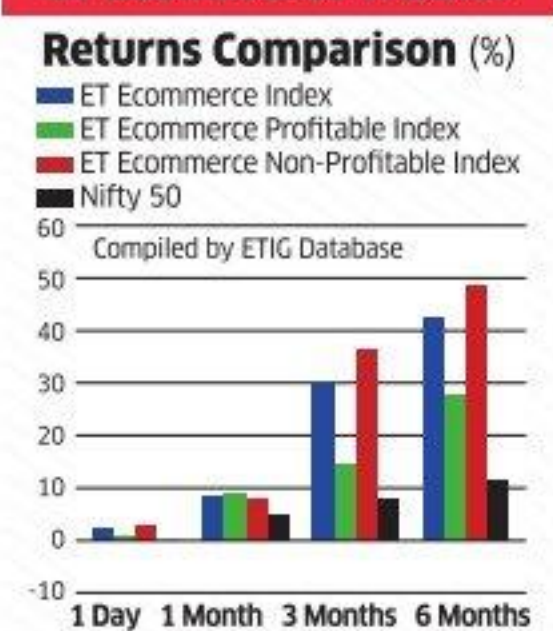


ET tech

ET Ecommerce Tracker



Tweet OF THE DAY



DARREN MARBLE
@DARRENMARBLE
The hardest part of any startup is going from zero to one. You generally have little to no resources, and almost certainly lack capital. The system is designed to weed out weak founders. Only the strongest and most resilient people survive this first hurdle

Tech Buzz
X Won't Train GrokAI on EU Users' Posts

NEW YORK: Elon Musk's X agreed to stop processing personal information of European users to train its AI chatbot Grok, bowing to demands from EU regulators. Ireland's Data Protection Commission announced the company's commitment to delete EU users' personal data contained in public posts on its X social media platform that were collected between May 7 and August 1, 2024. —Bloomberg

2.5b MT
Volume of CO2 global data centre industry is expected to emit by 2030. —Bloomberg

Amazon Eyes \$13b in Ecomm Exports in '24

NEW DELHI: Amazon said it is on track to enable Indian businesses to surpass \$13 billion in cumulative ecommerce exports from India by end of year. The firm said as part of its 'Amazon Global Selling' programme launched in 2015, 1.5 lakh exporters have cumulatively sold over 40 crore 'Made in India' products to customers across the world. The total seller base on the programme has grown 20% in the past year. —Agencies

Hackers Pivot to SMEs as Biggies Stop Playing Ball

Only 10% large companies paid ransom, while 44% SMEs ended up paying between \$25,000 and \$100,000 in 2003: Cybersecurity firms

Himanshi Lohchab

Mumbai: Cybercriminals are turning their focus to small and medium enterprises (SMEs) as large organisations bolster their cybersecurity infrastructure, maintain data redundancy, invest in cyber insurance, and refuse to pay ransom.

Hacker groups like Lockbit, Black-Cat and Akira are increasingly targeting SMEs in healthcare, retail and manufacturing, who sometimes remain unable to regain their IT systems even after paying ransom.

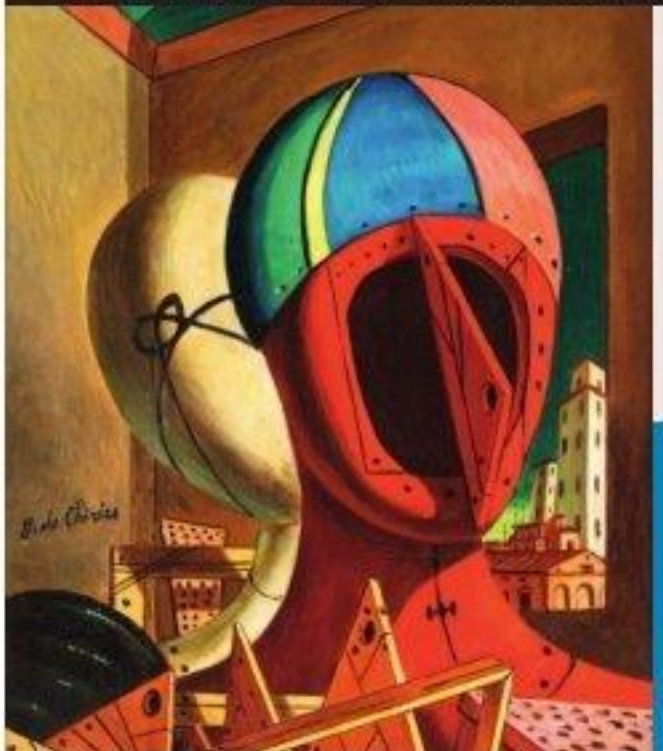
Attacks on SMEs (with 100-5,000 employees) have significantly risen in India and accounted for nearly half of all such incidents in 2023. Among large organisations, only 10% of those attacked paid ransom, whereas with SMEs, 44% ended up paying amounts ranging between \$25,000 and \$100,000, according to data from cybersecurity firms.

