

NEWS HIGHLIGHTS

Fintech startups see a big space in lending business

UPI 2.0 gets ready to push growth as digital transactions plateau

C-DAC sees demand for Param Shavak from states

Facebook to invest \$300 mn to help local news survive

Today's View

Data Market

Data is transforming virtually all aspects of our economy and society, but the true promise of the data economy remains largely unharnessed because we still lack the technology and processes to allow for standard, secure and efficient data exchange. In fact, from climate change to artificial intelligence, virtually all areas of modern society would be positively impacted by better access to data, as per the **World Economic Forum**.

As per **McKinsey** research, it is estimated that better access to data can help unlock at least \$3–5 trillion in global economic value which represents an increase of 2–5% of the gross world product.

In order to offer better access to diverse data sources, organisations are building data marketplaces which can be used by government agencies, businesses of all kinds, market intelligence agencies and various analysts. Common types of data offered include business intelligence, advertising, demographics, personal information, research and market data.

For instance, **Factual** has created an open data platform, with tools that could be leveraged by community contributors to improve data quality. Unlike other marketplaces, Factual does not offer reselling facilities for data publishers. Instead of selling data, the platform allows publishers to mutually exchange the respective data which could provide business value far beyond the returns of publishing data in exchange for cash. It also offers incentives

Akhil Handa

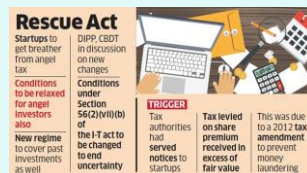
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Startups may soon get shield against angel tax demons

India is likely to soon announce concessions to shield startups from the so-called 'angel tax', including relief from levies on past investments as well. The changes will be made to allow exemption for investments that do not exceed Rs 10 crore



Rescue Act
Startups to get breather from angel tax
Conditions to be relaxed for angel investors also
New regime to cover past investments as well

DIPP, CBOT in discussion on new changes
Conditions under Section 56(2)(ii)(b) of the I-T act to be changed to end uncertainty

TRIGGER
Tax authorities had served notices to startups

Tax levied on share premium received in excess of fair value
This was due to a 2012 tax amendment to prevent money laundering

Source – *The Economic Times*

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Date – 16th Jan 19

to their customers to share data back, improving the quality of the data for everybody.

On the other hand, **DataStreamX** has created a global marketplace for commercial data. It accelerates data access worldwide by bringing together buyers and vendors of data onto one simple-to-use platform. This, in turn, helps transform clients' businesses by delivering actionable data to buyers and creating new revenue opportunities for vendors.

Apart from commercial marketplaces, few platforms like **DataMarket** cater to the end-user as well. Through a variety of plans, customers can use **DataMarket's** platform to publish and sell their data and embed charts in their own pages. At the enterprise end of their packages, **DataMarket** offers an interactive branded data portal integrated with the publisher's own web site and user authentication system. Initial customers of this plan include **Yankee Group** and **Lux Research**.

Considering the booming demand for data marketplaces, large-scale organisations are also developing such marketplaces, with emphasis on emerging technologies like blockchain. More on this in our next article.

Today's News

Fintech startups see a big space in lending business

Technology platforms, which help consumers avail of credit facilities from financial institutions, are trying to enter the lending space and vying for a licence from the banking regulator.

While some companies have already applied for the licence from the Reserve Bank of India, some are in the queue. Bengaluru-based Shubh Loans has started the process to apply for an NBFC licence. The platform, founded by former banker Monish Anand and Goldman Sachs executive Rahul Sekar, is targeting the financially underserved segment.

Source – *The Economic Times*

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Amazon, Flipkart seek more time to comply with new FDI policy

Amazon and Walmart-owned Flipkart have asked the government to extend the February 1 deadline to comply with recently announced changes in the foreign direct investment (FDI) policy for ecommerce, according to people with knowledge of the matter.

“We are working diligently to assess all aspects of the Flipkart business in an effort to ensure full compliance with the new rules, but believe an extension is appropriate in order to ensure that all elements of the new Press Note are clarified and a smooth transition for marketplace participants occurs without any disruption for customers and small sellers,” a spokesperson told ET.

