

NEWS HIGHLIGHTS

31,680 panchayats connected with internet

Aadhaar card deadline extended to December 31

Airtel Payments Bank-Mastercard powered online card crosses 2 Mn users

StartupXSeed Ventures looks to invest in AI, AR firms

PayPal report emphasizes Asia's commitment to Cash

Today's View

Supply Chain Financing with FinTechs

Financing solutions to every stakeholder in the entire supply chain, right from raw material providers to consumers, have huge potential with \$2 trillion in payables and potential revenue of \$20 billion, as per **McKinsey**. Courtesy globalisation, supply chains have become more complex highlighting the need for integrated solutions like ERP systems to streamline entire processes.

Until the last decade, banks fulfilled over 95% Supply Chain Financing (SCF) requirements. But over the last few years, a number of Fintechs have entered the domain offering disruptive business solutions, especially for smaller firms, typically underserved by large banks. Resultantly, Fintechs now account for 10-15% of the Supply Chain Finance market.

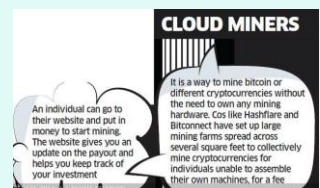
Large conglomerates like **Apple, Dell** and **Siemens** are already using Fintech services like **Orbian, C2FO, Taulia** to effectively reach previously inaccessible or unavailable capital for their supply chains supported by cloud-based software platforms. Even banks are now acknowledging and utilizing the power of Fintech solutions to further their existing SCF solutions. UAE's national bank, **Rakbank** has collaborated with **Invoice Bazaar** to expand its supply chain finance offerings for its corporate customers. Similarly, **HSBC** has partnered with **Tradeshift**, a supply chain management platform, to digitize its supply chain process, traditionally laden with paper from invoices, with a significant focus on helping buyers, suppliers and other players across global supply chains communicate and transact effectively through its virtual assistant Ada leveraging the power of Artificial Intelligence.

Following **Turkey's** efforts to strengthen its digital finance capabilities, **FIT Solutions** is rolling out a supply chain finance tool potentially for the top 2,000 Turkish companies. This tool enables business clients to view their outstanding invoice and link companies to access capital by applying for an earlier invoice payment. On the other hand, **Samsung** is setting up a fund worth \$447.5 million with multiple banks to streamline its entire supply chain. Some investment firms like **Calibrate Management**

OTHER INTERESTING NEWS

Here is how Indians are minting a fortune in bitcoins

Bitcoins saw explosive growth in India after Prime Minister Narendra Modi recalled high-denomination banknotes in November. Indian bitcoin exchanges have received a lot of traction in the past few months with more than 1 million active crypto-currency users.



Source- *The Economic Times*

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Date- 31st August 17

are also actively picking up stakes in supply chain finance Fintechs like **Crossflow**, a supply chain solutions provider. It allows for quicker access to capital at speeds unlikely to be matched by banks with paper-based applications and multi-step processes. Similarly, **Ariba Network** has formed a joint venture with **PrimeRevenue** to offer supply chain financing solutions for corporate buyers, thereby improving the cash positions of their suppliers. This will enable corporate buyers that access financing to cover their outstanding receivables to reinvest such funds back into their business operations.

Going forward, with Supply Chain Management being a significant impetus to business and growth of institutions across the globe, we will see banks and Fintechs collaborating to leverage one another's strengths.

Today's News

31,680 panchayats connected with internet: Manoj Sinha

Telecom Minister Manoj Sinha said that the government has started internet services in 31,680 out of 2.5 lakh village panchayats under the Bharat Net project.

"Total of 31,680 gram panchayat have been provided internet services under this (Bharat Net) initiative till August 28," Sinha said in a tweet. The Bharat Net project aims to connect 2.5 lakh village panchayats with high-speed broadband by March 2019.

Source- *The Economic Times*

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Aadhaar card deadline extended to December 31 after right to privacy order issued by Supreme Court

The Centre told a bench headed by Chief Justice Dipak Misra that it will extend the deadline for mandatory Aadhaar to avail social welfare benefits to December 31 from the earlier September 30.

