP digital services in developing economies.

In the coming years the Asia Pacific region will have an increase in market share, particularly in China, as well as rapidly growing regions of India and Southeast Asia.

Key players of digital ecosystem are **Capgemini, Tata Consultancy Services Limited, Accenture, IBM, Deloitte, DXC Technology Company, Atos SE and T-Systems International GmbH**. The beauty of the ecosystem trend is the growing tendency to collaborate for the sake of mutual growth and development.

Today's News

Indian companies may get nod to list in 7 countries

Paving the way for a global listing by the likes of Reliance Jio, Life Insurance Corporation (LIC) and Indian startups, the government is set to notify seven countries and the Gujarat International Finance-Tec (GIFT) City where these companies can go public, while easing several norms to facilitate the process.

The ministry of corporate affairs (MCA) and the department of economic affairs have agreed to do away with the contentious clause of dual listing, which required a company to list in India as well as overseas.

Source – *The Economic Times*

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Lendingkart loan book jumps 80%, logs Rs 42 crore profit

Fullerton Capital-backed Lendingkart doubled its profit to Rs 42 crore in financial year 2020, expanding its loan book by 80% to Rs 2,400 crore in the period. The lender, which predominantly caters to small and medium businesses and retail borrowers, grew interest income by 113% to Rs 465 crore against the same period in financial year 2019.

However, Covid-19 related uncertainties could strain company's margins in the ongoing fiscal year as new disbursements are significantly lower than pre-pandemic days. According Harshvardhan Lunia, the managing director and cofounder of the non-bank lender, sanctions are 50% lower than in January-February when the company was disbursing Rs 300 crore worth loans every month.

Source – *The Economic Times*

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Real-time dispute resolution system for UPI in the works

The National Payments Corporation of India (NPCI) is conducting closed-door pilots with top banks and payment companies to roll out a real-time dispute resolution system for failed transactions on the popular Unified Payments Interface (UPI) railroad, three people directly aware of the matter said.

The development comes at a time when there has been an unprecedented surge in new users on the UPI channel, which has increased loads on the servers of banks and the NPCI, leading to a higher number of failed transactions.

Source – *The Economic Times*

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Startup funding, jobs to touch pre-Covid level by Dec: Study

Indian startups are seeing a faster recovery in funding and job creation than expected, with both expected to match and surpass pre-Covid numbers by the end of 2020, according to a report from TIE (Delhi-NCR chapter) and management consultancy Zinnov.

Local startups are estimated to create around 25,000 direct jobs this year to negate the impact of the virus outbreak, which initially cost an equal number of jobs from many startups across sectors.

Source – *The Economic Times*

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Supreme Court issues notice to government, RBI, Google, Amazon, FB over UPI data security

The Supreme Court on Thursday issued notices to the government, Reserve Bank of India, Google, Amazon, WhatsApp and Facebook, on a petition that sought to disallow the tech majors from operating payment platforms using the Unified Payments Interface before they ensured security of user data and complied with data localisation parameters.

There are two such petitions already pending in the court, against Facebook-owned WhatsApp's proposed payment application, by NGOs Good Governance and Centre for Accountability and Systemic Change. The latest petition by Rajya Sabha member and CPI leader Binoy Viswam widens the net to include Amazon and Google.

Source – *The Economic Times*

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Infosys beats TCS, Wipro in Q2 revenue growth

Infosys's revenue growth in the second quarter came in way better than that of rivals TCS and Wipro, encouraging it to announce salary increases and promotions across all employee levels from January. India's second-largest software services company will also give 100% variable pay and a special incentive to junior employees for the second quarter.

Salary increases are normally given with effect from April, but the pandemic and resulting business uncertainty forced the company, as also its peers, to freeze hikes and promotions. "The quantum of increase in salary will be identical to the previous year," chief operating officer Pravin Rao said. The company had increased salaries by an average of 6% last year.

Source – *The Economic Times*

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Revise royalty definition to include software payments by subsidiaries to parent: Developing countries tell UN tax committee

Is money paid by Indian arms of software multinationals to their parents, royalty? India's stand that software fees have to be part of royalty under tax treaties was presented at the United Nation recently and could lead to change in some of the tax treaties.

The U.N. model tax convention subcommittee was hearing a case as to whether payments for software from a country to its parent could be taxed at source. Many countries including India want to expand the definition of royalty to include software payments.

Source – *The Economic Times*

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Persistent to acquire US-based Capiot Software for \$6.34 million

Persistent Systems NSE 0.51 % will acquire Capiot Software and its subsidiaries in India, Australia and Singapore, the Pune-based IT services provider said on Thursday. Persistent will pay \$5.45 million for the Palo Alto, California-based Capiot's India operations and \$0.89 million for its US business, it said. The deal is expected to close in two to four weeks.

Capiot, founded in 2014, specializes in enterprise integration with expertise in MuleSoft, Red Hat and TIBCO. It also delivers enterprise modernization, with advanced proficiency in key partner platforms, frameworks and industry data models. During financial year 2019-20, Capiot had consolidated revenues of \$6.28 million.

Source – *The Economic Times*

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HCL Tech is planning to hire up to 9,000 freshers during October-March

TeS major HCL Technologies NSE -3.82 % today said it is looking at hiring up to 9,000 freshers in the second half of this fiscal on the back of strong growth momentum.

The company is implementing the salary increments effective October 1, up to E3 levels, and effective January 1, for E4 and above levels, it was announced.

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