



Bharat Bill Payment System (BBPS) – Proposal

Application programming interface (API) FOR
XYZ PVT LTD



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- **Introduction**



Bharat Bill Payment System (BBPS) is an integrated bill payment system in India offering interoperable and accessible bill payment service to customers through a network of agents of registered member as Agent Institutions (AI), enabling multiple payment modes, and providing instant confirmation of payment.

National Payments Corporation of India (NPCI) functions as the authorized Bharat Bill Payment Central Unit (BBPCU), which will be responsible for setting business standards, rules and procedures for technical and business requirements for all the participants. NPCI, as the BBPCU, will also undertake clearing and settlement activities related to transactions routed through BBPS. Existing bill aggregators and banks are envisaged to work as Operating Units to provide an interoperable bill payment system irrespective of which unit has on-boarded a particular biller. Payments may be made through the BBPS using cash, transfer cheques, and electronic modes.

- **Objective of BBPS**

The objective of the BBPS is to implement an integrated bill payment system in the country that offers interoperable and accessible bill payment services to customers through a network of agents, enabling multiple payment modes, and providing instant confirmation of receipt of payment.

- **Key advantages & Features**

The biggest advantage is that the bill can be paid anywhere and anytime. There would be retail points for bill payments across the country who would be able to accept all kinds of bills payments made through Internet banking. The BBPS payments would be made securely through the NPCI network with instant receipts getting generated.

- Zero Setup Fees
- Revenue on each bill payment
- Anytime & Anywhere Bill Payment System
- Secured, Faster & Scalable platform
- Instant Payment Confirmation & Receipt
- 13 Different Payment Modes

- Beautiful & Powerful Dashboard

- **Scope of BBPS**

- To begin with, BBPS would include activities to facilitate collection of repetitive (monthly, bimonthly, quarterly etc.) payments for everyday services provided by service providers. Illustratively, these would cover utility bill payments such as electricity, water, gas, DTH, telecom services, etc.
- The scope of BBPS would be extended to include services facilitating the collections of other types of payments such as, school / university fees, municipal taxes/ payments, and other bills, mutual funds and insurance premium, various government taxes etc. as decided from time to time by the Reserve Bank of India

- Service points will be available in the form of physical infrastructure, viz., branch offices, collection center and owned/agent outlets. BBPS would also facilitate online payments. Customers may be offered options for multiple payment mechanisms for bills/collections, i.e., Cash, Debit Cards, Credit Cards, prepaid payment instruments including wallets, and other electronic payment options such as Net banking, IMPS, etc.

- **Benefits of BBPS**

The benefits expected to accrue to the customers and other stakeholders are enumerated below. The full range of benefits will become available over a period of time as the scope of BBPS is enhanced and its phase-wise implementation takes place.

- **Customer Benefits**

- BBPS will offer the facility of “Anytime Anywhere” payment of bills, participating on BBPS network, to customers through a network of agents.
- It is expected to provide an accessible bill payment system to the large segments of unbanked and under-banked population.
- BBPS will provide interoperability so that consumers can pay the bills of any biller at a single point and facilitate payments via multiple modes i.e. Cash, Debit Cards, Credit Cards, Prepaid payment instruments including wallets and other electronic payment options such as Net banking, IMPS, NEFT, etc.
- The bill payment service points are expected to become ubiquitous, available to consumers near their place of work or residence.
- The BBPS outlets could include bank branches, business correspondents, Customer Service Points, retail agents of aggregators, ATMs (Automated Teller Machine), Kiosks, etc. Any customer will be able to pay bills of the billers enrolled in the BBPS system at any BBPS outlet.
- Furnishes instant confirmation of payment made via a payment receipt/confirmation message. The receipt could be in the form of SMS/ email/ print out as desired by the customer

- The BBPS brand will assure trust and confidence amongst consumers for the certainty, reliability and safety of the transaction.
- **Participants Benefit**
 - Will set up bill payment standards for the entire system and its participants in India.
 - Will be an efficient and convenient medium for customers and other stakeholders.
 - A number of value-added services relating to bills payments can be offered to consumers by the BBPOUs in course of time, subject to strict compliance with data privacy and security issues and standards. Will significantly reduce the systemic risks in collection and settlements.
 - Has the potential to reduce the expenditure that billers incur on collection of bills at their own collection centers.
 - Will lead to faster migration from assisted mode to self-service mode of payment and from cash payments to e-payment of bills.
 - Potential to facilitate e-presentation of bills and quick e-payment of bills.
 - Entry barriers for the small billers and billers with restricted geographic presence will be significantly reduced.
 - Greater competition among the participants in the system which will benefit the consumers.
 - BBPS system will have active fraud monitoring and risk mitigation system in place
 - An effective, efficient and centralized mechanism for handling customer complaints and grievances with committed SLAs for resolution.

