



## NEWS HIGHLIGHTS

**Startup Street: India may have found its answer to amazon go in watasale**

**Payments proving to be one hurdle too many for WhatsApp**

**For new-age tech, IT majors log in to start-ups**

**Tech Mahindra, Avaamo partner to develop conversational AI platform**

## Today's View

### Foodtech for Corporates

The Indian food industry, the sixth largest in the world, has seen unprecedented growth in terms of size and revenues over the past five years. The entry of technology and mobile application-based services has led to a massive transformation in how the food industry, especially the retail sector, operates. With new consumer demographics comprising young, urban-dwelling working professionals driving its growth, foodtech has been amongst the most promising sectors within the Indian start-up ecosystem.

As per **vccircle**, the Indian foodtech space is currently estimated to be at \$1.5 billion and has been growing at nearly 60% CAGR. Apart from retail foodtech space, technology has been transforming B2B foodtech space as well.

Multiple tech-based platforms have developed B2B offerings especially for corporates. For example, **HungerBox** is a full-stack foodtech company that is focussed on the B2B space. It operates with over 100 digital cafeterias and more than 75 corporate clients, including **Qualcomm, Microsoft, Accenture, CapGemini, Genpact, ABB, Amazon, McKinsey** etc. These corporate clients have been big beneficiaries of such platforms, considering 18-22 per cent pilferages in corporate cafeterias were curtailed by minimising the cash-based transactions.

These platforms have launched company-specific apps that allow employees to order food at the office cafeteria. The app displays menus of each vendor,

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**Flipkart bets on private labels, exclusive brands to boost sales in festive season**

As the festival season approaches, India's leading e-tailer Flipkart has amped up its game to boost sales and expand market share. The company is expecting its private labels, and exclusive brands, fashion vertical to drive sales.

#### Targeting the Metro Man

- Flipkart will launch multiple private labels in furniture, fashion and decor ahead of the start of the festive sale season

- Mens fashion contributes 60% by value to all Flipkart's fashion sales

- The label currently has a selection of denims, t-shirts, shirts and accessories such as belts, wallets and sunglasses

- It will be extended to include other products like footwear and backpacks

Source – *The Indian Wire*

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Date – 10<sup>th</sup> Sep 18

considering most of the organisations have a bunch of vendors. Based on aggregated data, vendors are also informed about the preferred food menus. Some of the apps also have pay later feature wherein employees can clear their dues twice a month. Essentially, such B2B foodtech-based apps offer four broad products – online cafeteria, catering, food court and e-services. Employees can avail services based on the reimbursement benefits covered by their employers.

Realising the growing of B2B foodtech space, **Zomato**, ‘the Google of restaurants’ has acquired **TongueStun**, a Bengaluru-based online caterer and office canteen aggregator. Tonguestun acted as an online marketplace for enterprises to discover, engage and manage food at the workplace.

Some other firms are providing streamlined solutions for food suppliers to reduce their turn-around-time. For example, **NomNom** provides a centralised Order Taking Solution to restaurants by forwarding their phone lines to their own call-centre agency. Specialised agents which are trained upon the menus of the restaurants ensure a smooth order taking process for the customers. The order is then pushed to the restaurant’s POS.

With many corporates setting up base in India along with growth in scaled-ups companies locally, B2B foodtech market is slated to grow. It will be interesting to see how emerging technologies like AI and Machine Learning play a role to further transform this niche space.

Nom nom!

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## Today’s News

### Startup Street: India may have found its answer to amazon go in watasale

This week on Startup Street, we have a retail store that has taken a leaf from Amazon Go. Food curation and delivery website Zomato is cracking the whip and deleting a number of restaurants off its application for not adhering to the rules laid out by India’s food safety regulator. A less-than-a-year-old technology startup is fighting the fake products market and Walmart’s technology arm has acquired the entire team of engineers from a Bengaluru-based startup.

Source – Bloomberg

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### Payments proving to be one hurdle too many for WhatsApp

The light at the end of the tunnel keeps getting bleaker for instant messaging platform WhatsApp as its plans of launching payments in India is held up in regulatory and political entanglements. Multiple bankers and payment industry insiders ET spoke to said that chances of WhatsApp going live anytime soon seems bleak inspite of them having implemented all the design rectifications as requested by the National Payments Corporation of India.

