

09:57 AM 01 DEC MARKET STATS ▾	SENSEX 26,684 ▲ 31.63	NIFTY 50 8,217 ▼ -7.15	GOLD (MCX) (Rs/10g.) 28,415 ▼ -347.0	USD/INR 68.41 ▲ 0.02	CREATE PORTFOLIO	Download ET MARKETS APP	CHOOSE LANGUAGE ENG
--------------------------------------------	---------------------------------	----------------------------------	------------------------------------------------	--------------------------------	-------------------------	--------------------------------	------------------------

Banks queue up to procure point-of-sale machines

By [Pratik Bhakta](#), ET Bureau | Updated: Dec 01, 2016, 12:48 AM IST

[Post a Comment](#)

MUMBAI: The government's push for a less cash economy has made all banks rush to procure point-of-sale (PoS) machines to supply these card swiping terminals to merchants.

Public and private sector lenders, including [State Bank of India](#), [Union Bank of India](#), [United Bank of India](#), [Canara Bank](#), [Axis Bank](#) and RBL Bank, have all approached PoS procuring and manufacturing companies such as Ingenico and Verifone, along with payments service providers like Atom Technologies for new payment terminals.

"We have placed an order for more than 40,000 terminals and will be increasing that number subsequently as we have seen a huge jump in the number of enquiries from merchant establishments," said Sangram Singh, head of cards and merchant acquiring business at Axis Bank.

"We are asking for both mobile terminals and QR code-based terminals," he said. Depending on the model, payment terminals usually cost Rs 6,000-10,000. That price is often borne by the banks themselves in the case of big merchant establishments that generate significant volume of business such as major retail outlets, because it helps route payments through their platforms.

"We are planning to install 25,000 terminals in the next few months as it will not only help in improving our current and savings account balance, but also increase customer convenience," said Rakesh Sharma, managing director at Canara Bank, which currently has only 4,900 PoS terminals.

This sudden rush has opened a huge opportunity for companies in the business of procuring and installing terminals for banks. Since many banks do not intend to own the terminals they outsource it to companies such as Atom Technologies that source PoS machines from manufacturers.

"We have received a mandate to install 10,000 terminals from United Bank of India and 20,000 from RBL Bank. We already have around 27,000 terminals deployed for Union Bank of India, which I am sure will also be ramped up," said Dewang Neralla, managing director at Atom Technologies.

There are currently 1.5 million PoS terminals installed in the country. Bankers said one million terminals are likely to be installed in the next six months with the government tracking their installation on a regular basis.

Most major retail outlets and shopping malls in big cities and towns are already equipped with PoS terminals. The increased demand is mostly from smaller towns, or smaller merchants and kirana stores.

"We need to ensure there is adequate usage of these terminals at these retail outlets, and the hike that we are seeing in digital transactions is a long-term phenomenon. Only then will this be a sustainable movement," said Singh of Axis Bank.

Stay on top of business news with The Economic Times App. [Download it Now!](#)

RELATED COMPANIES EXPAND

[United Ban...](#)

[Union Ban...](#)

[State Bank...](#)

EXPAND TO VIEW ALL

Live Market	News	Portfolio	Mobile	Live TV	Newsletter	Commodities	Speed	QnA	Blogs	Alerts	RSS
<p>Other Times Group news sites</p> <p>Times of India इकनॉमिक टाइम्स मुंबई मिरर Mumbai Mirror Times Now Indiatimes नवभारत टाइम्स महाराष्ट्र टाइम्स ವಿಜಯ ಕರ್ನಾಟಕ Lifehacker Gizmodo Eismay IGN India NavGujarat Samay</p>	<p>Living and entertainment</p> <p>Timescity iDiva Zoom Luxpresso Gaana Happytrips Cricbuzz Get Smartapp</p> <p>Networking</p> <p>itimes MensXP.com</p>	<p>Hot on the Web</p> <p>Budget 2017 Sensex, Nifty Live Blog Gold Rate US Presidential Elections Live Updates Festival Guide 2016 Google expected to unveil Pixel smartphones Live: India's surgical strikes on PoK</p>	<p>Services</p> <p>ads2book Gadgetsnow Free Business Listings Simplymarry Astrospeak Timesjobs Magicbricks Zigwheels Timesdeal dineout Filmipop Remit2India Gaana Greetzap Techradar Alivear Google Play</p>								