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# Payments bank: Paytm plans to unveil blueprint in March first week

By [Surabhi Agarwal](#), ET Bureau | Updated: Feb 29, 2016, 06:38 AM IST

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NEW DELHI: Digital wallet and ecommerce company [Paytm](#) plans to unveil the [blueprint](#) of its [payments bank](#) in the first week of March.

The Noida-headquartered company hired Shinjini Kumar, a former Reserve Bank of India official and senior executive at [PricewaterhouseCoopers](#), as CEO of the bank.

[Vijay Shekhar Sharma](#), cofounder of Paytm who got in-principle approval to set up a payments bank in August, told ET it will be focussed on driving small [savings](#) for its existing urban and semi-urban consumers.

Paytm is looking at using technology to create instruments that will help people earn interest on even Rs500 kept in their bank accounts.

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- Shinjini Kumar**  
CEO of the bank
- Saurabh Sharma**  
To head merchant and agent acquisition
- Vikas Purohit**  
To lead the banking operations

According to Sharma, the bank will focus on savings and payments initially and then expand to wealth management. "We will take wealth management to the masses," Sharma said, adding that the first target audience will be its wallet users. He said Kumar will elaborate further on the bank's strategy later in March.

The company plans to get on board 40-50 people in leadership roles for the bank and has already hired 35-40 people. "By the first week of March, we plan to put together our full team and bring them together in front of people," said Sharma.

Apart from Kumar, the company has hired Saurabh Sharma, a former [Airtel](#) executive, to head merchant and agent acquisition and

Vikas Purohit, who was formerly with Amazon India, to lead the banking operations.

Paytm plans to launch the bank by August, a year after the Reserve Bank of India granted in-principle approval to 11 applicants. Sharma said that after the launch of the bank, Paytm will become an end-to-end payment [financial services](#) firm.

Payments banks can accept demand deposits and savings bank deposits from individuals and small businesses up to a maximum of Rs1 lakh per account. Nonresident Indians cannot bank with these ventures, which are not allowed to disburse loans.

They can sell [mutual funds](#), [insurance](#) and [pension](#) products as well as facilitate payments and remittances with a focus on unbanked segments such as migrant workers.

The in-principle approvals granted are valid for 18 months, with promoters expected to own 51% of the stake in the new bank. Sharma told ET in an earlier interview that he would "raise a mixture of debt and equity" to fund his payment bank operations.

One option is to dilute a portion of his stake in holding company One97 Communications which owns Paytm. The company's investors include Alibaba Group and affiliate Ant Financial, SAIF Partners, SAP Ventures, [Reliance Capital](#) and Silicon Valley Bank.

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