



NEWS HIGHLIGHTS

IIT-B students to help Bank of Baroda build tech dominance

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Nearby retail shop as ATM? PhonePe toys with the idea

Audi to provide lifestyle services to customers in India

Today's View

Working Together (2)

Sharing is caring. It's especially being true for new-age companies sharing the workplaces.

In our previous article (link [here](#)), we have seen how co-working model is helping start-ups to utilise office spaces without significant capital expenditure. However, even large corporations and conglomerates are adopting co-working model in order to gain better access to innovators, stay on top of technological innovations and even to monitor potential acquisition targets.

As per **JLL report**, 65 percent of the companies expect to use co-working as part of their office portfolio in the Americas by 2020. The scenario is quite similar for other geographies as well. Acknowledging the potential, venture capital firms such as **Sequoia India** have already invested Rs. 130 crore in the co-working sector to gain the first-mover advantage. This trend of investment has received a further boost as corporate players such as **Paytm, Cox and Kings** etc. have started opting for spaces in co-working establishments. Even **Airbnb's** Berlin office as well as **Amazon's** Boston office work entirely on co-working model.

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IIT-B students to help Bank of Baroda build tech dominance

Stress alleviation using a virtual reality headset for bankers, intensive analytics to forecast cash replenishment rates at rural ATMs, PoS machines with value-added services are some of the solutions that IIT Bombay students and faculty are working to create for Bank of Baroda. This Innovation Centre at IIT Bombay could well become the launchpad for Bank of Baroda into the tech league of top banks.

Source – *The Economic Times*

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11th February 2020

10 Various BigTechs are also taking co-working route to stay innovative. For example, companies like **IBM** have been renting co-working spaces for their employees to stay in touch with partners like contractors, developers, freelancers and the like. Additionally, **Microsoft** has given 30 percent of their employees in New York City access to co-working locations.

Even banks and fintechs are also adopting co-working model. For example, British financial services firm **Barclays** has partnered with co-working firm **TechStars**. It offers dedicated working space, auditorium and meeting rooms with video and podcast recording facilities. It has also launched co-working model based fintech accelerators programs like **Rise** that facilitate engagement between the financial institutions and the startup community. With seven locations in hot spots around the globe, Rise is making an impact on the expanding FinTech ecosystem. The organization's London location houses around 40 FinTech companies, focusing on banking and technology, blockchain, and other key areas of financial technology.

The Guardian's recent article states, 'With co-living and co-working hubs fulfilling all our needs, co-working is quite clearly here to stay. If the term ever disappears, it will only be because it becomes synonymous with our notion of working.'

Today's News

Nearby retail shop as ATM? PhonePe toys with the idea

PhonePe has ventured into the business of digital ATMs with ambitions to operate what could turn out to be the largest fleet of cash withdrawal points across the country.

For this, the Walmart-owned financial service provider has geo-tagged more than half a million merchants with excess cash to help customers convert digital money into cash through a 'withdraw' button on the PhonePe application. The idea is to increase merchant engagement on the platform by creating a new value service for both local shop owners and consumers.

Source – *The Economic Times*

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Ola drives to London as Uber fights it out there

Homegrown ride-hailing app Ola has launched operations in London with more than 25,000 registered drivers on its platform. The move comes on the back of rival Uber losing its licence to ply in London on safety concerns. For now, Uber continues to operate in London as it fights to stay on in the city.

Ola had been working towards this launch for the last year. Uber and Ola, both, are backed by Japan's SoftBank and are locked in a battle for market leadership in India.

Source – *The Economic Times*

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

Flipkart increases focus on Indian fintech market to take on Amazon, Paytm

Walmart-owned e-commerce firm Flipkart has increased focus on the Indian fintech market and take on rivals such as Amazon and Alibaba-backed Paytm. Flipkart's overall fintech category, which comprises consumer credit constructs, device insurance, and seller financing, grew 40 per cent in 2019. As the company brings the next 200 million consumers online, it aims to significantly multiply the number of users with access to its fintech products and services

Source – *The Economic Times*

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Tea cafe chain Chaayos raises \$21.5 million funding

Chaayos, a multi-city chain of tea cafes, has raised \$21.5 million in a mix of equity and debt funding led by Silicon Valley-based Think Investments. Existing investors SAIF Partners, Tiger Global and others also participated in the new financing round, which also includes a \$3 million debt investment from Innoven Capital.

"We will use the capital...to do three things - open new stores, building technology and in hiring," said Nitin Saluja, founder of Chaayos. "We've also picked up some debt, as a business like ours where stores make a profit, servicing debt makes sense."

Source – *The Economic Times*

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Judge denies Uber's, Postmates' request to halt California gig worker law

A U.S. judge on Monday rejected a request by Uber Technologies Inc and courier services provider Postmates Inc to block a California labor law from taking effect, saying the bill's public benefits outweighed the companies' concerns.

U.S. District Judge Dolly Gee in Los Angeles said that while the companies had proven they could suffer a degree of irreparable harm as a result of the law, the potential risks to them were less important than the public interest in setting a living wage and regulating employment.

Source – *The Economic Times*

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Audi to provide lifestyle services to customers in India

German luxury carmaker Audi is gearing up to become a service provider as well, offering a host of premium lifestyle services to its customers in India, according to a top official of the firm.

The company, under its 2025 strategy of focussing on customer centricity besides enhancing product portfolio and sales and service network in the Indian market, is working to develop further on the concierge services that it offers to its car buyers.

Source – *The Economic Times*

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Infosys to acquire Simplus in \$250 million deal

IT major Infosys said on Monday that it will acquire Simplus, one of the fastest growing Salesforce Platinum Partners in the US and Australia, in an up to \$250 million deal. According to a regulatory filing, the cost of acquisition is "\$200 million including contingent consideration to be paid for the acquisition of shares subject to closing adjustments".

In addition, there are employee incentives and retention payments amounting up to USD 50 million on meeting certain performance conditions over three years, it added. Simplus is majority-owned by the institutional investors, founders and key employees, with Salesforce Ventures having a minority stake. Its revenue stood at USD 67.1 million for the fiscal year ending January 31, 2020.

Source – *The Economic Times*

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Smartworks picks up 2.5 l sq ft office space on lease in Bengaluru

Smartworks Coworking Spaces has taken more than 250,000 square feet of office space in Bengaluru on a long-term lease spread over nine years.

With this deal, financial details of which were not disclosed, the Noida-based co-working spaces operator has signed eight new lease agreements for around 2 million sq ft space across Bengaluru, Chennai, Pune and Noida since October 2019. The company's footprint has expanded to more than 3.8 million sq ft, with a total investment of ₹179 crore (\$25 million) so far. "We are very bullish on scaling our business in the existing cities. We have around 2.5 million sq ft of office space in the pipeline and already signed up clients for 60% of the upcoming facility," said founder Neetish Sarma.

Source – *The Economic Times*

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Rebel Foods targets \$1B valuation

Rebel Foods, which runs cloud kitchens like Faasos, Oven Story Pizza and Behrouz Biryani, is eyeing a valuation of about \$1 billion as it looks to mop up a new round of funding of \$100-150 million. The move comes as investor interest in the space ramps up, said three sources familiar with the development. Rebel runs over a dozen virtual restaurant brands where it sells directly through its own application besides platforms like Zomato and Swiggy.

Source – *The Economic Times*

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