"The impact of such attacks on SMEs can be devastating," said Sanjay Katkar, joint managing director at cybersecurity software firm Quick Heal Technologies. "A cyber-attack incurs heavy costs in terms of both finances and reputation, which is too much for most SMEs to recover from."

Cybercriminals' exploitation of SMEs is a global trend, according to a study by digital security firm ESET. In 2023, cybercriminals deployed a record 500,000 unique malware daily on average. Incidents of cyber breach were the highest in India at 88%.

As per the annual surveys by security firm Sophos, nearly 64% SME organisations were attacked in 2023, lower than 73% in 2022. However, of those which were targeted, 65% ended up paying ransom in 2023 as against 44% the previous year. The amount paid as ransom has also increased substantially. The mean ransom payment which stood at \$194,400 in 2022 rose to

BEHIND THE SCENES



\$2,674,239 in 2023, while the median payment increased from \$36,000 to \$2,000,000, data showed.

"We are indeed witnessing a worrying trend where small and medium organisations are increasingly becoming prime targets for hackers," said

SUNIL SHARMA
VP - sales, Sophos India & Saarc

We are indeed witnessing a worrying trend where SMEs are increasingly becoming prime targets for hackers

Sunil Sharma, vice president — sales at software security firm Sophos India and Saarc, adding that there have been instances where SMEs paid ransoms far beyond their capacity.

The rise of cybercrime as a service, where sophisticated tools like Cobalt Strike are sold to attackers through underground marketplaces, has democratised cyberattacks, making it easier for even less-experienced hackers

Attacks on SMEs now comprise nearly 50% of all attacks in 2023

500,000 Unique malware deployed by cybercriminals daily on average in 2023

Incidents of cyber breach were maximum in India at **88%**

64% organisations were attacked in 2023

It was **73%** in 2022

Of those which were targeted, **65%** ended up paying ransom in 2023 as opposed to 44% in 2022

Source: Sophos

to target SMEs, according to experts. "In the Apac region, SMBs face distinct cyberattack patterns, with system intrusion, social engineering, and basic web application attacks making up 92% of incidents," said Anshuman Sharma, director at the Verizon Business Group. "With SMBs accounting for over 56% of all cyber-attacks, there is a critical need for improved cybersecurity measures to protect against these prevalent threats."

Supply chain attacks are increasingly targeting SMEs that serve as suppliers to larger enterprises, said Quick Heal's Katkar. "These attackers exploit the weaker security postures of SMEs to gain access to the larger organisations they supply. This method has proven quite successful, as compromising one SME can provide a gateway into multiple large enterprises," he said.

The shift to remote work has also expanded the attack surface for many SMEs, he added. Experts said in the absence of large security budgets, SMEs should focus on basic measures like multi-factor authentication, regular patching, employee training and enforcing strong password policies.

Industrial Metaverse is Taking Root across Sectors, say IT Experts

Say tech adoption has found its right price points to generate good return on investment

Sameer Ranjan Bakshi

Bengaluru: The adoption of industrial metaverse has accelerated with the maturing of technologies such as artificial intelligence (AI), generative AI (GenAI), cloud, internet of things (IoT), extended reality, 5G and Edge computing, after a lull after the Covid-19 pandemic, said industry executives and experts.

They said the industrial metaverse, which refers to the digital world that mirrors the physical world, leveraging the technologies, has found the right price points to generate good returns on investment (RoI) with supporting technologies scaling up.

"Industrial metaverse has gone through its waves," said Sreenivasa Chakravarti, vice president, IOT and digital engineering, TCS. "As always (with any new technology), there is a hype when it peaks, and then it slows down and then again it picks up. Today, because the industrial metaverse is in some way a combination of computer vision, extended reality and digital twins, fortunately, all of these are maturing to a really good extent."

He further said, "Therefore, we are seeing a lot more positive application of metaverse (in industries). In the recent past, we have seen a few pilots being done by different companies.

Today we are seeing a scaled deployment of metaverse."

Chakravarti said the convergence and maturing of technologies such as AI, IOT, cloud and extended reality have given the industry the right price points. Since all of these are very data heavy and require analytics in real time, the industrial metaverse in the next few years.

"We have to allow new technologies to settle in and find their take-off point," he said. "Sometimes we get over excited about a new technology and it goes through a rough patch. But they have very powerful capabilities which will find their feet." Pareekh Jain, CEO, EIRITrend engineering insight platform, said while the metaverse on the consumer side didn't pick up because of macroeconomic slowdown, especially in the telecom sector, on the industrial side, it is picking up now.

