

Paytm to help 1,000 startups improve its payments system

GLOBAL TREND It is common for large firms such as Google, IBM, and Microsoft to assist firms financially in complementary areas

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NEWDELHI: It is common practice in Silicon Valley for large technology companies such as Google, IBM, Facebook and Microsoft to provide startups with technology and financial help to build businesses in complementary areas.

The concept is now being imported into India by Paytm, the country's biggest payments services provider.

Startup Hub, launched by Paytm on Monday, will provide 1,000 startups access to the Paytm Wallet and payment gateway for free over the coming year to develop solutions that are in line with Paytm's mission of moving towards a cashless economy.

It will not charge them transaction fee (of course for a limited period) and annual maintenance charges, and also provide them the technology to build applications and softwares required for the digital payment business.

"We are already doing a lot inside Paytm - going after tolls, offline merchants and buses, but we can't do all innovations within the company. We want these developers to build things to solve the cashless problem," said Lomesh Dutta, vice-president (business) at Paytm.

Paytm might acquire some of these startups, while some shortlisted ones will be pro-



• Paytm CEO Vijay Shekhar Sharma. The firm will give the startups access to Paytm wallet for free.

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moted on its app. One of the startups Paytm is fostering is building a furniture rental business using Paytm's payments solution. Another one is doing a pilot on crowdsourcing challoans. (Anyone on the road can record a video of a traffic rule violation and send it to the authorities, and get a part of the challan). "These are innovations that are beyond what we do at Paytm," said Dutta.

In a recent event - Hackathon - Paytm selected a startup, which was solving the ticketing problem in DTC buses by providing a complete digital solution.

Google and IBM provide similar help to startups who build technologies in the space of artificial intelligence, machine

learning and big data.

Paytm has already chosen 100 such startups. It will waive commissions on transactions of up to ₹10 lakh and six months of subscription fees.

It has also stitched partnerships with 50 other institutions such as Microsoft Accelerator, NASSCOM, Tiabs, 91Springboard, Zone Startups, Innov8 and Jarvis Accelerators to identify the startups, validate the ideas and take them ahead.

"Innovation often faces hurdles at an early stage due to the lack of quality technical and support systems... Our aim is to make India a powerhouse of innovation, and we at Paytm are enablers in this journey," said Vijay Shekhar Sharma, founder and CEO of Paytm.