Source – The Economic Times

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This News Letter has been prepared with the assistance of G Balakrishna and Manish Kulkarni

### AI startups Arya.ai, Entropik Tech helping firms improve productivity

Artificial intelligence (AI) is fast becoming the cornerstone of all modern technology. From smart cities to banking, insurance and more. Here, we profile two enterprising Indian enterprises that are reaching new frontiers in AI.

Source – Mint

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### China's Ctrip may put \$100 million in Zomato

China’s largest travel-booking site Ctrip is in talks to invest in online restaurant discovery and food-delivery platform Zomato as part of a financing round, which could go up to \$400 million (Rs 2,800 crore), two people in the know of the transaction said.

Source – The Economic Times

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### Samsung opens AI research centre in New York

Samsung Electronics Co has launched here its sixth artificial intelligence (AI) research centre which will focus on robotics research, the company said on Sunday. The tech giant is seeking to strengthen its AI capabilities and has opened research institutes in South Korea, Britain, Canada, Russia and the Silicon Valley in the US, Yonhap news agency reported. The new Centre, which opened on Friday, is led by Daniel D. Lee, a leading AI and robotics scientist who joined the company in June.

Source – The Economic Times

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## For new-age tech, IT majors log in to start-ups

Top IT companies in India are increasingly turning to start-ups to arm themselves with cutting-edge technologies be it Artificial Intelligence, Machine Learning, Internet of Things or Robotics. This, experts say, is critical as IT companies are forced to adopt and adapt to digital and disruptive technologies to stay relevant with the labour cost arbitrage coming to an end.

Tata Consultancy Services, Cognizant Technology Solutions, Infosys and Wipro have created a war chest of \$300 million for investing in start-ups, both in India and abroad and thereby building an innovation ecosystem. With over 5,000 players, India has world's third largest start-up ecosystem.

Source – BusinessLine

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## Tech Mahindra, Avaamo partner to develop conversational AI platform

IT Company Tech Mahindra Friday announced partnership with Avaamo to develop and deliver conversational artificial intelligence (AI) platform for global enterprises. "Conversational AI is the next frontier of enhanced intelligence as humans and machines harmonise to enable connected experiences. Virtual assistants are already disrupting the customer experience space. Avaamo and Tech Mahindra have a shared vision - to implement cutting-edge AI solutions, specifically in the banking, telecom, retail and healthcare industries," Jagdish Mitra, Chief Strategy and Marketing Officer, Tech Mahindra, said in a statement.

Source – MoneyControl

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## India's e-commerce market to surpass USD 100 bn by 2022: Report

India's e-commerce market is set to grow three times to surpass USD 100 billion by 2022 and may trigger over a million jobs in the coming years, a report said Friday. According to the report by industry body Nasscom and PwC India, the e-commerce market is worth about USD 35 billion at present. E-tail and e-travel will continue to hold their sway with over 90 per cent share of e-commerce while online financial services will experience the fastest growth, the report said.

Source – The Economic Times

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## Mumbai-based Agrayah Technologies is riding the voice and vernacular wave on the internet

At the flagship 'Google for India' conference last week, the search giant underscored the importance of the '3Vs' driving India's internet universe - voice, video, and vernacular. While the first batch of our internet users consumed English-language content, the majority of new users are "Indian language" consumers, and this number is expected to reach 500 million by 2020, Google stated.

Source – Your Story

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## Tencent has first right to buy in future Flipkart share sale

US-based retail giant Walmart Inc has said that Flipkart's minority shareholder Tencent would have the first "right to purchase" if any shareholder of the Indian e-commerce firm sells "any shares or other equity securities to Alibaba".

Source – Mint

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## Driverless tractors may soon help farmers till their lands

A tractor still needs a human driver. So you think. But if you can have driverless cars and trucks, then why not have tractors without farmers? US-based Autonomous Tractor Corp. began developing automation technology for tractors way back in 2011. Two-and-a-half years back, the Harper Adams University in England unveiled an autonomous tractor.

Source – Mint

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## Amazon brings corner shops under its fold

To expand its offline footprint in the country, Amazon has tied up with more than 30,000 local grocers, corner shops, and smaller retailers. The idea is to make them part of its larger retail ecosystem. The number of local shops working with Amazon in one way or another could go up to 100,000 by the middle of next year, it is learnt. The move is expected to ensure that even in a small way, every buy from these shops happens via some part of Amazon's ecosystem.

Source – Business Standard

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