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NEWS HIGHLIGHTS

Andhra Pradesh, Gates Foundation to join hands to help farmers

Amazon's Cashierless Store Is Almost Ready for Prime Time

Pune could emerge as India's fintech incubator

Newapp to be the 'fulcrum' of SBI's range of digital offerings

IT, modern methods must be leveraged to double farmers' income: Vice-President

Today's View

Virtual Cards in B2B

The present day B2B payments space largely relies on cheque payments in the absence of an effective substitute. While we all know that payments via cheques are nowhere close to real time, this is unfortunately what small businesses are most comfortable with. Forming a part of the big effort toward embracing digital transformation, virtual cards are quickly gaining momentum.

Virtual cards, also known as Single-Use Accounts (SUA), allow the payer to issue a unique electronic cards for every payment, as and when required (on a batch or real-time basis). For the purpose of security, it requires users to specify the maximum credit limit and the expiry for each card number; and turns defunct once the full value of the single use card has been exhausted.

Available solutions in the segment offering virtual cards enable SUA payment processing, prohibit unauthorized use, automate transaction matching and provide reconciliation reports. Most virtual cards allow additional data elements to be passed on to the issuer when the virtual card number is generated; including information commonly seen in remittance details, such as invoice number, purchase order number and other transaction specific data. The sharing of these additional data elements with the issuer in their statement helps make automated reconciliation a reality.

Payment giants have identified this opportunity and are working toward easier adoption by SMBs. Early this year, **Visa** collaborated with **Viewpost** to gain traction in the B2B payments domain, making the process easier for smaller companies to transact via virtual credit cards. In another partnership, Visa and **Billtrust** have come together to integrate Visa's Straight Through Processing capabilities with Billtrust's

INTERESTING NEWS

Big data for SMEs

The process of data analytics facilitates companies to understand their business and customers better. This enables them to analyze data, which has become an important tool to develop and expand competitive advantage.

SME FUTURE INVESTMENT
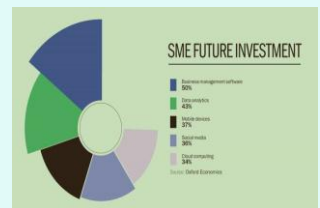
Big organizations have started building capabilities to analyze big data to meet their business needs.

Source – Business Standard

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Virtual Card **Capture** solution to simplify receipt and reconciliation of B2B payments and bring automation to the accounts receivable function. Meanwhile, **American Express** has tied up with **Regal Software Tech** which supports the use of virtual cards for B2B invoice payments.

While the virtual card solution provides an ideal alternate to cheque payments, the virtual card infrastructure must build in the ability to integrate with ERP solutions of SMB, for it to be able to reap real benefits. Also, the interchange fee that would have to be borne for each transaction at the other end could act as a deterrent in its adoption.

Having said that, a recent LTP report indicates that its usage is growing almost 10% annually. By 2021, virtual card spending is expected to surpass that of traditional purchasing cards and cheques. We feel that despite initial hurdles in its adoption, virtual cards in B2B payments are here to stay.

Today's News

Andhra Pradesh, Gates Foundation to join hands to help farmers

The Andhra Pradesh government and the Bill & Melinda Gates foundation will form a partnership to implement a "digital innovation programme" for farmers in the state. The chief minister said the goal was to promote inclusive growth and happiness for farmers.

"Sixty-two percent of the state is dependent on agriculture, which is growing at 10% a year," Naidu said. He believes interest rates should be brought down and connectivity should be boosted through technological advancements.

Source – Livemint

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Note ban helps Visa grow fastest in 5 years

The India business of Visa grew at its fastest pace in five years in 2016-17, helped by the demonetization move pushing people towards online and card transactions. "India has been a cash-based society for a long time. And for a time, people were forced to use things other than cash," Vasant Prabhu, global CFO at Visa said.

"In addition, we are doing the basic blocking and tackling to digitize cash. We are working with issuers to build acceptance. The number of acceptance points in India in the last year has grown by more than it did in 5 years."

