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Mastercard to invest $1 bn in India over 5 years towards tech development

Investment to feed development of new technology, products

Virendra Singh Rawat | Lucknow January 17, 2020 Last Updated at 16:00 IST

Global payments company Mastercard has planned to invest nearly $1 billion in India over the next five years towards the development of new technologies and products.

"The proposed investment will be made over a period of five years in our India operations, which includes an R&D facility at Pune and another centre at Vadodara," Mastercard vice president (customer delivery) Amitabh Khanna told *Business Standard* here on Friday.

He informed both of these facilities catered to the company's global operations, of which Vadodara provided the backend multiple payments support. He said the company was looking to expanding the Pune centre.

Khanna noted that Mastercard, as a technology driven global entity, was keen to evolve by offering more customer centric and value added services using the digital platform.

Besides, the company is also working closely with technology and financial startups in the country by focusing on the innovation and digital payments

MasterCard credit cards are seen in this illustrative photograph. ***Photo: Reuters***

matrices under its flagship 'Start Path' programme, he added.

Meanwhile, Mastercard has launched its 'Team Cashless India' programme to engage with merchants and consumers across the country to create awareness about the benefits of digital payments and grow the acceptance infrastructure.

The company is targetting at equipping 10 million merchants in India with digital payments acceptance capabilities in near future.

Apart from roping in top cricketer Mahendra Singh Dhoni to augment its reach, Mastercard has partnered with the Confederation of All India Traders (CAIT), acquirer banks and fintech companies to support nominated merchants to deploy digital payments acceptance infrastructure.

He said Mastercard will provide select nominated merchants and consumers a chance to join Dhoni's Team Cashless India.

"So far, we have already launched this programme in Jaipur, Nagpur, Ranchi and now Lucknow," Khanna said adding more cities, including Guwahati, would be covered in different phases going forward so as to cover all the key geographies in the tier II and III towns.

He stressed there was a need to create awareness among general public and also merchants with regards to the digital payments space, including their consumer and merchant rights.

Nearly 92 per cent of the merchants in India fell under the micro category, which offers a huge potential for the growth of the digital payments universe.

He further said Mastercard was also working with the mobile phone services companies for their digital wallets and payments.

Replying to a question, Khanna said the digital payments in India was slowly gaining traction, especially after the November 2016 demonetisation and growing awareness, especially among the youth.

"The category grew 6-7 per cent in 2018-19 over the previous financial year 2017-18 and we are seeing a continuous upsurge in digital payments in the country," he claimed.

Mastercard's global payments processing network comprises consumers, financial institutions, merchants, governments and businesses in more than 210 countries and territories.