



NEWS HIGHLIGHTS

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Today's View

Reverse Logistics

For retail e-commerce, the role of logistics cannot be over-emphasized. Logistics networks are quickly growing and changing to meet the ever-higher bar set by e-commerce retailers. According to a report from **Armstrong & Associates**, e-commerce logistics costs in the US crossed \$117 billion—representing around 7 percent of total US logistics costs.

Recalls, commercial returns, wrong deliveries, warranties repairs & refurbishment and end-of-life returns are some of the major problems faced by logistics firms, resulting in the rise of “reverse logistics”. It has historically been an undervalued part of supply chain management, but is currently gaining much more attention due to its direct impact on profit margins, companies’ environmental image and corporate social responsibility.

And when it comes to reverse logistics, a retailer’s return policy plays an essential role in a consumer’s overall shopping experience. In fact, according to **Walker Sands Future of Retail** report, shoppers are more likely to frequent retailers who offer free shipping and returns; 79 percent of consumers’ rank free return shipping as important when selecting an online retailer and 46 percent are willing to abandon a shopping cart if they discover free returns are not part of the deal.

Handling the return inventory dump is a big challenge for retailers. Most of this inventory gets wasted, while some of the value is recaptured through discounts etc. Much of it — by most estimates, goes into landfills. In order to

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Intel to hire 1,000 people at new Hyderabad unit

Intel plans to hire more than 1,000 people at its new facility in Hyderabad, the chipmaker’s second engineering centre after the one in Bengaluru, the company said.



Source – *The Economic Times*

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Date – 3rd December 2019

mitigate this challenge, various firms are developing products focussed on reverse logistics.

Optoro brings cutting-edge technology to a truly archaic industry. It works with retailers and manufacturers to manage and then resell their returned and excess merchandise. These products, which range from consumer electronics to home goods to clothing, are automatically listed on online marketplaces, including **Amazon**, **eBay**, **Buy.com**, **BestBuy**, and its own eCommerce website **BLINQ.com**. Through these channels Optoro has access to more than 500 million customers.

Another company called **Retail Equation** develops a “risk score” on each customer based on their shopping behaviors, to issue warnings and denials. The firm receives information about shoppers when they provide a form of identification to retailers.

Though managing returns does not look like an exciting proposition, some niche’ tech companies have created a successful business out of it. It’s about time to see more innovations on this front.

Today’s News

Government may spare Google from its phishing probe

India is not likely to act against US-based technology company Google after the search giant said last week that nearly 12,000 users may have been targeted in state-backed cyber-attacks globally, which included around 500 users in the country, according to a top government official. The government is nevertheless planning to issue a notice to Google asking why it had not informed the authorities about the attack. It will also seek details of the cyber-attack and its impact on Indian users, another government official said.

Source – *The Economic Times*

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Udacity plans to double headcount in India

Silicon Valley-based learning platform Udacity on Monday said it plans to double the headcount at its New Delhi office to support its growing student and enterprise client base in India. The company trains workers on next generation skills such as Artificial Intelligence, Machine Learning, automation, deep learning, data analytics, through its Nanodegree programmes. "India is fast rising as a prominent digital-first economy. As a result of this rapid digitisation across industries, there is a surging demand for new-age professionals adept in advanced technologies such as AI, machine learning, automation, deep learning, data analytics, etc.," Udacity CEO Gabriel Dalporto said in a statement. "To support this increased demand, we are more than doubling our office capacity in the country to accommodate the need for strategic hiring," Dalporto said.

Source – *The Economic Times*

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This News Letter has been prepared with the assistance of Preeti Patil and Manish Kulkarni

Oyo India & South Asia CEO Aditya Ghosh joins the company board

Aditya Ghosh, the India and South Asia head of hospitality chain Oyo Hotels & Homes, has stepped down from his role, and will join its board of directors, a little over a year after the 44-year-old joined the SoftBank-backed company.

Ghosh will be succeeded by Rohit Kapoor, who was heading Oyo's new real estate business, the Gurugram-based company announced in a prepared statement. Kapoor's new role will be effective from January.

