

Press Release

Axis Bank to enable 50,000 Merchant terminals for NFC based card acceptance

- The Bank is one of the leading banks in the country in both merchant acquiring as well as card issuance.
- Plans to enable all its POS terminals with NFC based card acceptance, with an immediate roll out at 20,000 terminals, scaling it up to 50,000 terminals by end of the year.
- Aims to leverage Reserve Bank of India's guidelines that allow banks to process contactless transactions below Rs. 2,000 without PIN (additional factor of authentication) at point of sale terminals (POS).

Mumbai, May 15 2015: Axis Bank, India's third largest private sector bank today announced that it will enable 50,000 point of sale terminals at merchants for NFC based card payment acceptance. This will facilitate significant usage of contactless NFC based cards issued by all banks. The Bank also announced the start of issuance of NFC based EMV Chip cards on both credit and debit cards.

Mr. Jairam Sridharan, President - Retail Lending and Payments, Axis Bank, reacting to the Reserve Bank of India's move on relaxing two factor norms for NFC based payments below Rs 2000 said "RBI has made a very progressive move by modifying the two factor authentication norms for NFC based payments. NFC based tap-and-go payments have the potential to revolutionize small ticket transactions in the country and can help payment digitization. Axis Bank is committed to catalyzing this new ecosystem on both sides - by enabling a large number of merchant terminals for NFC, as well as starting to issue NFC cards."

Over 60% of transactions on Credit and Debit cards today are below the threshold of Rs 2,000 and this is likely to increase with the new guidelines. The bank, which is also one of the top 5 issuers of credit and debit cards in the country will rollout NFC enabled Credit and Debit cards immediately and help build NFC based card acceptance in the country.

Globally, NFC based payments are popular in categories like Quick service restaurants, Department stores, Campus payments, Cab charges etc. Tap-and-go payments reduce queues at these merchants due to faster check outs. Increase in acceptance of NFC based payments is also expected to reduce cash withdrawals at ATMs.

All NFC based cards will be issued on EMV platform and appropriate risk/fraud mitigation rules will be put in place to ensure security of transaction and hassle free customer experience. Customers will continue to have the option of using their card as a normal chip based card and to transact in a 'contact' mode even on the contactless enabled terminals.