Source – *The Economic Times*

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

Agri-tech firm WayCool gets Rs 120 cr from LGT and others

Chennai based fresh produce distribution startup Way-Cool has raised Rs 120 crore through equity and debt in a funding round led by Lightstone, the investment arm of European impact fund LGT Impact. Karthik Jayaraman, cofounder of WayCool, said about 75% of the capital raised was through sale of equity, while the rest was debt. The investment is part of an ongoing Rs 200-220 crore Series-B round that WayCool plans to use to expand its footprint. The investment is among the latest in the country's agritech space, which is seeing increased interest from both global and local fund houses.

Source – *The Economic Times*

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UPI 2.0 gets ready to push growth as digital transactions plateau

While demonetisation has resulted in a spike in digital payments, the authorities are readying a second version of the Unified Payment Interface (UPI) to increase the pace of adoption of digital payments, a report says. The total digital transactions inched forward in the past year but the country's flagship payments platform UPI grew by a massive 700 percent in value. UPI's monthly value, which crossed the Rs 1-trillion mark in December, recorded an eightfold growth over the previous year.

Source – *IBTimes*

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C-DAC sees demand for Param Shavak from states

India's super computing solution in a box - Param Shavak has seen demand increase from state governments to install them in universities and colleges for students to work on applications in areas such as bioinformatics and weather analysis, besides Artificial Intelligence and Virtual Reality.

The Centre for Development of Advanced Computing (CDAC) said that it was seeing increased interest from state governments for Param Shavak, which was first launched in 2015. In the past year, the agency has installed over 100 of these units and CDAC Director General Hemant Darbari said that they were on track to install another 100 of these in 2019.

Source – *The Economic Times*

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Facebook to invest \$300 mn to help local news survive

Facebook Inc will invest \$300 million over three years in local news globally as it faces blistering criticism over its role in the erosion of the news business worldwide.

The investment in time and money is a significant expansion of a plan to help newsrooms in the US and abroad create and sustain viable business models to survive, the company said on Tuesday. Unlike earlier investments in the news business, this latest round is distinguished by how it is not tied to Facebook-related products, recipients of the investments say.

Source – *Hindu BusinessLine*

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Infosys looks for love in Tokyo, taps JV for manufacturing companies

Infosys plans to create a bigger footprint in Japan to tap the transformation across the manufacturing sector through its joint venture with Hitachi, Panasonic and Pasona, as it looks to expand in a country that has long been averse to outsourcing.

Infosys formed the alliance last month with two Japanese hi-tech electronics firms and one HR firm to build solutions that use digital technology platforms to improve indirect procurement. For long, Indian IT services companies have struggled to expand their business in Japan, a developed market, which has traditionally been slow to embrace outsourcing. With companies such as Infosys, TCS, Wipro, HCL Technologies and others strengthening their platform-led services model, they have seen higher acceptance among the manufacturing and industrial companies in Japan.

Source – *The Economic Times*

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Morgan Stanley turns cautious on IT sector

Morgan Stanley has turned cautious on Indian information technology sector in the new year, downgrading the view on it to 'in-line' from 'attractive'. The financial services firm said consensus estimates already reflect a robust IT spending and deal pipeline outlooks but the margins are at risk as the US dollar weakens and tight labor markets spur cost inflation. Morgan Stanley advises 'defensiveness' and being selective in the IT space.

Source – *Hindu BusinessLine*

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Zoomtail Tech raises funds in a round led by Matrix Partners

Zoomtail Technologies, which runs a fashion commerce-enabling platform, has raised an undisclosed amount in seed capital from investors led by Matrix Partners India. The round also saw participation from V1 Capital, Kunal Shah, Anshuman Bapna and Shamik Sharma.

Source – *Hindu BusinessLine*

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Driverless Car Startup Zoox Taps Former Intel Exec as New CEO

Autonomous driving startup Zoox Inc. named former Intel Corp. executive Aicha Evans as chief executive officer, months after the dramatic exit of co-founder Tim Kentley-Klay. Evans spent 12 years at Intel, and was most recently a senior vice president and chief strategy officer at the giant chipmaker.

Source – *Bloomberg*

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