"Industrial enterprises are keen to experiment with the metaverse as supporting technologies are more mature now," he said.

Probe Infy Onboarding Lag: Centre to Karnataka



Our Bureau

Bengaluru: The Union labour ministry has asked Karnataka state labour commissioner's office to look into the complaint against Infosys under relevant labour laws. This follows a complaint by IT union, Nascet Information Technology Employees Senate (NITES) to the ministry on delayed onboarding of more than 2,000 engineering graduates by India's second-largest software services exporter. The ministry, in a letter dated September 3, seen by ET, said since the state government is the appropriate authority for taking any action against Infosys under the respective labour laws, "you are requested to look into this matter and take suitable action."

IT union NITES had in August filed a formal complaint with the labour ministry against Infosys over the delayed onboarding and "ongoing exploitation and unprofessional treatment" of more than 2,000 young engineering graduates. These students were selected for system engineer and digital specialist engineer roles during the 2022-23 recruitment drive. Meanwhile, Infosys has started sending out joining date letters to those engineering graduates who have been awaiting onboarding for the last two years.

NITES had filed a formal complaint against Infosys over the delayed onboarding of engg graduates

T'gana Lays Out its AI Focus at Global AI Summit, Inks 26 MoUs

AI City to help state emerge as an epicentre of AI innovation, says IT minister

Our Bureau

Hyderabad: Telangana is looking at its AI City as being the 'cradle of ground-breaking advancements', the state's IT minister Duddilla Sridhar Babu said at the two-day Global AI Summit being held in Hyderabad. The government entered into 26 memorandums of understanding (MoUs) with private players, including academic institutions, big-tech companies, startups and not-for-profit organisations.

The government said these MoUs were signed across various dimensions required to make Telangana an AI Superpower in the country. The MoUs

were signed majorly in seven areas — compute infrastructure, centres of excellence, skilling, impact assessment, startup innovation, generative AI, research and collaboration, and data annotation.

At the heart of Telangana's AI strategy is the establishment of the AI City, a 200-acre hub near Hyderabad, dedicated to AI research, development and application. He said the project would place Telangana at the epicentre of

global AI innovation, offering cutting-edge compute facilities, expansive data lakes, and robust connectivity. "Telangana is not merely participating in this revolution but leading it," Babu said in his keynote.

Telangana CM A Revanth Reddy was also present at the inauguration, and in his address, he said, Hyderabad is uniquely positioned to lead in the AI era. "As India missed previous industrial revolutions, Telangana is poised to embrace and shape the future of AI," he said.

"Our commitment to AI is strong, with initiatives like Telangana AI Mission (T-AIM) in partnership with Nasscom, laying a robust framework for our future. With today's summit, Hyderabad declares its readiness to drive AI innovation and set new standards. The future of AI starts here."

"Our commitment to AI is strong, with initiatives like Telangana AI Mission (T-AIM) in partnership with Nasscom, laying a robust framework for our future"

REVANTH REDDY
Chief Minister, Telangana

FOR FULL REPORT, GO TO www.economictimes.com

AND THE NOMINEES ARE...

ETSA 2024: Rolling Out the Red Carpet



presents

THE ECONOMIC TIMES
START-UP AWARDS 2024

The most awaited shortlist of ET Startup Awards 2024 is here.

Starting today, we present you the crème de la crème of startup stars. Here are the first set of nominees from two categories.

BOOTSTRAP CHAMP

Boult Audio

Founded In: 2017

Founders: (L-R) Varun Gupta, Arun Gupta

Based In: New Delhi

What it does: Boult Audio is a direct-to-consumer brand which manufactures and sells audio products and smartwatches. It has sold over 2 crore units so far, and it aims to reach over 100 million customers by 2026 across categories.



SkyJumper

Founded In: 2017

Founders: Jitender Chhabra (above) and Suneel Dhar

Based In: New Delhi

What it does: SkyJumper builds and operates indoor activity areas in malls and also provides food and beverages in some locations. The firm has locations across both large metros like Bengaluru, Delhi and Chennai, as well as small towns like Jalandhar, Karnal and Amritsar.



Suta

Founded In: 2016

Founders: Sujata Biswas (above) and Taniya Biswas

Based In: Mumbai

What it does: Suta is a direct-to-consumer brand that sells women's fashion products such as sarees and blouses. The firm runs 10 stores across Mumbai, Bengaluru, Chennai and Hyderabad. It also sells on marketplaces like Myntra and Ajio.



Fyers

Founded In: 2018

Founders: Tejas Khoday (in pic) Shreyas Khoday, Yashas Khoday

Based In: Bengaluru

What it does: Fyers offers a trading platform and allows individuals to invest in stocks, direct mutual funds, futures and options (F&Os), among other instruments. Like other stock brokers, Fyers earns revenues from the active trades executed on the platform.



