

Smart Cards: FINO Paytech Money Transfer

A handful of new experiments in low-cost remittance services have been launched by providers outside the banking sector such as the FINO Paytech Money Transfer system¹⁷ started by FINO Paytech (Financial Information Network and Operations Ltd.), as an alternative channel for banking services and a branchless banking model. Started in June 2009, it provides safe, prompt, low cost and reliable remittance services to its customers across India using technology and an extensive service delivery channel.



Many migrant workers are illiterate and face difficulties in undertaking financial transactions involving writing and filling in forms. FINO Paytech Money Transfer issues smart cards to migrants containing their personal details, including fingerprints and a photograph. The smart card has a 16 digit URL to which all financial transactions are mapped, thereby enabling the card to act like a mini ATM. This smart card enables migrants to access a no-frills savings account authenticated by biometric fingerprints.

Migrant workers can remit money at FINO Paytech's transaction points at any time convenient for them throughout the day. A complete record of the transactions for every customer is maintained in a secure electronic form.

Initially the programme focused on migrants, largely from Uttar Pradesh and Bihar, who lived in the slums of Mumbai (Dharavi, Ghatkopar, and Shivajinagar). Since then FINO Paytech has expanded in terms of both outreach and scale to about 15 key remitter locations, with over 750 merchant points spread over six states, namely Maharashtra, Gujarat, Punjab, Delhi, Haryana and West Bengal. FINO Paytech Money Transfer enables remitters to send money to any part of the country through its large network (31,000 transaction points, 26 States, 424 districts, 50,000 rural and urban areas), which saves time, effort and cost for both the remitter and the beneficiary.

Source: FINO Paytech (www.finopaytech.com)

Social Inclusion of Internal Migrants in India, UNESCO, 2013