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Self-service terminals make mark in banks

OUR SPECIAL CORRESPONDENT

Mumbai, Jan. 18: Bank customers are gradually getting familiar with intelligent machines at branches that perform the same role as the traditional teller but at considerably lower costs to the bank.

Self-service terminals such as bulk note acceptors and cash recyclers may have got off to a slow start but are now growing in popularity as the preferred modes of transaction.

Bulk note acceptors are automated teller machines (ATMs) where individuals can deposit cash in their accounts.

In cash recyclers, both deposits and withdrawals can be made. However, the bulk note acceptors can also be made capable of recycling.

At present, there are around 35,000 ATMs (cash dispensers), which also accept deposits. However, the account holder has to deposit them in an envelope and the amount gets credited to the account only after a couple of days.

In the case of bulk note acceptors, customers are first asked to verify the amount they want to deposit after which it is credited online into the account immediately. One can use these machines 24x7, like normal ATMs. So, an individual does not have to wait for the branch to open to deposit the money.

Industry experts said the installation of these terminals had picked up pace in recent times. From 2,500-3,000 units

TECH COMFORT

- **Bulk note acceptors**
Terminals, where individuals can deposit cash in their accounts
- Customers have to verify amount they want to deposit. Amount is credited online into the account immediately
- **Cash recyclers**
Both deposits and withdrawals can be made
- **Cost of transaction**
Can be brought down to half with use of these self-service terminals



across various banks in 2014, they are set to jump to over 10,000 by June this year.

Interestingly, PSU banks are showing more interest in these units, which experts say, will save costs. While banks have to incur Rs 40-60 per transaction in a branch, this can be brought down to half if a self-service terminal is used.

Manjunath Rao, senior vice-president and head of sales at CMS Info Systems Pvt Ltd, told **The Telegraph** that the growing acceptability among banks had led to a sharp pick-up in the installation of these terminals. Customers are also more at ease now with these terminals as is evident from the rise in the number of transactions.

CMS had entered the ATM business in 2012 and is now the market leader in installation. It is in the process of deploying around 8,000 cash recyclers for the State Bank of India. It has an order for 200 units from the Indian Bank

and 100 units for the Union Bank.

The company is also engaged in talks with private banks to install these units.

"We are pleasantly surprised by the fast acceptance in India. While it is estimated that around 35,000 such machines will be installed over the next five years, CMS will continue to occupy the leadership position. We expect a market share of at least 40 per cent," he said.

CMS Info Systems was formed in 2009 following an investment by Blackstone Group to acquire a majority stake in certain key businesses of CMS Computers founded by the late Ramesh Grover family in 1976.

In 2011, the company acquired Securitrans India Pvt Ltd, the second-largest cash management company in India, consolidating its position as the leading cash management service provider in the country.