



Paymate, IFMR tie up to drive financial inclusion

PayMate powers money transfer and loan repayment services for KGFS

27th April 2011, Mumbai: Paymate, India's leading mobile payments company, and IFMR Rural Finance, have announced a tie-up to launch multiple financial inclusion projects through Kshetriya Gramin Financial Services (KGFS) entities. As a part of this initiative, the company has unveiled a mobile phone based person-to-person money transfer initiative in the Delhi to Uttarakhand corridor as well as piloted a micro-loan repayments in villages in Ganjam, Orissa.

Commenting on the launch of these initiatives, Ajay Adiseshann, **MD & Founder, PayMate** says, "Although reforms in the banking sector have been on an upswing, around 60% of the country's population does not have access to a bank account or even the necessary documents to help secure basic finance. This has severely impacted the cost of development of the lowest strata of society. On the other hand, there has been an exponential growth in mobile penetration with close to 200 million users in rural areas, making it a potent tool to create a financial ecosystem for the under and unbanked masses. The launch of these initiatives is an extension of our belief in the power of mobile telephony to drive financial inclusion."

Dhanei KGFS offers a suite of financial services to its customers and loans have a major share of the portfolio. As customers live in the remote rural location of Ganjam district, in a move to increase the convenience of repayment, Dhanei KGFS with PayMate as a technology partner has initiated a pilot project aimed to simplify the process of loan repayments, enabling repayments at convenient village locations.

Using a combination of a float model and mobile equipped agents, registered agents of Dhanei KGFS located at remote villages are able to visit the customer to collect payment in cash while using a mobile phone to register the payment against the customer's unique account ID via SMS. The solution comes equipped with a real time dynamic MIS for Dhanei KGFS to check all the payments and filter it by agent, customer, date and transaction and even download it for future reference.

Over a year ago, PayMate, along with Tata Indicom and Corporation Bank, launched its person to person money transfer service – Green. "We at PayMate, firmly believe in the power of the mobile phone as a key instrument in extending financial services to the under and unbanked masses. The earlier Green Money transfer rollout followed by our new initiatives with IFMR further amplifies our commitment to this space." adds Adiseshann.

Commenting on the person-to-person remittance service, Anupama Joshi, **CEO, Sahastradhara KGFS** says, "The people living in the hills have been relying on Post Office and informal channels for domestic remittance. However, the existing channels are either safe or convenient. The project has addressed the needs of the customers to receive money in both a safe, and convenient manner."

About PayMate:

PayMate is a wireless transactions platform provider with a first-of-its-kind mobile payment platform which lets you link your mobile phone to a bank account, credit card or a prepaid account - turning your mobile phone into a secure payment tool to be used anytime, anywhere.



PayMate's hybrid SMS and IVR based transaction platform along with its BREW and j2ME application suite offers unparalleled simplicity making it usable on even the most basic handsets, across all telecom operators. PayMate's list of security certifications includes compliances such as PCI DSS 1.2, PA-DSS 1.2 and Govt. Of India's Cert-in, certifying its systems, processes and infrastructure with banking grade security.

PayMate has operations in USA, UAE, Sri Lanka, Nepal, Africa & Eastern Europe and an ecosystem of over 15,000 merchants offering mobile payments to their customers. PayMate has tie-ups with over 28 banks including SBI, ICICI Bank, IDBI Bank, Standard Chartered Bank, Corporation Bank, Royal Bank of Scotland to name a few, and has also tied up with Galileo to offer its 6,000+ agents a remote payment collection solution via mobile. In the US PayMate has partnered with leading transaction service provider-TSYS to offer merchant mobile POS solutions and is steadily foraying into mobile money transfer as part of its inclusive banking roll-outs.

To know more visit www.paymate.in

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About IFMR Rural Finance and KGFS

High quality delivery of financial services requires delivering them in a convenient, flexible, reliable and continuous manner. IFMR Rural Finance therefore has been set up by IFMR Trust with a mandate to design a model that can withstand scrutiny on the aforementioned essential parameters and thus pave the way towards complete financial inclusion in rural remote India. To achieve this IFMR Rural Finance is building and supporting local, geographically focused community financial services institutions called Kshetriya Gramin Financial Services (KGFS).

Kshetriya Gramin Financial Services (KGFS) is a new and unparalleled class of entities in the Indian financial system. It is a high-quality local financial institution (LFI) that understands and meets the needs and demands of rural customers in its chosen geography. Unlike other LFIs, KGFS entities enjoy critical backends in core functions like technology, risk management and product development. This enables scaling up of the KGFS model in a sustainable manner.

Each KGFS serves about 3.5 million rural population. Sahastradhara KGFS operates in the hills of Garhwal in Uttarakhand. Dhanei KGFS serves in the remote villages of Ganjam district in Odhisa.

To know more visit <http://www.ifmr.co.in/our-companies/>