

Bank on micro-ATMs and beat the queues

KR Srivats

Micro-ATM players are seeing a spike in transactions



New Delhi, November 16:

If you are one of those saddled with the now demonetised ₹ 500 and ₹ 1,000 notes and keen to beat the serpentine queues at RBI and bank branches to get rid of them, help is at hand.

Look for a micro-ATM in your city or town to offload these old notes and deposit money into your Aadhar-linked bank account before December. This could be a handy solution even in metros with many players looking to scale up their micro-ATM-based solutions.

One such player is IDFC Bank, which is a leader in the micro-ATM space. In over one year of its existence, IDFC Bank has rolled out over 1,000 micro-ATMs across 10 States and 36 districts of the country.

In the last week — since the government announced the demonetisation — there has been a 30 per cent spike in the volume of transactions made through these micro-ATMs, said a IDFC Bank official.

IDFC Bank is putting to use its tab-cum-micro-ATM to service customers at their doorsteps/where they live. To make it convenient for senior citizens, the bank has started a new initiative in the last two days.

An IDFC Bank official visits the senior citizens' home to enable cash withdrawal using Aadhaar biometric authentication on a micro-ATM.

“This facility for senior citizens is now available in five metros — Delhi, Mumbai, Chennai, Bangalore, and Ahmedabad,” an IDFC Bank official said.

Micro-ATMs are similar to point-of-sale (PoS) terminals and are used as a doorstep mobile banking arrangement-cum-mobile ATM device.

Unlike a regular ATM, a micro-ATM — which has connectivity through GSM — is portable and costs less than ₹ 20,000. The cost of deployment is much lesser than that of regular a ATM.

Oxygen Services

Banking industry players are not the only ones wanting to ride the micro-ATM opportunity. Oxygen Services, a non-bank payments solutions provider, has big plan in the micro-ATM space. Encouraged by the government's recent announcement to scale up micro-ATM usage in the country, Pramod Saxena, Chairman and Managing Director, Oxygen Services, said that his firm plans to add 2,000 micro-ATMs by December 2016 and 3,000-5,000 each month from January 2017 onwards.

As on date, Oxygen, which has 15 micro-ATMs in Delhi-NCR at its Oxygen-owned retail outlets, has 500-600 such units across India.

“Our aim is to add one million micro-ATMs in the next three years,” Saxena told *BusinessLine* .

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