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Quick Commerce Unicorn Zepto Raises $340 Million In Follow-On Round, Valuation Jumps To $5 Billion

Zepto, a leading player in the quick commerce sector, has raised $340 million in a follow-on funding round, boosting its valuation to $5 billion. This investment follows closely on the heels of the $665 million the company raised in June, which had valued Zepto at $3.6 billion.

The latest round was led by General Catalyst, with new investors Dragon Fund and Epiq Capital joining in. Existing supporters such as StepStone, Lightspeed, DST, and Contrary also increased their investments, demonstrating strong confidence in Zepto's growth and potential.

Aadit Palicha, Zepto's Co-founder and CEO, highlighted the strategic thinking behind this additional funding: "The chance to bring on a lead investor of Neeraj Arora's calibre from General Catalyst was an opportunity we couldn't miss. Additionally, reinforcing our balance sheet is a strategic move as the company continues to show strong growth and operating leverage."

While the recent funding rounds reflect significant confidence in Zepto's performance so far, Palicha acknowledges that much work remains to achieve the goal of building a world-class internet company out of India.

Neeraj Arora, Managing Director of General Catalyst, shared his enthusiasm for Zepto's future: "Aadit and Kaivalya are exceptional founders who have turned their bold vision for India's grocery sector into a category-defining company. This is just the beginning, and we're thrilled to partner with them as they set new benchmarks for the future of e-commerce in India and beyond."

In a strategic shift, Zepto is also planning to relocate its headquarters from Mumbai to Bengaluru by November, though no official announcement has been made yet. Sources suggest that the move is driven by the need for tech talent and the benefits of being located in India's tech hub.

F&O Consultation Paper Received 6,000 Responses: SEBI Chief Madhabi Puri Buch

Capital markets regulator SEBI has received suggestions from around 6,000 stakeholders on the consultation paper floated on Futures & Options (F&O) trading, its chief Madhabi Puri Buch said on Thursday.

In its consultation paper floated in July, the regulator proposed seven measures, including increasing minimum contract size and upfront collection of option premiums, intra-day monitoring of position limits, rationalisation of strike prices, removal of calendar spread benefit on expiry day and increase in near contract expiry margin.

These measures are aimed at enhancing investor protection and promoting market stability in derivative markets.
Speaking at Global Fintech Fest 2024, Buch said that the regulator has received comments from around 6,000 stakeholders on the consultation paper on the F&O segment.

Also, technology has validated faster processing of such enormous amounts of feedback.

Additionally, she said that the Securities and Exchange Board of India (SEBI) is working on several dozen Artificial Intelligence (AI) - powered technologies, which are aimed at improving surveillance and processing using AI.

Earlier this month, SEBI Whole-Time Member Ananth Narayan G stated that the "primary intent" of the capital markets regulator in trying to restrict derivative trades is to curb "expiry day frenzy" in options trading. He had made it clear that it is not SEBI's intent to ban derivatives.

Previously, SEBI Chief mentioned that households are losing up to Rs 60,000 crore a year in the problematic futures and options segment. Earlier, SEBI research showed retail traders lose money in nine out of 10 trades in the F&O segment.

The government, in the Union Budget in July, raised the securities transaction tax (STT) on both futures and options trade from October 1 to allay concerns about hyperactive interest in the derivative segment. Before that, the Economic Survey flagged concerns over rising retail investors' interest in derivative trading. The survey stated that speculative trade has no place in a developing country.

It also pointed out that the sharp increase in retail investor participation in F&O trading is likely driven by humans' gambling instincts.

Centre Clears Singapore Airlines' ₹2,058-Crore Investment In Air India Group

Vistara's merger with Air India is one step closer with Centre clearing Singapore Airlines' (SIA) ₹2,058-crore investment in the merged entity.

In November 2022 SIA announced an investment in Air India for a 25.1 per cent stake. With the foreign direct investment approval in place, the two sides are targeting completion of the merger by December-end.

In a stock exchange notification, SIA said investment approval along with other governmental and regulatory approvals received to-date, mark a significant development towards the completion of the merger. SIA holds 49 per cent stake in Vistara, which it co-founded with Tata Sons. The airline began operations in January 2015.

"SIA and its partner Tata Sons aim to finalise the merger by the end of 2024," the airline said.

"SIA and Tata Sons are firmly committed to supporting the growth and success of the Air India Group, which post-merger will have a significant presence in all key Indian airline market segments. This merger will reinforce SIA's multi-hub strategy, and underscore its long-standing commitment to India through a direct stake in this large and rapidly growing aviation market," the airline added.

In June, the two sides received the National Company Law Tribunal's approval for merger. In July, the civil aviation regulator approved harmonisation of operating manuals of the two airlines, a key step towards the integration.

Vistara will merge with Air India on November 12 marking an end to near decade long journey. The merger date has been announced after Centre cleared Singapore Airlines' Rs 2058 crore investment in Air India group.

Starting September 3, customers will, progressively, no longer be able to make bookings with Vistara for travel on or after November 12. Vistara will continue to take bookings and operate flights, as usual till November 11.

