

Aadhaar-linked Payments Double to 13.7 m in March

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Bengaluru: Transactions through the Aadhaar-enabled payment system (AePS) more than doubled to 13.7 million in March from 6 million in April last year, according to data released by the National Payments Corporation of India (NPCI).

AePS, which allows customers to carry out transactions through a micro ATM without any debit card, is mostly meant for those who are not comfortable with smartphones or debit cards. AePS transactions done through a biometric-enabled point of sales (PoS) terminal could be for cash withdrawal or for direct merchant payment. Banks such as Yes Bank, RBL Bank and IDFC Bank are leading the AePS volumes, along with the traditionally larger players such as ICICI Bank. Several banks are also using AePS in partnership with private companies that onboard and provide service to merchants.

"We have over 40,000 retail outlets which have

HOW IT WORKS



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been accepting payments through AePS over the last three months, and we clocked transactions of around ₹690 crore between January and March this year," said Ritesh Pai, chief digital officer at Yes Bank.

Payments

startup Nearby Technologies is working closely with Yes Bank as well as RBL Bank to onboard merchants for AePS transactions. The company has deployed around 1.25 lakh terminals, most of which are showing high levels of activity. It has seen doubling of transactions on its platform on a monthly basis.

"In February, we were doing around 30,000 transactions, which shot up to 55,000 in March, and now we are clocking around 1 lakh transactions in April," said Anand Bajaj, founder of Nearby Technologies.

Bajaj said the transactions ranged between ₹700 and ₹5,000, with an average of ₹2,000. This suggests that most transactions could have been for cash withdrawals.

Payments bank Fino Payments Bank is pushing micro ATM transactions through its partnership with Bharat Petroleum Corporation. According to NPCI data, the value of AePS transactions soared to ₹26,826 crore in 2017-18 from ₹2,282 crore in the previous financial year.