Source – The Economic Times

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This News Letter has been prepared with the assistance of Sadhika Agarwal and Aparna Anand

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Wi-Fi analytics startup i2e1 raises $3 mn from Omidyar Network, others

Delhi-based i2e1, which runs a smart network layer platform Information, has raised $3 million in Series A funding led by impact investment firm Omidyar Network.

The startup plans to use the funds to scale existing operations and launch a mobile application.

Source – VCCircle

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Focused on making UberEATS profitable in India: Uber

Uber said it is committed to making investments in its food delivery offering UberEATS in the Indian market while ensuring profitability.

The company has already expanded the service to 7 Indian cities. Currently, they are in 180 global cities and Uber aims to expand this to 200 by end of this year.

Source – ET Tech

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Govt, Data Security Council to help start-ups develop innovative cyber-sec tech

The Ministry of Elec. and IT is working with the Data Security Council of India to conduct a Challenge Grant for cyber security to encourage start-ups to develop innovative technologies. Cyber security is a big focus area of the govt.

Source – BusinessLine

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Pune could emerge as India's fintech incubator

Pune is playing catch up provided the infrastructure issues plaguing the western city get addressed soon. In a panel discussion in Pune for the Economic Times Power of Ideas event, investors and entrepreneurs based out of the city deliberated on the challenges faced by startup entrepreneurs in a non-metro city and how it can be overcome.

The challenge is to develop the product and taking it to the market. There are no incubators or string network accelerators available in the city. The challenge remains lack of early adopters in Pune.

Source – ET Tech   READ MORE

Newapp to be the 'fulcrum' of SBI's range of digital offerings

SBI is set to launch a completely revamped app by the end of this month. "The new, revamped app will be the fulcrum of our entire digital offering and will not be restricted to just enable banking. It goes beyond banking and has the offerings of our associate companies as well," PK Gupta, MD SBI said.

"For instance, you can get your SBI Life insurance policy on the app, check your credit card details, track your mutual funds, handle your demat account and also shop on it."

Source – BusinessLine   READ MORE

IT, modern methods must be leveraged to double farmers' income: Vice-President

Agriculture should be made sustainable and remunerative so as to double the income of the farmer by 2021, VP M Venkaiah Naidu has said. He said, "Judicious adoption of the latest technologies, better processing facilities and strengthening the rural infrastructure are necessary."

He also said, "Now that banks are flush with funds, institutional credit should be made available to agriculture at lower rates of interest." The State is aiming at food security, nutrition security as well as fodder security.

Source – BusinessLine   READ MORE

Amazon's Cashierless Store Is Almost Ready for Prime Time

Amazon has been testing Amazon Go, an experimental convenience store in downtown Seattle. The idea is to let consumers walk in, pick up items and then pay for them without ever standing in line at a cashier. The store relies on a mobile app and sensing technology.

Amazon Go represents Amazon.com Inc.'s most ambitious effort yet to transform the brick-and-mortar shopping experience by eliminating the checkout line, saving customer's time and furthering the company's reputation for convenience.

Source – Bloomberg   READ MORE

Apple to help India develop anti-spam app for iOS

Apple has agreed to give limited help to the Indian govt to develop an anti-spam mobile app for its iOS platform.

The government app was launched on Google's Android platform last year but Apple pushed back on for iOS version due to concerns that a govt app with access to call and text logs could compromise its customers' privacy.

Source – Tribune India

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Rolls-Royce accelerates digital transformation

Rolls-Royce tied up with TCS to accelerate its digital transformation. TCS will provide digital platform capability and enable them to capture and analyze data from ops to develop new products.

The TCS IoT platform will allow them to leverage data innovation and industrial AI.

Source – The Economic Times

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Crisil to acquire Pragmatix for 56 crore

Crisil is to acquire Pragmatix Services, a data analytics company, for Rs. 56 crore.

Pragmatix' banking expertise and proprietary platform will enable Crisil to offer Big Data analytics and broaden its solutions in the financial services space.

Source – BusinessLine

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