Now, kirana stores to turn ATMs for Paytm

PRIYANKA PANI

‘Paytm Ka ATM’ will allow customers to deposit / withdraw money at their ease

The new facility will bring banking access to smaller cities

Mumbai, December 4:

Paytm Payments Bank is tapping neighbourhood stores to expand its reach. The digital bank, started by Vijay Shekhar Sharma, founder of e-commerce and digital wallet Paytm, plans to tie up with over a lakh kirana stores in the coming months to attract more customers in rural areas and also in B-towns.

For Paytm Payments Bank, the only bank providing zero balance accounts and zero charges on digital transactions, the kirana stores will act as ATMs. These stores will be called Paytm Ka ATM, and will allow customers to open saving accounts and also deposit/withdraw money at their ease.

Renu Satti, MD and CEO of Paytm Payments Bank, said: “The Paytm Ka ATM banking outlets is our step towards ensuring that every Indian has access to banking facilities. This will enable our customers to visit their trusted neighbourhood outlet to open their bank account, deposit and withdraw cash, in addition to getting their Aadhaar linked. We believe this hyper-local model of banking will play a crucial role in enabling hundreds of millions of under-served and unserved customers to gain access to quality banking services.”

Bridging the gap

These outlets will play a key role in bringing banking access to smaller cities and towns by ensuring that customers find it easy to locate an access point near them, she said, and added that Paytm has also introduced a dedicated ‘Bank’ section on its e-commerce app, which offers services from payments to digital debit card to passbook, among others.

To start with, Paytm, which plans to invest Rs. 3,000 crore over the next three years for offline expansion, has tied up with 3,000 stores in select cities, including Delhi NCR, Lucknow, Kanpur, Allahabad, Varanasi and Aligarh. It is looking to scale up to one lakh retail points across the country next year.

The initiative makes sense for small retailers, including vegetable vendors, and auto rickshaw and taxi drivers, who do not need to wait for a week to deposit their money in the bigger banks.

Paytm Payments Bank is, however, not the first one to come up with this model. Airtel Payments, which already has acquired 10 million customers since launch, has tied up with Hindustan Petroleum Corporation for enabling all its petrol stations as ATM points.

Fino Payments Bank is also looking to tap the network of its partner bank, ICICI Bank, for the same purpose.