Earlier, the Supreme Court had passed a slew of orders asking the government and its agencies not to make Aadhaar mandatory for extending benefits of their welfare schemes, but had allowed the government to use unique ID for a large number of purposes like welfare schemes and income-tax return filing, with a rider that it will not be made mandatory.

Source- *Financial Express*

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

StartupXSeed Ventures looks to invest in AI, AR firms

Bengaluru-based deep technology focused venture firm StartupXseed Ventures LLP is looking to invest in emerging firms in artificial intelligence (AI) and augmented reality (AR), focused on building products and solutions for business customers.

The firm looks out for entrepreneurs who have deep technology-focused skills, but need support infrastructure to scale and grow business. The firm also has set up a team that supports in accounts, infrastructure and governance standards, which help the entrepreneurs to focus on building technology products and services.

Source- *Business Standard*

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FinTech in Spotlight: OMA Emirates Group announces \$23 Mn fund for Indian fintech startups

OMA Emirates Group has announced the creation of the OMA Emirates FinTech Fund. The OMA Emirates Fintech Fund will have a corpus of \$23 Mn. The fund looks to first focus on digital payments-specific startups, with a broader scope for other startups in the hotly contested fintech sector.

The fund will deploy \$3 Mn of the total corpus in payments-focussed startups that have been in operation for less than 12 months. The \$20 Mn will be invested in other kinds of companies in the fintech space.

Source- *Inc 42*

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Airtel Payments Bank-Mastercard powered online card crosses 2 Mn users

The Airtel Payments Bank-Mastercard powered online debit and prepaid card has clocked a milestone, crossing two million users in India within five months of its launch.

This digital payments solution enables Airtel Payments Bank customers to make secure and convenient digital payments at over 100,000 e-commerce websites and other online portals. The online card can be accessed by all Airtel Payments Bank customers via the My Airtel app in the bank section.

Source- Business Line

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India, EU reaffirm commitment to free, secure cyberspace

The Ministry said in a statement that India and EU reaffirmed their commitment to an open, free, secure, stable, peaceful and accessible cyberspace, enabling economic growth and innovation.

In particular, India reaffirmed that the existing principles of international law are, in general, applicable in cyberspace and that there was a need to continue and deepen deliberations on the applicability of international law to cyberspace and set norms of responsible behavior of states.

Source- The Economic Times

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Karnataka shortlists 100 innovative start-ups, to give Rs 35 cr in funding

Karnataka has picked 100 of the most innovative start-ups in the state to handhold them to the next stage by giving them access to mentors, incubators and venture capital investors.

Through its 'Elevate 100 Startups' programme, the state will invest Rs 35 crore into these companies, based on the recommendations of an expert panel. The investments will be made in the form of grants as well as equity through Karnataka's BioTech and IT funds.

Source- Business Standard

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Digital payment modes gain momentum

The digital modes of payment gathered momentum in India during 2016-17, according to the RBI's annual report. The usage of credit and debit cards increased significantly during 2016-17.

The number of credit card transactions increased to 1.08 billion (0.78 billion) valued at Rs. 3.28 lakh crore (Rs. 2.40 lakh crore). During 2016-17, the number of debit card transactions increased to 2.39 billion (1.17 billion) valued at Rs. 3.29 lakh crore (Rs. 1.58 lakh crore).

Source- Business Line

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PayPal report emphasizes Asia's commitment to Cash

According to a new study from PayPal reported by CNBC, consumers in the Asia-Pacific market are aware of the range of digital payment options available to them, but they still prefer to pay with cash. PayPal's study, which polled some 4,000 consumers across India, China, Hong Kong, Singapore, Thailand, the Philippines and Indonesia, found approximately 57 percent of respondents cited cash as their preferred payment method for daily purchases.

Cash use was highest in India, Indonesia and the Philippines, where more than 70 percent of those polled reported using cash more than any other payment method.

Source- Pymnts.com

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FinTech Valley Vizag Launches Accelerator, Blockchain Conference

Andhra Pradesh government's FinTech Valley Vizag, a sustainable global fintech ecosystem, has partnered with KPMG to develop a high potential fintech ecosystem in Vizag.

With this partnership, the FinTech Valley Vizag has also announced the launch of the BFSI Use Case Repository Program and Fintech Accelerator Programme. They have also announced a Blockchain Business Conference to be held in October 2017.

Source- Inc 42

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