



NEWS HIGHLIGHTS

IBM closes \$34 billion deal to buy Red Hat to boost cloud business

Walmart Labs acquires two Bengaluru-based start-ups

Swiggy lines up \$100M to deliver milk, other essentials

No one saw zero MDR for digital payments coming

Today's View

Intelligence in Oil and Gas

The world's dependence on oil and gas is increasing as global economies are increasing their consumption of petroleum and related products. There are over 200 oil and gas companies in the world. According to **U.S. Energy Information Administration**, oil production averaged 100 million barrels per day (BPD) in 2018. O & G companies globally are looking to innovative solutions to their highly mechanized field of work.

Artificial Intelligence (AI) and machine learning (ML) is helping oil and gas companies chart its future by providing means and ways to a more viable future. A **Markets and Markets** report estimates the value of AI application in the oil and gas industry will reach around USD 3 billion by 2022, growing at a compound annual growth rate of 13%.

Technology is a very crucial lever for O & G industry. **Tachyus** provides the technology that is required for O&G producers to make data-driven decisions. The platform integrates the data from numerous sources and identifies the most optimal solution for various operations. Combining physical modelling and machine learning. The platform is leveraging a technology called 'data physics', to enable engineers to predict scenarios like machine failure and identify optimal operational plans that result in cost reduction and increased production. Their solutions also help engineers to optimize steam cycles, water, and Carbon-dioxide floods, steam assisted gravity drainage (SAGD), shale extraction etc.

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Digital influence to impact 63% of consumer durable sales in India by 2023

Digitally influenced shoppers researching, shopping, and reviewing large appliances online are set to spur the demand for such goods using the internet as a medium over the next five years, according to a recent report by consulting firm Boston Consulting Group in collaboration with search giant Google India.



Source – Mint

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Date – 11th Jul 19

Houston-based start-up **Belmont Technology** has developed AI and cloud based geo science platform called “**Sandy**”. Sandy can interpret geology, geophysics, historic and reservoir project information, creating unique “knowledge-graphs.” It performs automated data set processing and linkage of large unstructured data for simulation of geological models. It can also be used for geoscience workflow execution and real-time interactions with subsurface engineers.

Quantico is another US-based oil and gas data analytics company. They have developed a solution for generating synthetic sonic and density logs with routine information collection during the drilling of a shale well. The company's logging solution, **QLog**, provides oil and gas companies with a non-intrusive method to log wells economically and without requiring logging runs after drilling.

AI has been incorporated into a number of sectors within the oil and gas industry to optimize and digitally transform the industry. The industry seems to have embraced the technology for mutual gains.

Today's News

IBM closes \$34 billion deal to buy Red Hat to boost cloud business

IBM said on Tuesday it has closed its \$34 billion acquisition of software company Red Hat, as it looks to ramp up its cloud computing business. Underscoring the drive into high-margin businesses, IBM in October agreed to buy Red Hat, the company's biggest acquisition in its more than 100-year history.

Ginni Rometty, IBM chief executive since 2012, has steered the company toward faster-growing segments such as cloud, software and services and away from traditional hardware products, but not without a bumpy journey. The newer areas of focus have sometimes underwhelmed investors.

Source – *The Economic Times*

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No one saw zero MDR for digital payments coming

Over the last few years, at least two expert panels on digital payments have suggested a market-linked pricing structure for merchant digital payments, with none suggesting merchant discount rate (MDR) to be brought down to zero, as the government proposed in the budget last week, according to industry insiders analysis.

After the government withdrew Rs 1,000 and Rs 500 denomination currency notes from circulation in November 2016, multiple committees on digital payments have been formed, consisting of industry and policy experts. These include the Ratan Watal and the Nandan Nilekani-led committees.

Source – *The Economic Times*

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This News Letter has been prepared with the assistance of G Balakrishna and Prithwijit Ghosh

Swiggy lines up \$100M to deliver milk, other essentials

Swiggy will invest \$100 million (over Rs 680 crore) for its subscription-based delivery business under Supr, which delivers milk and other daily essentials to consumers, according to two sources familiar with the development. Swiggy acquired Supr last year even though it hasn't made an official announcement on the same. The unit is already doing more than 1 lakh deliveries per day in six cities.

