

BENEFITS OF BBPS TO BILLERS

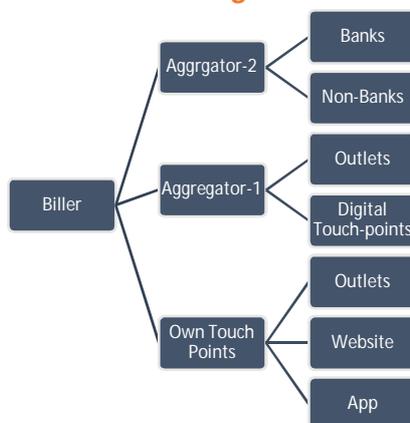
Bharat Bill Payment System (BBPS) will enable the billers to make their collection through authorised entities and can eliminate their own physical collection points that entail a huge set up and maintenance cost. Bharat Bill Payment System commercial is designed around flat fee pricing and that is significantly cheaper than ad valorem pricing charged through traditional methods, including payment gateway transactions.

BBPS onboarding of billers enables easy accessibility for bill payment by customers through multiple partner Banks/ Non-Banks agents. Billers are only required to enter a single agreement for BBPS with any one of the operators (Bharat Bill Payment Operating Units (BBPOUs)), and Billers will be accessible through the entire BBPS platform with all partner Banks/ Non-Banks agents of BBPS platform.

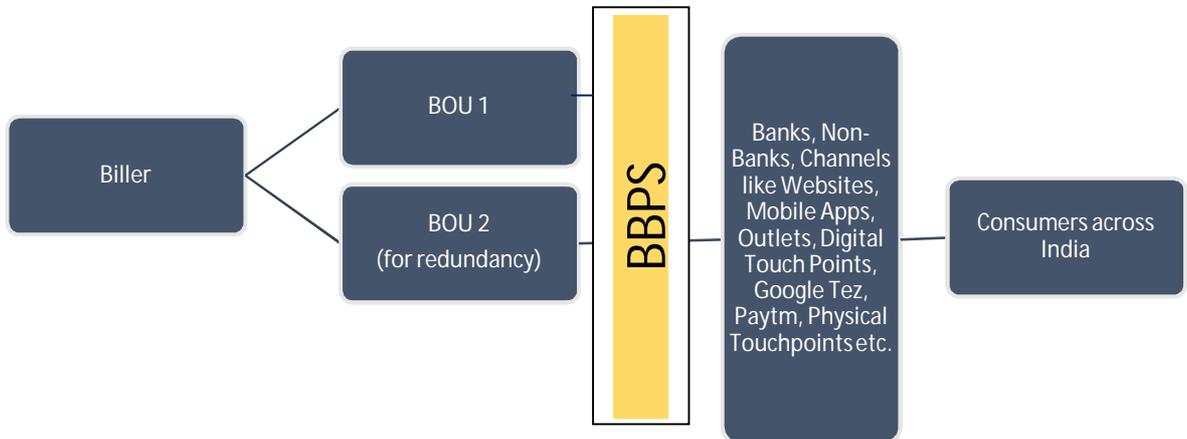
Further as Billers has the choice of multiple operators (Bharat Bill Payment Operating Units (BBPOUs)) available for onboarding on BBPS, there is substantial scope for negotiation with BBPOUs, for reduced transaction charges.

For bill payments the transaction charges from Biller Operating Unit to Customer Operating Unit are adequately capped (Rs. 2.25 (Both Digital and Physical mode) for Electricity & Gas, Rs. 2.5 (Digital)/ Rs. 5 (Physical) for Water & Telecom). This will act as a reference for negotiation with BBPOUs for determining transaction charges for BBPS.

Before BBPS-High Cost



After BBPS-Wider access and low cost



Charges to	Before BBPS Biller	After Joining BBPS
Consumer	Digital- 0-5* Physical-5-15	Digital-0 Physical 0-1000 INR 5 1001-2000 INR 15 >=2001 INR 25 Maximum cap, depending on the BBPOU
Biller	Digital- 0-5* Physical-0-15*	Depending on the arrangement with BBPOU**
Biller Aggregator/OU	Digital- 0-5* Physical-5-10*	Electricity-2.25 Telecom, Water-2.5 (Digital), 5 (Physical)
Customer Operating Unit	NIL	NIL

*Based on feedback from the market. No definite data available

****Any Commercial to NPCI/Bharat Bill Payment System:** The Utility companies/Billers don't have to pay any cost to NPCI/BBPCU (Bharat Bill Payment Central Unit) for On-boarding on Bharat bill payment System Platform

Commercials: The Biller since is on-boarded by an authorized BBPOU (Biller BBPOU), hence the commercial arrangement of the Biller with the BBPOU doesn't come under BBPCU's purview. However the BBPOU who has on-boarded the Biller (Biller BBPOU) has to pay an Interchange to the BBPOU servicing the Customer (Customer BBPOU) which is ₹2.25 for Discoms and Rs. 2.5 (Digital)/ Rs. 5 (Physical) for Water & Telecom.

Example

If Biller **BSES Rajdhani** has entered into an agreement with **Billdesk** for BBPS onboarding. Then **Billdesk** is Biller Operating Unit (BOU).

Now if a customer is paying on **SBI BBPS portal** (<https://bbps.onlinesbi.com/>), then **SBI** is Customer operating Unit (COU).

If customer pays a **BSES Rajdhani** bill through **SBI BBPS portal**, then **Billdesk (BOU)** needs to pay **SBI (COU)**, a transaction charge of Rs. 2.25.

Billdesk may take Rs. 2.25 transaction charge along with margin from the **BSES Rajdhani**. However, this transaction charge of Rs. 2.25 will act as a reference for the **BSES Rajdhani** to negotiate with **Billdesk** or any other BBPOU for getting a better price.

Benefits of Bharat QR code

Bharat QR code provides a very low cost payment acceptance mechanism for payment acceptance by the Billers, and does not require any upfront investment as required in the case of traditional PoS devices. Static Bharat QR code can be displayed at counters for payment receipts and Dynamic Bharat QR code can be printed on bills with bill amount embedded in it.

Approximate cost of printing of dynamic Bharat QR code on electricity/water bills: This is at the discretion of the billers printer and acquiring Bank. For example: BSES Rajdhani has arrangement with Axis Bank as the acquiring bank for issuing of Bharat QR code. BSES Rajdhani has arrangement with bill printer vendor to print dynamic Bharat QR code as per the specifications provided by Axis Bank.