**Paytm Drops PoS feature on its App Due to Security Concerns**

Online payment company of India Paytm removed a Point of Sale feature from its mobile app a day after introducing it last Thursday. The PoS feature was withdrawn when a number of banks raised concerns about possible threat to mobile app security due to its feature with Reserve Bank of India (RBI). According to two people in the app development, the company will address the security concerns and then relaunch the PoS feature after ensuring that there are no security vulnerabilities left.

The PoS feature introduced by Paytm could change a user’s smartphone into a point of sale device, thereby allowing them to accept payments via debit and/or credit cards. This feature targeted people in possession of debit cards, but no access to smartphones.

In a blog post on Thursday, Paytm said, “Post our launch, we have had several discussions with stakeholders on how we can make this process even more secure. Based on some suggestions from the industry, we have decided to add additional certifications and features before making it available to merchants. We will re-launch this product as soon as we have updated the product,”

When introducing the feature, Paytm announced that it would allow small merchants to accept payments from consumers by letting them feed their card details on Paytm application in merchant’s phone. Just like a normal Point of Sale machine, this feature also came with a three-step authentication.

Shortly after the feature was suspended, people started to show their concerns regarding the mobile app security and raised questions regarding the way it handled payments. Paytm, however, clarified that the feature was developed in compliance with Payment Card Industry – Data Security Standard (PCI-DSS) and would not store consumer card details on the app. Paytm also clarified that the transactions would take place on bank’s website.