Crewscale

Founded In: 2017

Based In: Delaware and Bengaluru

Founders: (L-R) Raghu Bharat, Nirmaan Agarwal, Vikramsinhha Reddy Kallam

What it does: Crewscale helps companies hire tech talent globally. It works with



over 1.8 million developers from 85+ countries in regions like North Africa, Eastern Europe and Southeast Asia. It services clients like Airbnb, Swiggy, Ola, Uber and Unacademy.

TOP INNOVATOR

Voxelgrids Innovations

Founded In: 2017

Founders: Arjun Arunachalam

Based In: Bengaluru

Key Investors: Social Alpha, Zoho

What it does: It designs, manufactures and sells MRI machines that are made in India, and offers cost savings to users over alternatives. The company's ability to design and assemble the machine completely in India helps keep it affordable.



SatSure Analytics

Founded In: 2017

Founder: Prateep Basu (top) and Rashmit Singh Sukhmani

Based In: Bengaluru

Key Investors: Baring PE, xto10x, Omidyar Network India

What it does: SatSure provides actionable intelligence using satellite imagery for sectors such as agriculture, banking, insurance, utilities and aviation. It converts raw satellite images to analytics-ready data, using a proprietary software that is built for scale using cloud services.



Ethereal Machines

Founded In: 2016

Founders: (L-R) Navin Jain, Kaushik Mudda

Based In: Bengaluru

Key Investors: Peak XV Partners, Blume Ventures

What it does: Manufactures 5-axis computer



numerical control (CNC) machines, which are used for contract manufacturing in sectors like aerospace, defence, consumer electronics and others.

BrainSightAI

Founded In: 2019

Founders: (L-R) Laina Emmanuel, Rimjhim Agrawal

Based In: Bengaluru

Key Investors: Red-Start Labs, InfoEdge Ventures, We Founder Circle

What it does: BrainSight AI builds an advanced software system which can create a map of the human brain, tracking signals exchanged between different parts of the brain. This helps doctors analyse their patients better and treat them more efficiently.



changed between different parts of the brain. This helps doctors analyse their patients better and treat them more efficiently.

Agnit Semiconductors

Founded In: 2019

Founders: Hareesh Chandrasekar (left), Muralidharan Rangarajan (middle), Srinivasan Raghavan (right), Digbijoy Nath, Madhusudan Atre, Shankar Kumar Selvaraja, Mayank Shrivastava

Based In: Bengaluru

Key Investors: Foundation for Science Innovation & Development, IISc

What it does: Agnit designs and manufactures Gallium Nitride (GaN) semiconductors and electronic components. GaN — seen as a replacement for silicon in semiconductors — is being used for manufacturing of chargers, radio frequency equipment and other electronics.



conductors and electronic components. GaN — seen as a replacement for silicon in semiconductors — is being used for manufacturing of chargers, radio frequency equipment and other electronics.

BigBasket B2C Arm Logs Modest 6% Growth in FY24, Reduces Losses 17%

A check on expenses helps Innovative Retail Concepts reduce its net loss

Our Bureau

Bengaluru: Innovative Retail Concepts, which runs the business-to-consumer (B2C) unit of online grocery and quick commerce firm BigBasket, posted a modest 6% year-on-year growth in its operating revenue for FY24 to ₹7,885 crore, though a check on expenses reduced its net loss.

It posted a net loss of ₹1,267 crore for FY24, down 17% year-on-year, according to the company's regulatory filings sourced from Toller. Over the past two years BigBasket, majority owned by Tata Digital, has seen intense competition from quick commerce players such as Zomato-owned Blinkit, Swiggy Instamart and Nexus Venture Partners-backed Zepto in the hyper funded online grocery delivery space.

BigBasket, too, started quick commerce under the BB Now banner 2.5 years ago, and

is now clocks more than 50% of its sales from the 10-minute delivery vertical, ET had reported on August 27. The company, which is the largest e-grocer known for slotted deliveries, is planning to pivot fully to quick commerce.

In the fiscal year ended

March 2024, Innovative Retail Concepts' total expenditure increased only marginally on account of reduction in costs such as employee benefit expenses, advertising promotion spends, and multiple other smaller expenses.

On the revenue front, sale of products makes up the bulk of the topline. The second biggest revenue head for the company — advertisement income — showed a nearly flat performance in FY24 at ₹231 crore, compared with ₹229 crore in FY23. In June, ET had reported that Tata Sons had halted fresh investments in its digital businesses for the first time in eight years, aiming to rewire the profitability strategies.

In Numbers

CO'S AD INCOME

FY24 ₹231cr

FY23 ₹229cr

BigBasket clocks over 50% of sales from 10-mins delivery vertical

BigBasket plans to expand its footprint of dark stores