Source – *The Economic Times*

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Accel Partners raises \$550m for new India venture fund

Silicon Valley venture capital firm Accel Partners said on Monday it had raised \$550 million for a new India-focused fund aimed at backing early-stage startups in the country. Accel launched in India in 2005 and has invested in several leading startups including online retailer Flipkart, which was bought by Walmart Inc last year. The firm counts Facebook Inc and Spotify Technologies among its marquee global investments. Increased internet access and a growing middle class have led to a boom in startups in India. Japan's Softbank Group Corp has said it expects to invest up to \$4 billion in the country over the next two years. "With a robust digital infrastructure firmly in place (and expanding rapidly), we expect digital adoption in India to only accelerate," Accel said in a statement.

Source – *Deal Street Asia*

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Number of UPI transactions up 6% at 1.2 bn in Nov; value falls marginally

The number of Unified Payments Interface (UPI) transactions via real time has reached 1.22 billion in November, compared to 1 billion in September. However, the value of UPI transactions for November was Rs 1.89 trillion — this is lower than the Rs 1.91-trillion announced last month. These transactions were 6.1 per cent higher than in October, and 132 per cent higher on a year-on-year basis, the National Payments Corporation of India (NPCI) data showed. Currently, 143 banks are live on UPI.

However, market players believe that the decline in value of transactions is not a cause for worry because October was a festive month. Mandar Agashe, founder and vice-chairman, Sarvatra Technologies, said, “Although the number of transactions has increased, value-wise the numbers are flat since it is being contrasted with the festive spending in October.

Source – Business Standard

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AePS growth slows down in FY20

The rate of growth in transactions through Aadhaar-enabled payment system (AePS) in the April-October period of the current financial year has dropped by more than two-thirds from the year-ago period, data from National Payments Corporation of India (NPCI) shows. AePS facilitates cashless transactions through biometric authentication.

According to NPCI, which runs the platform, biometric-based transactions grew by 10% to 208 million transactions in October 2019 from 189 million in April. Further, the transactions dropped in November to 196 million. In the year-ago period, the growth was more than 32%—transactions had jumped to 150 million in October compared with 113 million in April. Even last year in November, transactions had fallen to 137 million.

Source –The Economic Times

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WeWork Rival RocketSpace to Leave U.K. in Co-Working Blow

RocketSpace Inc., a San Francisco-based WeWork rival, is pulling out of its U.K. shared office business and will shut down the subsidiary by April in another blow to London’s co-working scene. Chief Executive Officer Duncan Logan told U.K. employees last month that they’d be out of a job after Dec. 20, according to a person familiar with the plans, who asked not to be identified because the information is private. The company will instead refocus on funding services for startups, according to emails seen by Bloomberg News.

The 1,500-seat office in the North London borough of Islington has already removed marketing materials from its website and no longer lets visitors request tours. RocketSpace has said it plans to close RocketSpace U.K. Ltd. and RocketSpace Angel Ltd. by April, according to regulatory filings. The latter had debts of about 9 million pounds (\$11.6 million) due this year, which the company has sufficient money to repay, according to the November filing.

Source – Bloomberg

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Advent, Temasek to sell 26% stake in CG Consumer

US private equity firm, Advent International and Singapore’s Temasek Holdings are set to sell upto \$185 million (Rs 1,328 crore) worth of shares in Crompton Greaves Consumer Electricals on Tuesday as the global investors are taking advantage of a stock market rally and making a near three-times return on a four-year old investment.

Advent International Corp’s Amalfiaco and Temasek’s MacRitchie Investments Pte Ltd are selling upto 5.54 crore shares in the company, according to the terms of the deal seen by ET.

Source – The Economic Times

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Mabel Chako, co-founder of Open wins woman leader in fintech at India FinTech Awards

Mabel Chako, Co-founder and COO at Open Financial Technologies has won the Woman Leader in Fintech at the India FinTech Awards (IFTA) presented by National Payments Corporation of India (NPCI) and organised by India FinTech Forum. At the same event, Harshil Mathur, Founder and CEO of Razorpay was awarded ‘Fintech Leader of the Year’. Twenty-three fintech startups from the US, New Zealand, Hungary, Israel, Singapore and India were shortlisted from 400+ applications and presented their product innovations in front of a Panel of Judges. Valocity Global from New Zealand won the Fintech Startup of the Year trophy.

Source – The News Minute

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