- **Payment Channels & Modes**

Bharat Bill Payment System has 9 different channels and 13 different payment modes through customer can pay their bills on this platform.

• Commercials

Onetime Setup
Charges: NILL
Annual
Maintenance
Charges: NILL

Number of transactions (Monthly)	Category
1-5000	C1
5001-10000	C2
> 10000	C3

Category	C1 Commission	C2 Commission	C3 Commission	CCF
1. Electricity	1.00	1.25	1.57	Maximum of ₹25
2. Gas-Pipe Line	1.00	1.25	1.57	Maximum of ₹25
3. LPG Gas	1.00	1.25	1.57	NILL
4. Water	1.00	1.25	1.57	Maximum of ₹25
• Municipal Taxes & • Services	T.V. <= 5000: 1.00 T.V.> 5000: 2.25	T.V. <= 5000: 1.25 T.V.> 5000: 2.78	T.V. <= 5000: 1.57 T.V.> 5000: 3.75	Maximum of ₹25
7. Mobile Postpaid/Landline Postpaid/Broadband Postpaid	2.25	2.78	3.75	Maximum of ₹25
8. FASTag Recharge	0.22%	0.27%	0.35%	Maximum of ₹25
9. Loan Repayments	2.25 or 0.13% whichever is higher	2.78 or 0.16% whichever is higher	3.75 or 0.21% whichever is higher	Maximum of ₹25
10. Recurring Deposits	2.25	2.78	3.75	Maximum of ₹25
11. Credit Card	2.25	2.78	3.75	NILL
12. Mutual Fund	2.25	2.78	3.75	Maximum of ₹25
13. Insurance	T.V. <= 5000: 2.25 T.V.> 5000: 4.50	T.V. <= 5000: 2.78 T.V.> 5000: 5.56	T.V. <= 5000: 3.75 T.V.> 5000: 7.50	Maximum of ₹25
14. Cable	2.25	2.78	3.75	Maximum of ₹25
15. Housing Society	T.V. <=10,000: 2.25 T.V >10,000 to 49,999: 4.50 T.V. >=50000: 9	T.V. <=10,000: 2.78 T.V >10,000 to 49,999: 5.56 T.V. >=50000: 11.12	T.V. <=10,000: 3.75 T.V >10,000 to 49,999: 7.50 T.V. >=50000: 15	Maximum of ₹25
16. Educational Fees (School/College/Pvt.	T.V. <=10,000: 2.25	T.V. <=10,000: 2.78	T.V. <=10,000: 3.75	Maximum of ₹25

Institutions etc.)	T.V >10,000 to 49,999: 4.50 T.V. >=50000: 9	T.V >10,000 to 49,999: 5.56 T.V. >=50000: 11.12	T.V >10,000 to 49,999: 7.50 T.V. >=50000: 15	
17. Hospital	T.V. <=10,000: 2.25 T.V >10,000 to 49,999: 4.50 T.V. >=50000: 9	T.V. <=10,000: 2.78 T.V >10,000 to 49,999: 5.56 T.V. >=50000: 11.12	T.V. <=10,000: 3.75 T.V >10,000 to 49,999: 7.50 T.V. >=50000: 15	Maximum of ₹25
18. Clubs & Associations	T.V. <=10,000: 2.25 T.V >10,000 to 49,999: 4.50 T.V. >=50000: 9	T.V. <=10,000: 2.78 T.V >10,000 to 49,999: 5.56 T.V. >=50000: 11.12	T.V. <=10,000: 3.75 T.V >10,000 to 49,999: 7.50 T.V. >=50000: 15	Maximum of ₹25
19. Metro Recharge	0.22%	0.27%	0.35%	
20. Subscription Fees- Digital, OTT, Offline and other billers of similar nature	0.45%	0.55%	0.70%	

Note:

	All charges are exclusive of taxes
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T.V.	Transaction Value
*	Subject to actual cost of the payment method
**	CCF-The Customer BBPOU may charge the customer convenience fee to the Customer not more than the amount mentioned under customer convenience fee column; however, they are free to charge lower amount or not charge at all
*	Pricing for Metro Recharge will be Bank Biller BBPOU specific and Interchange pertains to Kochi Metro

- **On boarding Procedure**

When the partner expresses interest in partnering with Formax and is willing to comply with the operational, technical and commercial standards specified here, we shall share the onboarding procedure and API docs.

- **Way Forward**

Partner interested in partnering with Formax need to submit the following details:

- Company profile
- Volume of transactions (utility category) being processed in a month
- Value of transactions (utility category) being processed in a month
- Number of outlets and their distribution
- Onboarding Pre-requisites
- Partner has to maintain a pre-funded account with balance equal to 3 times of the average daily volume. This will be a pool account which will be debited when the transaction happens.