

NEWS HIGHLIGHTS

RBI has begun to sell some of its gold again

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'Robotic' Staff Service is Negatively Impacting on Businesses

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Today's View

Gig Economy

A gig economy is a free market system in which temporary positions are common and organizations contract with independent workers for short-term engagements. The term "gig" is a colloquialism word meaning "a job for a specified period of time" and is typically used in referring to musicians. Examples of gig employees in the workforce could include freelancers, independent contractors, project-based workers and temporary or part-time hires.

The trend toward a gig economy has begun, as a study by **Intuit** predicts that by 2020, 40% of American workers would be independent contractors. There are a number of factors behind the rise in short-term jobs. In the digital age, the workforce is increasingly mobile and work can increasingly be done from anywhere, so that job and location are decoupled. This means that freelancers can select among temporary jobs and projects around the world, while employers can select the best individuals for specific projects from a larger pool than that available in any given area.

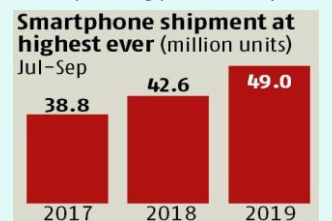
According to a recent survey by hiring marketplace **Noble House Consulting**, 81% of respondents had moved into the gig space in the last five years. We see this all around us—in the form of **Swiggy** delivery executive, the **Dunzo**

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**Smartphone shipment touches all-time high of 49 mn units, defies slowdown**

Amid a consumption slowdown in consumer goods market, smartphone shipment surged to its highest level in July-September quarter. It touched 49 million, 15% higher than the corresponding period last year.



Source – Business-standard

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Date – 25<sup>th</sup> Oct 19

rider, **Ola/Uber** driver and even homeowners who've listed on platforms such as **Airbnb**. The government recognizes this niche in the gig economy. In 2015, the Union government introduced a freelance scheme under its 'Digital India' platform.

The government also recognizes the sector as self-employed and has a number of policies for MSMEs of this type, i.e gig entrepreneurs. A **MasterCard** survey found that 85% of gig entrepreneurs would take up more projects if they were paid faster. However, the survey found that while 44% of gig payments happen through online gig marketplaces, only about 17% of platforms offer fast payments to independent workers. The gig economy in U.S. is now estimated to be about 34% of the workforce and expected to be 43% by the year 2020.

Human resources firm **TeamLease** estimates that 13 lakh Indians joined the gig economy in the second half of 2018-19, registering a 30% growth compared to the first half of the fiscal year. **Better Place**, a digital platform that does background verification and skill development in the informal sector, estimates that of the 21 lakh jobs that will be created in the metros in 2019-20, 14 lakh will be in the gig economy.

The gig economy offers ample opportunities for the workforce and is here to stay, thanks to technology advancements.

## Today's News

### RBI has begun to sell some of its gold again

The Reserve Bank of India (RBI) has been selling gold from its reserves for the first time in a long while. Since the beginning of July, the start of the central bank's business year, it bought gold worth \$5.1 billion and sold about \$1.15 billion of the yellow metal, according to RBI's weekly statistical supplement data. The value of gold in the country's forex reserves amounted to \$26.7 billion on October 11.

The total amount of gold with RBI at the end of August was 19.87 million troy ounces, according to the latest data. This was about the time that the central bank accepted the Bimal Jalan committee report on its capital framework. The committee recommended that, after providing for various risk buffers, which could be 5.5 per cent to 6.5 per cent of the RBI's balance sheet, the entire realised surplus can be transferred to the government.

The central bank appears to have started trading in gold more actively since adopting the report, going by the data. The Jalan committee was set up last year in the wake of the debate over sharing the RBI's surplus income with the government to fund its deficit. Analysts said the stock of gold in forex reserves has traditionally been revalued only once a month.

Source – *The Economic Times*

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### 'Robotic' Staff Service is Negatively Impacting on Businesses

A study of 1,000 workplaces published in *Thinking on your feet*, a report by the commercial subsidiary of the Royal Academy of Dramatic Art, RADA Business, found that 91% of people say that they regularly experience situations where employees have failed to apply a flexible way of communicating and common sense as a result of not being able to think 'in the moment', respond appropriately and improvise a creative solution.