The development comes as the online food delivery player has also forayed into hyper-local delivery business under Swiggy Stores and subscription-based home-cooked meal with Swiggy Daily. It aims to drive a higher frequency of orders, leverage its growing logistics network as well as the brand built on food delivery.

Source – *The Economic Times*

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Byju's secures \$150M funding from Qatar's sovereign fund & Owl Ventures

Education technology firm Byju's has raised \$150 million in fresh funding led by Qatar Investment Authority, the Qatar government's sovereign wealth fund. San Francisco-based Owl Ventures also participated in the investment round. The investment values the startup at \$5.7 billion, according to sources. It makes Byju's the fourth most valuable private internet company in the country, behind Flipkart, Paytm and Ola, with its valuation steadily rising with each round over the past one year.

Source – *The Economic Times*

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Walmart Labs acquires two Bengaluru-based start-ups

Walmart Labs, the technology arm of US retail giant Walmart, has acquired two Bengaluru-based startups - FloCare and BigTrade - for an undisclosed sum. Founded by former Google employees, FloCare is a health-tech company that organises all the work a clinician needs to do in one place and aims to make "ageing at home" more affordable and scalable. BigTrade offers a wholesale trading platform which provides an "end-to-end" business solution from the discovery of the product or supplier to payment of the product.

While FloCare, which also has an office in California's Palo Alto, has joined Walmart Labs' customer technology team, BigTrade became part of the organisation's supply chain team. "We are in an exciting phase of transformation and it feels great to add terrific minds from the start-up ecosystem in India to our growing team," Hari Vasudev, Center Head & Vice President - Technology, Walmart Labs India, said in a statement on Tuesday.

Source – *The Economic Times*

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Toch raises pre-Series-A funding from Hyderabad Angels, Mumbai Angels and HNIs

Vogueme Technologies, which owns and operates interactive video platform Toch, has raised an undisclosed sum in a pre-Series-A funding round that has been led by a clutch of investors, including, Hyderabad Angels, Mumbai Angels and other high net-worth individuals. Proceeds from the round will be used by the Mumbai-based company to further build its technology platform, scale its team and operations, the company said in a prepared statement.

"While the platform is gearing up for a rebranded launch in the live commerce category before the end of the third quarter. The current round will be used to grow our market traction," Vinayak Shrivastav, chief executive of Toch, said. The three-year-old startup is an artificial intelligence-based video platform which claims to auto-detect objects, persons, emotions, locations, scenes and activities in real time, inside any video content, thereby enabling monetisation.

Source – *The Economic Times*

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Moglix lands \$60 million funding led by Tiger Global and Sequoia Capital

MogliLabs, which owns and operates B2B industrial goods marketplace Moglix, has raised Rs 412 crore in its latest funding round led by Tiger Global Management and Sequoia Capital. The latest equity financing round, which closed last month, comes about four months after the Singapore and Noida-based Company brought Flipkart Chief Executive Kalyan Krishnamurthy on board as an investor, and who had participated in his personal capacity.

The round, which also comes about seven months after it closed its \$23 million Series-C round, values the company at about \$200-\$300 million, doubling what it commanded last time, according to sources.

Source – *The Economic Times*

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Samsung Group backs 4 Indian start-ups, plans more such investments

South Korean conglomerate Samsung Group has invested in four Indian startups, it's first in the country, and plans to put money into 100 early and growth stage ventures in the country over the next 3-5 years. The investments will be routed through Samsung Venture Investment Corporation (SVIC), which has so far ploughed in \$8.5 million into the four firms. SVIC plans to cut cheques in early and growth stage companies ranging in size from \$1-\$5 million, a company said.

As part of its first round, Samsung has backed systems application maker Indus OS, speech analytics and voice assistant startup Gnani.ai, Internet of Things firm Silvan Innovation Labs and a fourth undisclosed firm in the AI and computer vision space.

Source – *The Economic Times*

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Flipkart checks direct buying from companies

Flipkart has started curtailing or altogether stopped buying products directly from companies as a precursor to shrinking — if not winding up — its wholesale operations, which have become tougher after rules for ecommerce entities were tightened. The Walmart-owned company is asking suppliers to route their products directly to the preferred sellers on its platform, codenamed Alpha sellers, and to wholesale 'Beta' sellers a layer of intermediaries that Flipkart had created to comply with India's revised FDI rules for online marketplaces.

Source – *The Economic Times*

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