Intel Working With Bankers To Present Board With Strategic Options

Intel Corporation is considering options to weather a historic slump, which include potentially splitting off its foundry business and scrapping plans for new factories, Bloomberg reported on Thursday.

Intel executives are working with multiple advisors to formulate options to address its flagging business, according to a person with knowledge of the matter.

Those advisors, which include Morgan Stanley and other bankers, will likely present Intel's directors with options at an upcoming board meeting in September, said the person, who requested anonymity to discuss confidential matters. The advisors are considering a full range of options, including splitting off and selling businesses, the person said.

CEO Pat Gelsinger acknowledged publicly on Thursday that the company understood investor skepticism and was working to address it. "We realize we have to operate efficiently with nimbleness, with urgency," Gelsinger said at Deutsche Bank's Technology Conference.

Intel remains on track to launch its next iteration of its laptop central processor, Lunar Lake, Gelsinger said at the appearance. But investors don't see a turnaround on the horizon, and have pushed the stock down almost 60% this year.

The once-dominant company has been trounced primarily by Nvidia, which produces the graphics processing units (GPUs) that are are the heart of today's prominent AI models.

Intel had earlier in August suspended its dividend and slashed about 15% of its workforce, as it struggled to catch up with rivals in the foundry space, chiefly Taiwan's TSMC

Alongside a disastrous earnings report earlier this month, Intel announced it would lay off 15,000 workers. The job cuts, part of a broader focus on slashing expenses, did little to assuage investor dismay. And while Gelsinger said Thursday that the company's foundry business had roughly a dozen interested customers, the buildout remains costly for Intel.

Net GST Receipts' Growth Slipped To 6.5% In August

Growth in India's Gross Goods and Services Tax (GST) collections slowed marginally to 10% in August from 10.3% in July, with revenues of nearly ₹1.75 lakh crore. However, the rise in net receipts slumped to 6.5%, the second weakest in this financial year, from 14.4% in the previous month.

Sequentially, gross revenues were 3.9% lower in August vis-a-vis July, when they had hit their third-highest monthly tally a tad over ₹1.82 lakh crore. However, net revenues, after adjusting for refunds to taxpayers, were ₹1,50,501 crore in August, marking a sharper 9.2% drop from July's kitty.

The uptick in July's gross GST revenues had marked a sharp recovery over June, when growth had hit a three-year low of 7.6%. Net receipts growth was 6.3% in June

In August, gross revenues from domestic transactions were up 9.2%, improving from an 8.9% rise in July, while receipts from imports rose 12.1%, slightly slower than the 14.2% growth in the previous month. After accounting for refunds, net domestic receipts grew just 4.9%, while revenues from goods imports expanded 11.2%.

The Central Board of Indirect Taxes and Customs said August's GST revenue figures are provisional, and the actual numbers may "slightly vary" on finalisation. It must be noted that GST revenues collected in August generally pertain to economic activity in the preceding month of July.

A significant part of the decline in net revenues in August over July may be attributed to a sharp 50.2% sequential spike in tax refunds effected during the month, adding up to ₹24,460 crore. This constitutes a 38% rise from last August and includes a 59.6% surge in refunds for domestic transactions.

Domestic refunds

By contrast, domestic refunds had slipped 34.1% year-on-year in July, and overall refunds were 19.4% down to ₹16,283 crore. Sequentially, those refunds were 18.4% below June's levels.

There were significant variations in revenue trends within States, with as many as six seeing a contraction in revenues from last August. These include Meghalaya and Nagaland (down 18% each), Mizoram (-13%), Chhattisgarh and Arunachal Pradesh (-10% each), and Andhra Pradesh (-5%).

The union territory of Jammu and Kashmir, along with Kerala and Tripura, grew at the same pace as the national average of about 9%, but 11 States recorded milder growth, including Uttarakhand where revenues were flat. Revenues rose just 4% in Telangana and Goa, 5% in Rajasthan and Jharkhand, 6% in Gujarat and West Bengal, and 7% in Tamil Nadu and Punjab.

Deloitte India partner M.S. Mani said a deep dive was warranted to assess the differences among States' collections. "The single digit increase in large States like Gujarat, Andhra Pradesh and Tamil Nadu would engage the attention of the tax authorities in these States," he reckoned.

Manipur recorded the highest spike of 38%, albeit on a lower base revenue of ₹40 crore last August when the State was in the grip of widespread unrest. Delhi (22%), Assam (18%) and Himachal Pradesh (14%) recorded the fastest growth after Manipur. Maharashtra (13%), Haryana and Madhya Pradesh (12% each), followed by Karnataka, Odisha and Uttar Pradesh, whose revenues grew 11% each, were the other States to outperform overall GST revenue growth trends in August.

In the first five months of 2024-25, overall GST revenues have now risen 10.1% to almost ₹9.14 lakh crore, while net receipts are 10.2% higher at over ₹8.06 lakh crore. After accounting for refunds, which are also up 10% from last year, net domestic revenues have grown 12.3%, while goods imports have yielded a 2.6% rise in tax receipts.