The report identifies the effects of not being able to think creatively and reveals that 46% of people have experienced impatient customer service. Other poor staff behaviors found include unhelpfulness (45%), poor communication (38%), or rudeness (37%).

Source – *The Fintech Times*

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### Mobikon raises US\$ 12.5 mln Series B round led by Binny Bansal

Mobikon has raised a Series B round of \$12.5 million dollars. Mobikon will utilise these funds to pursue its mission to be the most impactful data exchange platform in the restaurant software vertical.

The Series B financing round for this seven-year-old startup was led by entrepreneur and venture capital visionary, Binny Bansal. This is his single largest investment bet on a scale up focussed on the South East Asia market.

Source – *The Economic Times*

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## KSUM ties up with HDFC Bank for enabling market access to startups

Kerala Startup Mission (KSUM) has entered into a memorandum of understanding (MoU) with HDFC Bank to facilitate an array of banking services to startups in the state through its smart solution SmartUp. SmartUp is leveraged to assist in achieving startup goals with smart financial tools, advisory services and technology.

HDFC Bank has developed a specialized end-to-end banking solution for startups, which includes corporate salary accounts, forex advisory services, payment and collections solutions and point of sale terminals (POS) at preferred rates and nodal accounts for market places among others.

As per the MoU, which has a time-frame of one year, KSUM will refer various startups to HDFC Bank to avail, inter-alia, financial and other facilities and HDFC Bank shall provide the necessary facilitation and and HDFC Bank shall provide the necessary facilitation to the startups.

Source – *The Economic times*

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## Airtel launches program to support startups

Bharti Airtel has announced the launch of its Startup Accelerator Program to support growth of early stage Indian tech startups. With the advent of its Start-up Accelerator Program, Airtel aims to support the creation of a startup ecosystem that contributes to “Digital India”.

Through Airtel’s Startup Accelerator, early startups get access to its online and offline distribution network. Airtel also announced the induction of Bengaluru based tech startup Vahan into its Startup Accelerator Program. The company will acquire a stake in Vahan and partner with them to achieve their vision of enabling jobs for the next billion internet users.

Source – *The Economics Times*

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## Small towns should be a big focus area for job creation

The government should focus on enabling micro entrepreneurs in small towns, which will give a fillip to local economies and drive consumption, experts said at the ET India Dialogues Panel discussion. An employment crisis is brewing as economic growth has slowed to a six-year low.

The Periodic Labour Force Survey (PLFS) of the National Sample Survey Office (NSSO), released in May, showed that the unemployment rate in financial year 2018 was 5.3% in rural India and 7.8% in urban India, resulting in an overall unemployment rate of 6.1% — a 45-year high.

“There is job creation in the country, but the problem is these jobs don’t pay enough. There aren’t enough high-quality jobs. High-paying jobs are getting automated.

Source – *The Economic Times*

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This News Letter has been prepared with the assistance of M T Rao

## Insuretech Startups outperform traditional players in premium growth

Insuretech Startups including Acko General Insurance Ltd, and Go Digit General Ltd., which own Insurance Regulatory and Development Authority of India (IRDAI) licenses have respectively posted a 6X and 4X increase in gross direct premium underwritten during the month of September, outnumbering other general insurers, according to data released by IRDAI.

Narayan Murthy and Accel backed Acko, which received a general insurance licenses from IRDAI in 2017, underwrote premium worth Rs 41.56 crore in the month of September 2019. This is a 6x growth compared Rs 6.53 crore worth of premium underwritten by Acko in the same month last year, according to IRDAI data.

Source – *LiveMint*

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## Big firms keen on tie-up with Startups in Vizag

In what could give a boost to the Startup ecosystem in the city, several big companies are evincing interest to collaborate with technology innovations by the young talent through their ventures.

Among the list is Connetin Vizag, incubated at the Startup Accelerator India (SAI) facility at Rushikonda IT Special Economic Zone, which has started executing a big contract with the Tirupati LPG Industries Private Limited.

Source – *The Hindu*

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