With the festive season about to begin, revenues are expected to surge in the next few months, said Abhishek Jain, indirect tax head and partner at KPMG. He termed the significant surge in processing of GST refunds in August "encouraging".

NBCC Board Approves 1:2 Bonus Issue, Fixes Record Date

NBCC (India) Limited Board of Directors approved the issuance of 90 crore new equity shares as bonus shares to its shareholders, marking a notable event in the company's ongoing financial activities, on August 31.

October 31, 2024, is the estimated date by which such bonus shares would be credited/dispatched, within two months from the date of approval of the Board.

These bonus shares will be issued in the ratio of 1:2, meaning that shareholders will receive one new fully paid-up equity share of ₹1 for every two existing fully paid-up equity shares of the same value. The issuance will be financed through the company's free reserves, created out of profits, which amount to ₹1,959 crore as of March 31, 2024. To facilitate this bonus issue, ₹90 crore from these reserves will be utilized.

"The Board of Directors has recommended the issuance of Bonus Shares to the Shareholders of the Company in the ratio of 1:2 i.e., 1 (One) new fully paid-up Equity Share of ₹ 1/- each for every 2 (Two) existing fully paid-up Equity Share of ₹ 1/- each to the eligible members of the Company as on Record Date, subject to the approval of the Shareholders in the forthcoming Annual General Meeting," NBCC India announced in an exchange filing.

The Company has a balance of ₹ 1,959 crore being reserves & surplus available for capitalization as per Audited Financial Statements on March 31, 2024.

New Amazon Alexa To Use Claude AI As Amazon's Own AI Struggled

Amazon's improved version of Alexa that is slated to be launched this year will be powered by AI startup Anthropic's Claude AI model according to a Reuters report, which added that this is because Amazon's in-house AI proved insufficient and struggled with words and responding to prompts.

What were the issues faced by Amazon when it comes to AI?

The new Alexa version, called "Remarkable Alexa," has seen numerous issues, since its announcement last September, with former machine learning scientist for Alexa AI Mihail Eric stating on a post on X that the division was "riddled with technical and bureaucratic problems."

Amazon had invested $4 billion into Anthropic last year for a minority stake, but this led to UK competition regulators to investigate it.

Amazon's AI is also facing stiff competition from OpenAI's Advanced Voice Mode for ChatGPT, Google Gemini's voice chat mode, and Siri's upcoming Apple Intelligence update.

"Amazon uses many different technologies to power Alexa," Reuters quoted Amazon as saying. "When it comes to machine learning models, we start with those built by Amazon, but we have used, and will continue to use, a variety of different models — including (Amazon AI model) Titan and future Amazon models, as well as those from partners — to build the best experience for customers."

When is the new Alexa expected to be released and what would its new features be?

Remarkable Alexa is reportedly arriving sometime in mid-October, with a plethora of features including daily AI-generated news summaries, a child-focused chatbot, and conversational shopping tools, according to a report by The Washington Post.

It may be placed behind a $5-10 monthly subscription to make it profitable, but the current "Classic Alexa" will continue to be available as a free-to-use service.

The new Alexa's demo will be presented at Amazon's annual devices and services event, which is usually held in September.

Gujarat Gas Board Approves Merger, Demerger Plan For GSPC, GSPL

The board of Gujarat Gas (GGL) has approved a merger scheme under which Gujarat State Petroleum Corporation (GSPC) & GSPC Energy, and Gujarat State Petronet (GSPL) will be merged into GGL.

The merger outlines the integration of GSPC, GSPL, and GEL with GGL. Under the scheme, Gujarat Gas shareholders will get 1 equity of Rs 10 each in GSPL Transmission for every 3 equity shares of Rs 2 held in GGL.

The scheme also involves the demerger of GGL's gas transmission business, which will be carved out and listed separately as GSPL Transmission (GTL) at a later date.

In an exchange filing, GGL said, the merger aims at fostering business synergies and growth, simplifying the GSPC group holding structure, unlocking shareholder value, enhancing operational efficiency, scaling up the business, and ensuring optimal resource utilisation.

Shareholding under the merger scheme includes the issuance of 10 shares of Rs 2 each in GGL for every 305 equity shares of Rs 1 each held in GSPC.

Similarly, GSPL shareholders will get 10 shares of Rs 2 each in GGL for every 13 shares of Rs 10 held in GSPL. In the new transmission entity, GGL shareholders will receive 1 share of Rs 10 each in GSPL Transmission for every 3 shares of Rs 2 held in GGL.

GSPC is primarily involved in natural gas trading and exploration and production, while GSPL is into natural gas transmission through its pipeline network and GGL is into city gas distribution.

The scheme is subject to regulatory approvals, including those from the corporate affairs ministry, stock exchanges, shareholders, and creditors.

Ahead of the board meeting, the GGL counter closed at Rs 605.50, on August 30 up 0.36 per cent, while the benchmark indices gained much more. Gujarat Gas shares have tanked over 10 per cent in the past month. On the other hand, GSPL shares gained 5.5 per cent to Rs 442.35 on the same day.